

INNER WEST

Employment and Retail Lands Study Draft report



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CONSULTING

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Report Details

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Executive summary



This report presents an evidence base for the Inner West Employment and Retail Lands Strategy. It aims to provide a comprehensive review of the current state of play in the retail centres and employment precincts in the Inner West LGA. It considers the factors that are likely to influence employment related activity in the LGA in the foreseeable future and provides projections of jobs and floorspace demand for precincts and centres.

The Inner West LGA – A strategic and important location

The Inner West LGA is strategically positioned between Sydney CBD and key regional service areas including Sydney Airport and Port Botany. The close proximity of the LGA to this key trade gateway has influenced and shaped the south - eastern area of the LGA for employment and service industry land uses.

The LGA's employment precincts and retail centres have grown as industry and retailing has evolved, and as a consequence, each precinct and centre has developed a unique character and built form which has become integral to local identity. Decisions about the future of the employment lands and retail centres have implications for the Inner West community as well as the business and industry that operate in the LGA.

A number of major infrastructure projects are in progress or are planned for the future that will impact on the Inner West LGA. The LGA will be subject to significant changes arising from projects such as, WestConnex, a motorway linking Sydney CBD, Port Botany and Sydney Airport. The associated M4 – M5 Link, Rozelle Interchange and Iron Cove Link will connect the existing road network and proposed Western Harbour Tunnel via underground tunnels. Stage 3 of the project comprises the M4 – M5 Link from Haberfield to St Peters and will consist of twin mainline tunnels between the M4 East at Haberfield and the new M5 at St Peters, which passing under Haberfield, Leichhardt, Camperdown, Newtown and St Peters. There a number of key State Government led renewal projects either already underway or planned to occur through parts of the Inner West LGA including the Parramatta Road Corridor Urban Transformation Strategy, the Sydenham to Bankstown Urban Renewal Area, Camperdown – Ultimo Collaboration Area and the Bays Precinct. Over time, these projects will have significant impacts on business activity in the LGA

The working population

In 2016, the LGA had a population of 183,043 people. Population projections suggest that by 2036 an additional 50,000 people will be living in the LGA – and average of an additional 2,500 people per annum over the 2016 population.

In 2016, there were around 99,573 people living in the LGA who were employed. The population in the working years, aged 15-64 years, is above average at with 72.5 per cent of the population in this age category compared to 67.4 per cent in Greater Sydney. Overall, the LGA has a relatively young workforce and workforce participation in the LGA was highest for those aged 25-34 years (23.1 per cent), with that age bracket having grown the fastest in terms of people between 2011 and 2016 (2,197 persons).

Economic strengths

In June 2018, the Gross Regional Product (GRP) for Inner West LGA was \$10.41 billion, representing a 23 per cent increase from that generated in June 2008 (\$8.48 billion).

The largest employing industry is health care and social assistance (14.3 per cent), followed by retail trade (11 per cent) and construction (10.4 per cent). In 2017/18, the largest industries, by industry value added were professional, scientific and technical services (\$771.4 million), health care and social assistance (\$759.8 million) and manufacturing (\$651.9 million). The LGA has a high and growing number of small businesses. Changes in business numbers suggest a repositioning of the LGA in favour of professional types of businesses and services.

Stakeholder views

Targeted stakeholder engagement has occurred prior to public exhibition of the strategy. Local business people demonstrated a strong commitment to the Inner West noting the local character, the availability of suitable space, proximity to home and relationships with other businesses in the LGA as reasons for choosing their location. There is strong concern in the community at the continuing pressure to rezone employment land to allow residential developments. Some fear that a continuation of the loss of employment land will have serious impacts on the livelihood and character of the LGA. The declining availability of suitable spaces for creative industries was a key concern. There are common concerns that parking constraints in local centres is impacting on businesses.

Protecting employment land for the future

The Inner West LGA has over 3,000,000 sqm of land in employment precincts. Employment precincts comprise land zoned IN1 General Industry, IN2 Light Industry, B5 Business Development, B6 Enterprise Corridor, B7 Business Park and the Canal Road precinct currently zoned as Infrastructure. Industrial and urban service land, in particular, plays an important role for providing goods and services to meet the local communities' needs.

Combined, the LGA's employment precincts currently accommodates around a 1.8 million square metres of employment floorspace. Projections indicate that this could increase to between 2.1 million sqm and 2.5 million sqm. This would be an addition of between 300,000sqm and 700,000sqm of floorspace. Associated jobs growth includes increases by between 23,000 job (35 per cent)s and 27 ,000 (41 per cent) jobs to 2036.

While there is capacity to accommodate demand overall across the LGA, there will be a clear deficit of supply in some employment precincts. In particular, there will be an undersupply of land zoned for industrial purposes.

It is critical that future development proposals must respect the importance of the LGA's industrial and urban service land. No further rezoning of land zoned IN1 General Industrial or IN2 Light Industrial should be supported. Land used for urban services in the B6 Enterprise Corridor and B5 Business Development zones

should also be protected from encroachment of residential, serviced apartment and tourist and accommodation uses.

Further, uses in industrial zones and particularly in the IN1 General Industrial zone, such as retail, office and business premises should be restricted in order to maximise the potential of the limited supply of land suited for industrial activities.

Urban services

‘Urban Services’ refer to a range of industries that typically operate in employment precincts and provide services that are important to the day to day functioning of the City. Urban services include:

- Rental and Hiring Services (except Real Estate)
- Building Cleaning
- Pest Control and Other Support Services
- Motor Vehicle and Motor Vehicle Parts Retailing Repair and Maintenance
- Printing (including the Reproduction of Recorded Media)
- Electricity Supply, Gas Supply and Water Supply
- Sewerage and Drainage Services
- Waste Collection, Treatment and Disposal Services Basic
- Material Wholesaling, Road Transport, Postal and Courier Pick-up and Delivery Services
- Transport Support Services
- Warehousing and Storage Services Building Construction
- Heavy and Civil Engineering Construction¹.

The nature of urban services requires that these operations should be located in industrial, B5 Business Development or B7 Business Park zones to minimise land use conflict. Urban services also need to be located close to the populations they service, which benefits businesses and residents.

Increasing pressure to rezone urban serviced land must be carefully managed. Recognising the value of urban services and protecting the land they use from rezoning will support the continued operation of urban services close to Inner West’s residents and businesses, minimising the need for travel across the metropolitan area and ensuring a range of complementary services are available throughout the LGA.

Creative industries

The research found several significant issues associated with creative industries and how they operate in areas zoned IN1 General Industry and IN2 Light Industry. While data on the creative industries is limited, this group is known to be a significant economic force in the LGA. Originally attracted to the area for the suitability of space at relatively cheap rents, the sector has grown and important synergies between business entities have emerged making the Inner West a primary location for creative industries. The economies of scale realised by sharing equipment and ancillary spaces, such as meeting rooms and kitchenettes also benefits the industry.

The encroachment of residential and other higher order uses in industrial land is having a direct effect on the supply of land and space available for creative industries. Short term leases and building stock compliance issues are also issues affecting the creative industry.

¹ SGS Economics (2017) *Sydney’s Urban Services Land – Establishing a baseline provision* at https://gsc-public-1.s3.amazonaws.com/s3fs-public/sydneys_urban_services_land_-_establishing_a_baseline_provision_-_sgs_-_july_2017.pdf cited 6 September 2019

Recent development, most commonly, is not delivering the types of spaces needed by the creative industries or the rents are prohibitive. Allowing creative industries to locate in areas outside the industrial zones, subject to environmental considerations, would increase the accommodation options open to the industry, potentially preventing the industry from being 'pushed out' of the LGA as employment precincts gentrify.

A new medical and biotech hub

The establishment of a medical and biotech hub at Camperdown is supported by the Greater Sydney Commission. Over time the hub could develop into a world leading location for medical researchers, supported by the co-location with existing health and education facilities. Allowing collaborative work places that are appropriately serviced by infrastructure, digital connections and specialised platforms will encourage opportunities to bring together research, education and health care. The proposal will significantly increase the diversity of jobs in the LGA and grow specialist medical employment.

New enterprises

Facilitating change and evolution of employment precincts will support the establishment of new enterprises. Inner West LGA is strategically located adjoining the Harbour CBD and Sydney Airport Trade Gateway. This provides an opportunity associated with the transport, freight and logistics industry. It also creates opportunity to support the growth of entrepreneurialism and the small business sector seeking more affordable office space near their homes or the Harbour CBD.

There is growing demand for flexible working spaces in inner ring locations that are closer to people's homes. More affordable, generally older, industrial, retail and office stock can also be attractive to start-up businesses looking for a pathway into the market. Inner West LGA is strategically positioned to provide for this niche market, particularly if coupled with business networking infrastructure that offers private quiet rooms, collaboration and event spaces and fast internet.

Accommodating growth in centres

The twenty-four business centres in the LGA occupy over 160 hectares of land and deliver a diverse range of retail, office space and personal services. Our growing population and trends in retailing, as well as demand for office space mean that an additional approximately 315,000 sqm of gross floor area will be required to service the LGA by 2036.

Establishing Ashfield as the LGA's primary business and administration centre will make good use of the existing commercial floorspace in the centre. Ashfield has established clusters of standalone office buildings and this existing supply be protected to support future demand.

Our town centres in Ashfield, Newtown, Leichhardt, Marrickville and Balmain will continue to offer unique places for the community to enjoy shopping, eating and night-time entertainment. Recognising the important role of smaller centres for convenience shopping will help to protect these centres for the long term.

Future development in centres will need to balance the need for residential dwellings while protecting existing supply as well as increasing the supply of appropriate retail and office floor space. This will need to occur whilst protecting the heritage character of these centres.

Mainstreet and town centres

The inherent functions of main streets and town centres is to provide convenience, social engagement and trade opportunities for the local catchment and business community.

Centres need to respond to both the commercial realities of the market, economic trends and shifting lifestyles, social and recreation expectations. More people are choosing flexible work options such as working from home or lifestyle choices such as living in higher density residential development that has strong access to services in a walkable catchment. Increased density within the walkable catchment, including more people living and working in these spaces helps the centre's performance.

People with a disability are a growing cohort. To improve access to employment and services the built form and public domain of our centres needs to be accessible for all.

While most centres in the Inner West have a unique and established identity, there are areas that would benefit from intervention to boost vitality and appeal.

In some centres, for example Leichhardt and Ashfield, opportunities to expand and grow the population would support a revitalisation and expansion to retail and commercial activities, contributing to more lively and active places.

Centres hierarchy

The research demonstrates a need to establish a clear hierarchy of retail centres. The retail hierarchy below has been determined having regard for the mix of existing uses in centres, the scale of the centres and outlook for future growth. All development proposals should support the recommended retail hierarchy

Recommended retail centre hierarchy

Hierarchy	Centres	Future role
Major centre	Ashfield	The city centre is the highest order centre in the Inner West LGA, comprising the largest mix of retail, commercial, administrative and community facilities. The centre will emerge into an employment and economic generator servicing an LGA wide catchment.
Town centre	Marrickville Newtown - Enmore Norton Street centre Balmain Rozelle	These town centres provide essential access to goods and services close to where people live. They are serviced by good public transport which increases their accessibility from the surrounding community. The town centres provide a mix of retail, commercial and community space with retail space anchored by a supermarket of 1,000sqm or over. They generally contain over 10,000sqm of retail, business premises and office premises.
Local centre	Annandale Croydon Dulwich Hill Dulwich Hill station Haberfield Norton Street North Petersham Summer Hill Stanmore Balmain East	Local centres provide a range of business, retail and community uses that serve the local community. The centres generally range in size from 3,000sqm to 10,000sqm of floorspace associated with retail, business premises and office premises.
Neighbourhood centre	Addison Road Lilyfield Road Orange Grove Catherine Street Lewisham Sydenham (All other existing B1 zoned)	Neighbourhood centres provide a range of small-scale retail and other services that serve the convenience needs of people that live and work in the surrounding neighbourhood. Higher order retail and commercial uses that serve the wider community are not located in neighbourhood centres. Neighbourhood centres generally comprise less than

Hierarchy	Centres	Future role
	centres not listed)	2,000sqm of overall floorspace associated with retail, business premises and office premises.
Stand Alone Shopping Centres	Marrickville Metro Leichhardt Market Place	Stand alone centres provide for the weekly or monthly shopping needs of the local community. They generally serve a broader catchment and provide a diversity of retail uses including department and grocery stores. Too much growth will impact nearby centres.

The planning framework

The current local planning framework is complex with four local environmental plans which adopt inconsistent approaches to zoning and permissibility of land uses. This study is concerned with all land zoned for retail or employment in the Inner West LGA. This report includes recommendations to guide the consolidation of the multiple LEPs into a single planning instrument.

Suggested responses

This Study contains detailed research findings, discussion of findings and fine grain conclusions and recommendations. These underpin the core analysis and recommendations in the Employment and Retail Lands Strategy. The Strategy sets out strategic directions arising from the consideration of this evidence base.

INTRODUCTION

1.0 INTRODUCTION

This report presents the findings from research into the use, demand and supply of retail and employment land in Inner West Local Government Area (LGA). It includes an assessment of the forces that are likely to influence retail and employment activity in the LGA in the future and includes projections of future demand for retail and employment land. This comprehensive evidence base has informed the development of a strategy to attract and accommodate employment growth, while maintaining the character and integrity of the Inner West's suburbs.

The strategy includes recommendations and actions to assist Council in planning and facilitating future retail and employment growth in the Inner West LGA.

1.1 Inner West LGA

The Inner West LGA is located around 5 kilometres from the Sydney CBD. It is framed by the Parramatta River and Sydney Harbour to the north, King Street Newtown and the Princes Highway to the east, Cooks River to the south and Croydon Town Centre to the west (see figure below).

Inner West LGA has a population of approximately 198,024 (ABS 2018). Overall, the LGA has a similar age profile to that of Greater Sydney, but with higher proportions of 'young workforce', parents and homebuilders. Of employed residents, 80 per cent worked outside the LGA (at 2016), mostly in the Sydney CBD.

Traditionally industrial and working class, and subject to several waves of immigration, the LGA is still ethnically diverse although the place of origin is shifting. In 2016, 34.2 per cent of all residents were born overseas. The average household income and level of tertiary education is now higher than that of Greater Sydney, with significant spatial differences across the LGA.

I want to be able to live and work here. I like walking or cycling to work.

— an Inner West business operator

Within the LGA, there are over 25 local centres providing a range of retail and personal services. These centres are important to the local economy, providing employment opportunities that build on the distinctive local character and heritage of the neighbourhoods they are a part of. Some of the more notable local centres in the LGA include Marrickville, Newtown, Summer Hill, Haberfield, Balmain, Dulwich Hill, Ashfield, Leichhardt and Rozelle.

The LGA has a mix of large and small industrial clusters that accommodate a broad range of industries and user groups across the employment land precincts. The most significant of these, when considered in terms of area, are within Tempe, near Sydney Airport and Marrickville/Sydenham. The employment land precincts in the LGA have a reputation for diversity and innovation.

There are several notable parks, open spaces and waterways within the LGA including:

- The Cooks River Foreshore which extends from Tempe Reserve along the Cooks River to Strathfield South and Botany Bay
- The GreenWay corridor connecting the Cooks River to Iron Cove
- The 7 kilometre Bay Run walking and cycle route at Iron Cove
- Callan Park, a 60 hectare parkland located at Iron Cove, Lilyfield.

The LGA is relatively well served by east/west transport infrastructure including heavy rail, buses, light rail and ferry services. The T2 Inner West and Leppington and T3 Bankstown heavy rail lines connect the LGA to the Sydney CBD and Western Sydney. Sydenham provides access to the T4 Illawarra Line to Sydney's Eastern and Southern Suburbs. The L1 Inner West light rail line from Dulwich Hill to Central Station connects Lewisham West, Taverners Hill, Lilyfield and Rozelle Bay. F3 Parramatta River and F8 Cockatoo Island ferry services connect Balmain, Balmain East and Birchgrove to Circular Quay and Parramatta.

As identified in the Future Transport Strategy 2056, Parramatta Road public transport improvements are noted as key infrastructure to be upgraded over the next 10 years by NSW State Government. The Eastern Suburbs to Inner West Rapid Bus Links and the Light Rail to Bays Precinct initiatives are also noted for further investigation.

Road transport routes including Parramatta Road, the City West Link, the Hume Highway (Liverpool Road) and Victoria Road, connecting the Sydney CBD with Western Sydney. Consequently, some parts of the LGA experience significant volumes of traffic. The Princes Highway links eastern parts of the LGA with southern Sydney and the Sydney CBD.

The Inner West LGA is strategically positioned between Sydney CBD and key regional service areas including Sydney Airport and Port Botany. The proximity of the LGA to this key trade gateway has influenced and shaped the south-eastern area of the LGA for employment and service industry land uses.

Planned infrastructure delivery will impact the LGA, including WestConnex, a motorway linking Sydney CBD, Port Botany and Sydney Airport. The associated M4 – M5 Link, Rozelle Interchange and Iron Cove Link will connect the existing road network and proposed Western Harbour Tunnel via underground tunnels. Stage 3 of the project comprises the M4 – M5 Link from Haberfield to St Peters and will consist of twin mainline tunnels between the M4 East at Haberfield and the new M5 at St Peters, which passing under Haberfield, Leichhardt, Camperdown, Newtown and St Peters.

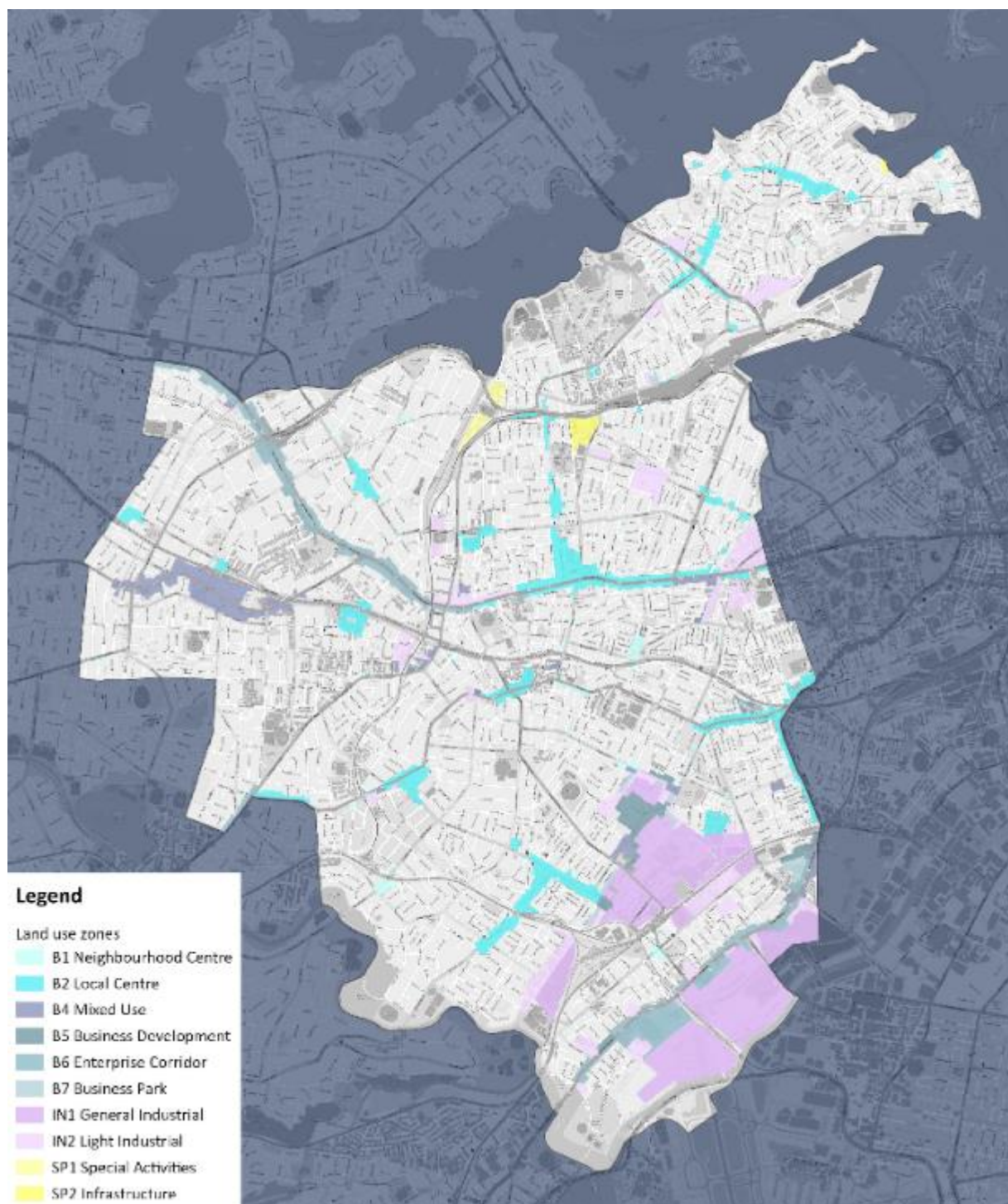
In addition, a West Metro project is proposed between Westmead and the Sydney CBD, with possible stations near the eastern and western edges of the Inner West LGA (Bays Precinct and Kings Bay). This has the potential to enhance connectivity considerably, but could also put pressure on existing employment precincts for residential rezoning.

There several key State Government led renewal projects either already underway or planned to occur through parts of the Inner West LGA. Projects of note include:

- The Parramatta Road Corridor Urban Transformation Strategy
- The Sydenham to Bankstown Urban Renewal Area
- Camperdown – Ultimo Collaboration Area
- The Bays Precinct.

The current local planning framework for the LGA is governed by separate Local Environmental Plans (LEPs) and Development Control Plans (DCPs). The relevant LEPs are Ashfield LEP 2013, Marrickville LEP 2011, Leichhardt LEP 2013 and Leichhardt LEP 2000. The zones, especially the business zones, are quite different in their uses across the different LEPs. This strategy will recommend a pathway for Council to consolidate and refine its current planning controls.

Figure 1: Inner West LGA Employment and Retail Lands



1.2 Retail and employment land

This study is concerned with all land zoned for retail or employment land in the Inner West LGA. This includes land zoned:

- IN1 General Industrial
- IN2 Light Industrial
- B1 Neighbourhood Centre

- B2 Local Centre
- B4 Mixed Use
- B5 Business Development
- B6 Enterprise Corridor
- B7 Business Park
- Certain lands zoned SP1 and SP2 (eg Canal Road precinct).

The Bays Precinct is partially located within the Inner West LGA, but is currently subject to SREP 26 (City West). The precinct is undergoing significant change, with considerable portions of the precinct being used for the construction of the WestConnex motorway interchange and light rail stabling yards. Other parts of the precinct contain existing and proposed employment uses (eg proposed concrete batching plant). Due to lack of Council control over land use planning in the precinct and the high level of uncertainty around its future, the Study does not include this land as part of land available for retail and employment uses.

Land within the above zones is the primary location for economic activity in the LGA. Some employment and economic activity also occurs outside these zones through home businesses and a broad range of activities that are located, through historical or special circumstances, on other land.

1.3 Purpose

Council requires an understanding of the current and future retail, commercial, industrial and urban service needs of the LGA in order to appropriately deliver more sustainable local employment opportunities, economic productivity and convenient access to population services for an increasing and evolving population. The Inner West Employment and Retail Lands Strategy (Strategy) is to meet the following objectives:

- Research and document existing retail, commercial, urban services and industrial employment capacity and type in the Inner West LGA
- Research and evaluate demographic, social and economic data and trends that are related to retail services, jobs, and employment lands
- Forecast retail, commercial, urban services and industrial demand and supply over the next 5, 10 and 20 years
- Analyse any potential gaps between supply and demand for each of the business and employment types
- Having regard to key trends and influences on business and employment lands:
 - Develop a precinct based strategy for managing Council's urban services and industrial lands
 - Develop a hierarchy for the retail/commercial centres in the LGA
 - Identify the potential impacts of the recent introduction of the 'artisan food and drink industry' on competing land uses within industrial zones as well as the performance of retail/commercial areas
 - Prepare and evaluate options for the harmonisation of relevant land use zones and LEP clauses (including cl. 5.4) for the new Inner West comprehensive LEP
 - Provide recommendations for key guidelines, principles and strategies for future retail, commercial, urban services and industrial lands in the Inner West LGA.

STRATEGIC CONTEXT

2.0 STRATEGIC CONTEXT

2.1 NSW Government Strategic Planning

There are several NSW State Government policies, studies and strategies that require consideration in the development of a retail and employment land strategy for Inner West LGA. These are briefly outlined below.

2.1.1 Greater Sydney Region Plan



In 2018 the Greater Sydney Commission implemented the *Greater Sydney Regional Plan – Metropolis of Three Cities* (Region Plan) a regional plan to respond to new challenges for planning Greater Sydney to 2056. The Region Plan establishes 10 directions for Greater Sydney and sets objectives and strategies for integrated government land use, transport and infrastructure planning.

The Region Plan highlights the importance of urban services; light industry, mixed light industry, new economy or creative uses and Industrial and urban services wholesale. As such, Strategy 23 and Action 11 are centred around safeguarding industries from encroachment from sensitive uses, stating:

approaches, including buffers, can protect the operations of various industries (including concrete batching plants, waste handling facilities, freight activities) and should not be compromised by encroachment from sensitive land uses like residential, which are impacted by noise, light and odours. These tensions between uses have the potential to restrict the operation of existing industrial and urban services activities and thus have a negative impact on the productivity of Greater Sydney.

In this context, the protection of employment land in the Inner West LGA is critical to local and regional productivity. The location of future residential development should not cause land use conflicts that impact on the operations on employment land.

In Inner West LGA, smaller industrial precincts and urban services precincts are identified as being of particular importance. The Region Plan states that while these areas may be physically small, and often isolated parts of the industrial land supply, they are important for providing spaces for essential urban services and sometimes, particularly within Inner West, creative industries.

Further strategies within the Region Plan that may have an impact on the direction for employment and retail lands in the Inner West LGA include:

- Objective 15: The Eastern, GOPP (Greater Parramatta to the Olympic Peninsula) and Western Economic Corridors are better connected and more competitive. The Plan recognises the Eastern Economic Corridor as an area of national significance for economic opportunities, with the industrial areas in Marrickville being a major asset of the corridor providing essential trades and services that support specialised economic activities.
- Action 8: Support the growth of the Camperdown-Ultimo Collaboration area to further develop the health and education precinct to grow jobs and business opportunities.

The Region Plan clearly articulates that the Inner West LGA contains regionally significant employment land. The industrial areas of Marrickville, the proposed collaboration precinct in Camperdown and pockets of land that deliver essential urban services to the local population, will need to be recognised in this Strategy.

2.1.2 Eastern City District Plan



The *Eastern City District Plan* (District Plan) is a 20-year planning document that contains the planning priorities and actions from the Region Plan, as they relate to the Eastern City District (District). It is the bridging document between regional and local planning and aims to inform local strategic planning statements and LEPs, as well as local planning proposals and Community Strategic Plans.

The District Plan outlines an overall 0-5 year housing supply target for the Eastern District of 46,550 additional dwellings over 2016-2021, of which 5,900 are targeted at Inner West LGA.

The District Plan emphasises the importance of local centres as areas of employment, identifying that they house 14 percent of employment within the District, with Industrial Centres providing 10 percent of overall employment. The District Plan also notes the significance of local centres' thriving night-time economies, citing Newtown, Marrickville and Balmain as such areas in the Inner West LGA.

While investment, business opportunities and jobs growth targeted within the District Plan are specifically aimed at strategic centres outside Inner West LGA Planning Priority E13, *Supporting growth of targeted industry sectors*, identifies the Visitor Economy as a current and future key source of employment for the District. Within this planning priority, visitor economy assets are identified as attracting global talent and investment: Newtown as a centre of vibrant urban, heritage, creative and night-time activities; Ashfield as an established cultural centre. The Plan cites Marrickville as examples of centres that are assuming unique identities and reputations through bespoke retail, food and beverage offerings, as well as small-scale cultural and arts experiences, adding a new and unique face to the tourist economy.

The District Plan recognises the importance of the Camperdown-Ultimo collaboration precinct as a key area for developing employment lands, particularly in the innovation, biotech and creative industries and start-ups. The Inner West LGA is also recognised as playing a key role in facilitating 'trade gateways,' including WestConnex, Sydney Airport, Glebe Island and the Bays Precinct. These trade gateways support industrial precincts, essential transport connections and economic growth.

The District Plan also recognises the need to retain employment lands and that future demand will increase for industrial and urban services land. The Bays Precinct, and Marrickville are recognised as some of the largest precincts of this kind in the District. An action specifically identifies the safeguarding all industrial zoned land from conversion to residential, including conversions to mixed-use zones.

The Strategy will need to address the key priorities and actions of the District Plan, in particular those related to 'Productivity'.

The planning priorities for productivity include:

- E7: Growing a stronger and more competitive Harbour CBD (including Glebe Island, parts of Camperdown, Rozelle, and Balmain)
- E8: Growing and investing in health and education precincts and the Innovation Corridor (the Camperdown – Ultimo Biotechnology hub)
- E9: Growing international trade gateways (with the airport directly adjoining the LGA to the east)
- E11: Growing investment, business opportunities and jobs in strategic centres. (this Priority also provides principles for local centres)
- E12: Retaining and managing industrial and urban services land (including, but not limited to, key industrial lands in the Marrickville and Sydenham areas)
- E13: Supporting growth of targeted industry sectors, including industries that support a circular economy. Target industries for the Inner West include:

- Urban services
- Specialised food manufacturing
- Logistics and other uses associated with the airport and Port Botany
- The cultural and arts sector
- Night-time economies in centres like Newtown-Enmore, Marrickville and Balmain
- Council depot/s and the establishment of an organic recycling centre
- Biotechnology industries in Camperdown.

2.1.3 Future Transport Strategy 2056

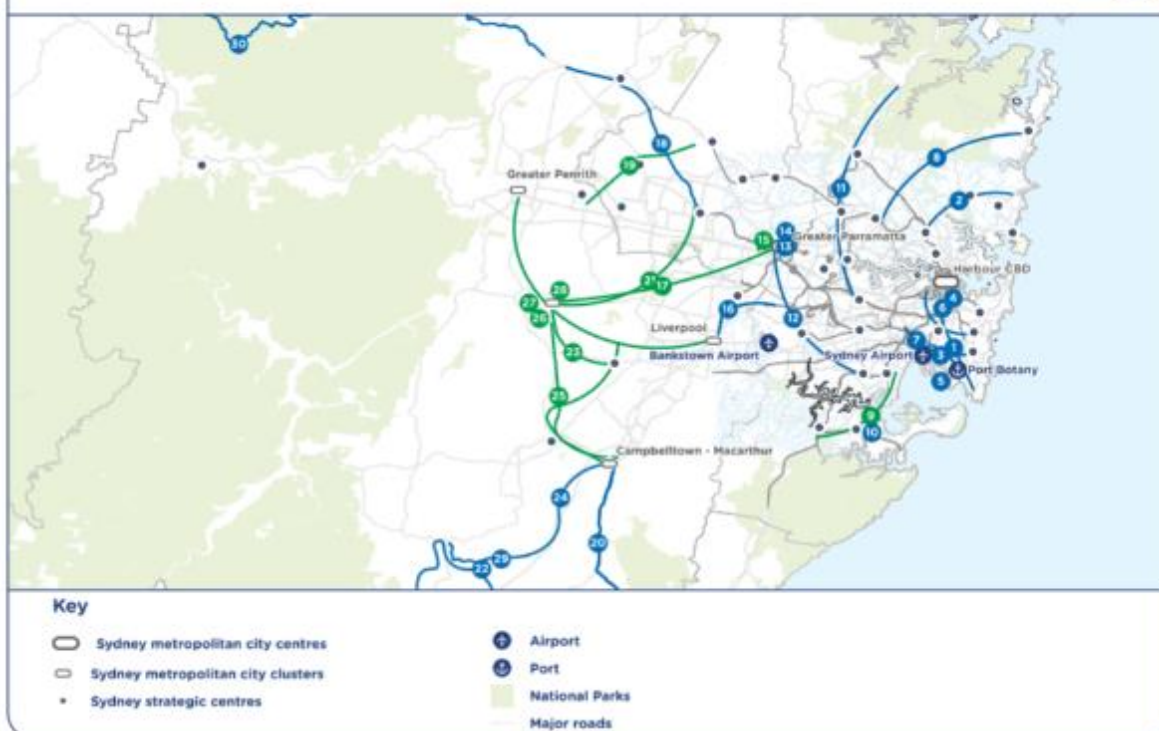


The *Future Transport Strategy 2056* sets the 40-year vision, directions and outcomes for customer mobility in NSW, which will guide transport investment over the longer term. The plan sits in concert with the Region Plan, The State Infrastructure Strategy and Regional Plans (eg the District Plan).

The vision is built on six outcomes, two of which are relevant to planning for employment and retail lands: ‘successful places’ and ‘a strong economy.’ Connecting people to goods, jobs, and services is core to the strategy in being able to achieve the 30-minute city. A key policy direction includes applying movement and place principles to create successful places – including having an integrated view of the strategic significance of roads and streets in their role of moving people and goods, and land use adjacent to roads and streets.

Parramatta Road public transport improvements are identified as a key infrastructure upgrade over the next 10 years. Eastern Suburbs to Inner West Rapid Bus Links and the Light Rail to Bays Precinct initiatives are noted for further investigation.

Greater Sydney Initiatives for Investigation (0 - 10 years)



Greater Sydney Initiatives for Investigation (0 - 10 years)

New Infrastructure

- 9. F6 Extension - Kogarah to Loftus
- 15. T-way to T-way Link
- 17. Western Sydney Airport - Badgerys Creek Aerotropolis - Parramatta Rail Link¹
- 19. North-south Rail Link in Western Parkland City: Cudgong Road - St Marys²
- 21. Infrastructure to support Rapid Bus Connections and Improved Bus Connections between Western Sydney Airport - Badgerys Creek Aerotropolis and Parramatta, Liverpool, Blacktown and Campbelltown - Macarthur
- 23. Leppington to Western Sydney Airport - Badgerys Creek Aerotropolis Rail Link¹
- 25. North-south Rail Link in Western Parkland City: Western Sydney Airport - Badgerys Creek Aerotropolis - Campbelltown-Macarthur
- 26. Western Sydney Airport - Badgerys Creek Aerotropolis CAV zone
- 27. Western Sydney Fuel Pipeline
- 28. Western Parkland City Bus Interchange

Major Infrastructure upgrades

- 1. Green Square to La Perouse Rapid Bus Link
- 2. Improved bus services between Northern Beaches and Chatswood
- 3. Duplication of Port Botany freight rail line¹
- 4. More Trains, More Services program
- 5. Foreshore Road Upgrade¹
- 6. Harbour CBD to Green Square Mass Transit Link
- 7. Eastern Suburbs to Inner West Rapid Bus Links
- 8. East-west public transport connection from Mona Vale to Macquarie Park
- 9. Sutherland to Cronulla Active Transport Link
- 10. Northern Sydney Freight Corridor Stage 2
- 11. Parramatta to Bankstown to Hurstville / Kogarah Rapid Bus Link
- 12. Parramatta Inner Ring Road
- 13. Improved bus services between North of Parramatta and centres to the south of Parramatta

- 14. Southern Sydney Freight Line improvements¹
- 18. Improved services on the Richmond Line
- 20. Improved bus connections between South-west Sydney and Illawarra
- 22. Appin and Picton Road improvements
- 24. Sydney-Canberra Faster Rail Improvements
- 29. Passenger train improvements to support growth at Wilton
- 30. Bells Line of Road Improvements

Sydney-wide projects/programs

- Roll-out of electric vehicles charge points
- Identification and protection of corridors for future transport links
- Sydney-wide projects/programs**
- Safe cycleway network within 10km of Parramatta
- Additional cruise ship capacity
- Heathcote Road improvements
- Inner Sydney Regional Bike Network within 10km of the Harbour CBD

- Bus priority access program for centres
- Bus priority infrastructure to support new services
- Centres and Placemaking Enhancement Package
- Cycling improvements around metropolitan and strategic centres and on the Principal Bicycle Network
- Investment in Smart Roads
- Walking improvements around metropolitan and strategic centres
- Precinct Improvement Program
- Expanded 40km/h High Pedestrian Activity Area Program
- ¹ 'Pedestrian Safe System' Program

¹ Subject to final business case and funding

² Subject to final business case and funding in collaboration with the Commonwealth

³ In collaboration with the Commonwealth

⁴ For priority planning in collaboration with the Commonwealth

Source: Future Transport Strategy 2056

2.1.4 Greater Sydney Services and Infrastructure Plan



The *Greater Sydney Services and Infrastructure Plan* builds on the metropolitan-wide outcomes identified in *Future Transport Strategy 2056*. It considers the direction for managing growth and development set in the Greater Sydney Regional Plan with a focus on transport and movement.

The document references the city-serving network including extension to the Bays Precinct with the Inner West Light Rail will be investigated in the next 20 years to support urban renewal.

Table 1: Greater Sydney Services and Infrastructure Plan - Initiatives relative to the Inner West LGA

Initiative	Description	Timeframe
Committed Initiatives		
Priority Cycleway links in inner Sydney	Priority Cycleway links in inner Sydney including the Inner West Greenway and Sydney Harbour Bridge cycleway connections, to be developed and delivered in partnership with the local councils where appropriate.	0-10 years committed
Sydney Metro City and Southwest	A 30km extension of metro rail from the end of Sydney Metro Northwest at Chatswood under Sydney Harbour, through new CBD stations and south west to Bankstown.	0-10 years committed
Initiatives subject to further investigation		
Eastern Suburbs to Inner West rapid bus links	Eastern Suburbs to Inner West rapid bus links: Randwick to Sydney University to the Bays Precinct; Maroubra Junction to Sydney Airport to Marrickville	0-10 years investigation
Light Rail to Bays Precinct	A proposed loop from the existing Inner West Light Rail connecting the existing line at North Leichhardt and at Pyrmont via the Bays Precinct and Old Glebe Island Bridge.	10-20 year investigation

Over the next 10 years, major upgrades identified for investigation include the Eastern Suburbs to Inner West Rapid Bus Links. Commitments to the Inner West Greenway are also mentioned in terms of upgrading connectivity via the Greater Sydney Bicycle Network.

2.1.5 Camperdown-Ultimo Collaboration Area Place Strategy



The Camperdown-Ultimo Collaboration Area is one of five key areas that the Greater Sydney Commission has identified to develop place-based, multi-stakeholder driven outcomes. The Collaboration is partially within the Inner West LGA and currently hosts a mix of innovative activities, in amongst an established urban hub. The *Camperdown-Ultimo Collaboration Area Place Strategy* (Collaboration Strategy) seeks to build on this innovation and facilitate collaborative partnerships for growth, particularly in areas of employment, investment, research (and related economic and social contributions in NSW) and liveability.

The Strategy includes a specific priority to ‘support the role and function of employment lands.’ The strategy recognises the ‘potential for high growth and new investment through continued growth in jobs, new industries, innovation enterprises and tech start-ups, and service industries.’

The Collaboration Strategy includes the following actions:

- Action 26: Retain and manage commercial and business activities, particularly small businesses and tech start-ups, by safeguarding business-zoned land from conversion that allows residential development.
- Action 27: Establish a biotechnology hub in Camperdown activity node (Parramatta Road, Mallet Street and Pyrmont Bridge Road area), and safeguard innovative, incubator and research activities from unrelated commercial land uses through planning controls.
- Action 28: Advocate for and deliver a minimum percentage requirement for affordable space in developments for tech start-ups, innovation, creative industries, cultural uses, community uses and artists within and beyond the Collaboration Area.

Other actions identified in the Collaboration Strategy that are relevant to planning for employment and retail lands include:

- Action 1: Develop a Strategy for transport investigations and initiatives, underpinned by the principles of movement and place, to enhance safety, accessibility and permeability within and surrounding the Collaboration Area by prioritising pedestrian safety and amenity, encouraging cycling, and planning for public transport, freight movements and parking.
- Action 3: Advocate for a mass transit system that strengthens connections between the Collaboration Area and Greater Sydney's economic corridors.
- Action 17: Foster vibrant places by activating night-time precincts, activating ground floor areas, and developing and promoting meeting places and cultural assets.
- Action 21: Develop an Infrastructure Strategy that identifies the open space, social and civic infrastructure needed for growing resident, worker, student and visitor populations.
- Action 22: Prepare and implement an economic development strategy that reinforces the strengths and local identity of key local areas. The strategy will retain existing and attract new businesses and industries by supporting start-ups, investors, researchers and entrepreneurs to collaborate, leading to commercialisation and jobs growth.
- Action 35: Establish a Collaboration Area Leadership Group to strengthen and promote the Camperdown-Ultimo Collaboration Area.
- Action 38: Identify funding sources and advocate for funding (such as sponsorships, grants, contributions, planning agreements, value capture and agency budgets) to deliver Place Strategy actions.

Planning for this precinct is being expedited by the State Government through the Innovation Corridor Taskforce. The Taskforce includes representation from Greater Sydney Commission, Jobs for NSW, University of Technology Sydney, University of Sydney, Sydney Business Chamber, Atlassian, Fishburners and other start up representatives. With a strong focus on boosting employment and investment, the initiative is expected to create 36,000 new jobs by 2036. Irrespective of the imminent recommendations of the Taskforce, the core public sector stakeholders of Inner West Council, City of Sydney, Sydney Local Health District, universities, and Ultimo TAFE are collaborating to establish and lead implementation of the Collaboration Strategy.

2.1.6 Parramatta Road Corridor Urban Transformation Strategy

The State Government has adopted a long-term strategy to regenerate the Parramatta Road Corridor. The *Parramatta Road Corridor Urban Transformation Strategy* (PRCUTS) and Implementation Toolkit and sets out

the vision and land use and transport principles to accommodate 27,000 new homes and 50,000 new jobs across the corridor over the next 30 years².

PRCUTS is given effect by a Ministerial Direction in place under Section 9.1(2) of the Environmental Planning and Assessment Act 1979.

PRCUTS identifies eight precincts for urban growth and renewal within the corridor. Four of the eight precincts are wholly or partly contained within the Inner West LGA being:

- Kings Bay: proposed for rezoning to enable an additional 2,510 dwellings and 4,400 jobs by 2050
- Taverners Hill: proposed for rezoning to enable an additional 1,350 dwellings and 4,110 jobs by 2050
- Leichhardt: proposed for rezoning to enable an additional 1,100 dwellings and 3,602 jobs by 2050
- Camperdown: proposed for rezoning to enable an additional 700 dwellings and 2,285 jobs by 2050.

Actions from the Implementation Plan propose a series of target floor areas by 2023 for each of the precincts.

Table 2: Gross floor area targets for selected precincts

Precinct	Actions - Strategic Land Uses
Kings Bay	<ul style="list-style-type: none"> Maximum of 139,000sqm residential gross floor area Minimum of 30,000sqm employment gross floor area of predominantly retail, enterprise, and business, commercial uses
Taverners Hill	<ul style="list-style-type: none"> Maximum of 47,000sqm residential gross floor area Minimum of 35,000sqm employment gross floor area of predominantly light industrial, enterprise, commercial, and community uses.
Leichhardt	<ul style="list-style-type: none"> Maximum of 121,000sqm residential gross floor area Minimum of 71,000sqm employment gross floor area of predominantly retail, enterprise, and business, commercial, and community uses.
Camperdown	<ul style="list-style-type: none"> Maximum of 105,000sqm employment gross floor area of predominantly light industrial, enterprise and business, commercial, and community uses.

Source: Parramatta Road Corridor Urban Transformation Strategy

The *Parramatta Road Corridor Planning and Design Guidelines* (PRCUTS Design Guidelines) (2016) recommends planning controls, including land use, building heights, and densities.

A detailed review of PRCUTS, in relation to employment lands and retail centres is provided in Section 9.3.

2.2 Local plans

The LEPs for the Inner West LGA are reviewed in detail in Section 8.

2.2.1 Callan Park (Special Provisions) Act 2002

The *Callan Park (Special Provisions) Act 2002* (Callan Park Act) was introduced in 2002 to govern licencing and uses of the spaces at Callan Park. The objects of the Callan Park Act are extracted below.

- (a) to ensure that the whole of Callan Park remains in public ownership and subject to public control, and

² Landcom, 2016.

(b) to ensure the preservation of the areas of open space at Callan Park that were in existence immediately before the commencement of this Act, and that extend to and include the foreshore of Iron Cove on the Parramatta River, and

(c) to allow public access to that open space, including that foreshore, for public recreational purposes of both an active and a passive nature, and

(d) to preserve the heritage significance of Callan Park, including its historic buildings, gardens and other landscape features, and

(e) to impose appropriate controls on the future development of Callan Park.

While the Callan Park Act offers significant protection to Callan Park, some employment-based activities occur there, typically creative industries including the NSW Writers Centre.

2.3 Implications

Strategic planning by the NSW Government has set a framework that will guide the future directions of Inner West. This includes the following:

- A requirement to protect employment land in the Inner West LGA as these lands are critical to local and regional productivity
- A requirement to locate future residential development so that it does not cause land use conflicts that impact on the operations on employment land
- The need to protect the significant industrial areas of Marrickville and Sydenham
- A need to protect the pockets of land that deliver essential urban services to the local population.

Priorities in the strategy should seek to capture and leverage the benefits from State Government investment in the following:

- Growing and investing in health and education precincts and the Innovation Corridor (the Camperdown – Ultimo Biotechnology hub)
- Growing international trade gateways (with the airport directly adjoining the LGA to the east).
- Supporting growth of targeted industry sectors, including industries that support a circular economy
 - Specialised food manufacturing
 - Logistics and other uses associated with Sydney Airport and Port Botany
 - The cultural and arts sector
 - Night-time economies in centres like Newtown-Enmore, Marrickville and Balmain
 - Council depot(s) and the establishment of an organic recycling centre
 - Biotechnology industries in Camperdown.

Opportunities may arise from potential future investment in the transport network including:

- Parramatta Road public transport improvements upgrades over the next 10 years
- Eastern Suburbs to Inner West Rapid Bus Links
- Light Rail to Bays Precinct initiatives are noted for further investigation.
- the Inner West Greenway upgrading connectivity via the Greater Sydney Bicycle Network

- Metro West between Westmead and Sydney CBD via Kings Bay and Bays Precinct.

LITERATURE REVIEW

3.0 LITERATURE REVIEW

3.1 National

3.1.1 Sydney Airport Master Plan 2039



Sydney Airport Master Plan 2039 (Master Plan 2039) aims to ‘provide the community and all levels of government with an understanding of future activities that could be located on different parts of the airport site.’ Airport logistics and support and Airport freehold land fall within the Inner West LGA boundary, together with a small portion of land used for the Airport Terminal and support services.

The Australian Noise Exposure Forecast (ANEF) contained in Master Plan 2039 covers a large proportion of the Inner West LGA. The National Airport Safeguarding Framework, which applies to the airport and surrounding areas, and provides a national land use planning framework to minimise noise-sensitive developments near Sydney Airport and communicate noise metrics and improve safety outcomes by ensuring aviation safety requirements are recognised in land use planning and development decisions. Master Plan 2039 encourages councils to implement the NASF.

Master Plan 2039 includes a 20-year development plan by each sector of the airport. The following includes strategies that may impact employment and retail lands falling within the Inner West LGA:

- Expansion of Terminal 1 infrastructure in the north west sector
- Ground transport upgrades in the north west sector
- Potential for hotel and office commercial development in the north west sector
- Potential for commercial development facing Cooks river with opportunities to incorporate pedestrian links
- Locate new freight facilities in the Northern lands sector (near Canal Road)
- Retain existing industrial land in close proximity to the airport.

3.2 Local literature

3.2.1 Strategic framework

3.2.1.1 Our Inner West 2036

Our Inner West 2036 is the Inner West LGA’s Community Strategic Plan (CSP). It identifies the community's vision for the future, long term goals, strategies to get there and how to measure progress towards that vision. It guides all of Council's plans, policies and budgets.

The Guiding Principle of the CSP is:

“To work together in a way that is creative, caring and just”

There are two strategic Directions that are relevant for employment and retail lands:

- Strategic Direction 2: Unique, Liveable, networked neighbourhoods
- Strategic Direction 3: Creative communities and a strong economy

Relevant outcomes and strategies of the CSP are identified in Table 3:

Table 3: Relevant strategies in Our Inner West 2036

	Outcome	Strategy
Strategic Direction 2: Unique, Liveable, networked neighbourhoods	2.1 Development is design for sustainability and makes life better	2. Develop planning controls that protect and support a sustainable environment and contribute to zero emissions and zero waste community
	2.3 Public spaces are high-quality, welcoming and enjoyable places, seamlessly connected with their surroundings	2. Ensure private spaces and developments contribute positively to their surrounding public spaces
	2.6 People are walking, cycling, and moving around Inner West with ease	1. Deliver integrated networks and infrastructure for transport and active travel
Strategic Direction 3: Creative Communities and a Strong Economy	3.4 Employment is diverse and accessible	1. Support local job creation by protecting industrial and employment lands
	3.5 Urban hubs and main streets are distinct and enjoyable places to shop, eat, socialise and be entertained	1. Promote unique lively, safe and accessible urban hubs and main streets – day and night. 3. Pursue a high standard of planning, urban design and development that supports urban centres.

3.2.2 Creative industries

3.2.2.1 Futuring Inner West Arts and Culture 2036

The Inner West has a strong identity as a creative hub, evident through the CSP's vision and strategic directions. Engagement with creative industries undertaken for the project found a common concern:

People are proud of the Inner West and consider it a leading cultural and arts hub in Australia. There is a clear desire to protect and celebrate the diverse independent arts organisations and spaces that exist here, while creating a sustainable future focus to retain and grow this sector. Multi-use creative spaces where people can produce, rehearse, engage, teach, live and learn are in high demand, as is the need to be heard in terms of social and cultural influence on local policy development.³

Futuring Inner West Arts and Culture 2036 demonstrates the value arts and culture plays in the economic and social vitality of the Inner West Community. Relevant recommendations from this “futuring” series of workshops visioning arts and culture in 2036 are:

- The night-time economy is recognised and supported. Encourage thriving performance cultures. Live bands have more options for places to play.
- Consider that the Inner West LGA has many small businesses that are at the fore of new, ethical exchange and new social contraction, growing investment in alternative systems of exchange education and resourcing: ‘skill-sharing,’ ‘circular economy,’ ‘bio-regionalism’ and the ‘gift-economy.’ Space, skill and tool sharing platforms are necessary.
- That Council discourages practice of ‘landbanking’ by developers, introduces prohibitive taxes – empty buildings taxation contributes to local arts, culture, living stories.

³ Futuring Inner West Arts and Culture 2036 cited at <https://yoursay.innerwest.nsw.gov.au/26956/documents/68390> on 1 August 2019.

3.2.2.2 Cultural Creation and Production in the Inner West LGA



Cultural Creation and Production in the Inner West LGA, by University of Western Sydney, analyses the needs of creative industries in the Inner West LGA. The methodology was based on a similar project in the City for Sydney. The previous studies highlighted: the lack of affordable creative spaces in the inner city, concerns about the suitability of existing creative spaces and their temporary tenures, and the threat posed by the disappearance of industrial building stock to the survival of artistic creation and production in the inner city.

Building on those findings this study investigated 11 case study cultural venues located in the Inner West. Each case study individually provides insights into the operations of creative industries in the LGA. Some of the common themes to emerge were:

- The unaffordability and insecurity of tenure of creative space
- Disappearance of industrial building stock
- Rezoning as mixed-use industrial precincts without making provision for existing creative venues
- Unsuitability of creative spaces within major re- and new developments
- Neglect of existing creative networks when assessing rezoning and redevelopment applications by property developers
- Inflexibility in regulating creative land use.

Recommendations in the report advocate for a whole of community approach to address the issues raised in the case studies, including:

- Preserve the affordability of affordable creative spaces in the inner west, despite the potential short-term benefit alternative land uses (eg commercial or residential) may generate.
- Consider how the space required for cultural creation and production translates to its inclusion in industrial or other zones. Consider how larger multi-purpose space can be incorporated to allow for a wider range of activities, or co-located activities.
- Identify collaborative design solutions to deliver light-industrial creative spaces and venues that manage the mismatch between the spatial needs of messier and noisier forms of cultural and creative production and the 'creative spaces' offered within existing and new mixed use developments.

3.2.2.3 Made in Marrickville: Enterprise and cluster dynamics at the creative industries-manufacturing interface, Carrington Road precinct (2017)



This report presents findings from a comparative international case study research around the changing dynamics of the urban creative economy, particularly the emergent relationships with a rapidly evolving manufacturing sector. The report establishes that creative industries are connected to future urban growth and investment, city marketing and employment generation. While creative industries often fall within the gambit of manufacturing, manufacturing as a sector has become diverse with firms making a spectrum of goods, from technologically advanced products to locally made craft objects involving traditional methods.

International best practice in urban planning and policymaking is looking toward the nexus between creative industries and urban manufacturing. Cities that foster and deepen relationships between creative industries and urban manufacturing industries, especially in distinctive precincts where the two sectors increasingly co-locate organically, are succeeding to stimulate local jobs and enterprise formation and retain local spending.

The study:

- Examined the production relationships between cultural industries and urban manufacturing
- Determined how changing industry, urban development, land use change, technological, and policy dynamics affect cultural production
- Identified lessons for Australian cities to develop new policies around cultural production and manufacturing.

The report identifies the Carrington Road precinct as an economically significant location for creative industries and manufacturing, due to:

- Its location and proximity to transport networks and other network hubs,
- Its mix of older low rent buildings at the right scale that can co-locate with a mix of likeminded microenterprises who cannot afford rents in standalone buildings
- Its existing dense network of enterprises operating at the creative industries/manufacturing interface
- Its existence within a context of declining availability of light industrial lands.

The report is very clear that any proposal to rezone this area would threaten a unique creative industries/manufacturing interface precinct and may result in significant loss of jobs and enterprises.

The report recommends:

- Retaining and update the industrial zoning – protect rent-sensitive, suitable light industrial space. Balance competing land uses and preserve urban manufacturing.
- Integrate Carrington Road’s creative industries – manufacturing clusters into existing strategic plans, planning procedures and relevant policies for NSW, Sydney and the Inner West.

3.2.2.4 Cultural Infrastructure Discussion Paper

Left bank Co. and JOC prepared a discussion paper for Inner West Council in April 2019. The paper addresses the range of policy levers available to Council to retain, protect and grow creative spaces and employment lands in its LGA. The report recognises how Inner West Council is working on supporting the creative sector through planning and regulatory reform. Initiatives include:

- A review of the planning and regulatory framework that govern music and late-night activities as proposed by the City of Sydney in *An Open and Creative City: planning for culture and the night-time economy, Discussion Paper*. Council is reviewing the package of recommendations and discussing how to adapt these to benefit the Inner West.
- A focus on harmonising proposed regulatory reforms on King St, Newtown and the Newtown/Enmore precinct so that the City of Sydney and Inner West Council regulations are consistent
- Council’s Live Music Planning Liaison Service has been launched to enable new and established live music venues to navigate planning controls and lodge development applications
- Council has removed red tape for cafes and restaurants in Leichhardt, Annandale, Rozelle, Lilyfield, Balmain and Birchgrove wanting to convert their premises to a small bar. Cafes and restaurants now have a 10-day approval process from Council or a certifier rather than a lengthy DA and a separate application to the NSW Independent Liquor and Gaming Authority. Council advocated with the NSW State Government in order to effect these changes.

While Council has been active in supporting the arts, creativity and live music through a variety of programs rapid urbanisation and gentrification of the LGA, presents a significant risk of loss of local creative spaces

placings the network of cultural and creative venues at risk. Potential flow on impacts to extend to the potential detriment of the Inner West LGA's rich and vibrant places to live, work and visit.

The discussion paper puts forward a series of actions and strategic objectives. These are considered further in Section 8.1.5.

3.2.2.5 Sydenham Station Creative Hub: Economic Impact Analysis

The Sydenham Station Creative Hub is in the Sydenham-Marrickville employment lands. *Sydenham Station Creative Hub: Economic Impact Analysis* (Sydenham Station EIA), prepared by SGS Economics and Planning, dated June 2017, evaluated the potential economic impacts of a proposal to permit additional land uses, including restaurants, cafes and small bars, on land zoned IN1 General Industrial.

The Sydenham Station EIA concluded that if additional permitted uses are introduced, it could negatively impact on existing industrial uses, potentially pushing the existing businesses out to cheaper land in the west. This, in turn, could create supply chain inefficiencies, driving up production costs and potential job losses. The Sydenham Station EIA indicates employment in manufacturing, whilst previously in decline, will in fact increase over the longer term in the Sydenham Creative Hub, and the broader Sydenham-Marrickville industrial area. The precinct is the last major mixed industrial precinct in inner Sydney and should be preserved.

The existing controls and permissible uses for Marrickville and Illawarra Roads were considered to be an appropriate location for retail and commercial uses. This is offered as an opportunity to locate businesses or office premises for creative purposes and is also considered an opportunity for urban renewal in this locality.

3.2.2.6 Live Music Marrickville Action Plan

Live Music Marrickville Action Plan (Action Plan) was prepared by the former Marrickville Council as part of a commitment to support existing and new live music venues. The Action Plan acknowledges that live music and the development of small bars and ancillary businesses have significant potential in creating economic renewal, aesthetic and amenity improvements and in contributing to the cultural fabric and identity of areas.

Notwithstanding the importance of the Marrickville Sydenham Precinct as noted above, the Action Plan promotes zoning changes to support live music venues in the precinct. The Action Plan recognises Marrickville as an important facilitator of Sydney's Live Music scene. Recommendations for land uses include:

- Support for zoning changes to a limited part of the Sydenham precinct to encourage more live music and creative venues
- Review zoning on a targeted area of Parramatta Road to assess implications on live music and creative venues.

3.2.2.7 Summary of implications

Sydney's Inner West prides itself on the creative and culturally engaged community that live and work there. The value of cultural venues along with spaces of creation and production are valued for far more than just their economic outputs. Creative industries are valued for their contribution to social cohesion, community development but also as a thriving sector of the local economy.

Heightened concern exists for the sustainability of creative industries. These concerns primarily relate to:

- The relative unaffordability and insecurity of tenure of creative spaces
- The declining availability of industrial building stock arising from:
 - Rezoning former industrial precincts without making provision for existing creative venues
 - Unsuitability of new "creative spaces" within major redevelopments and new developments

- Insufficient weight being given to the cumulative impacts to creative networks when assessing rezoning and redevelopment
- Inflexibility in regulating creative land use, noting that land use definitions in the planning controls are not easily applied to creative industries
- Vulnerability to change (including relocation) of cultural organisations which have invested in refurbishing or renovating space for colocation.

3.2.3 Employment and retail land research

3.2.3.1 The Ashfield Urban Planning Strategy 2010

The *Ashfield Urban Planning Strategy 2010* informed the former Ashfield Council's LEP and provides long term directions for land use planning decisions with the former Ashfield LGA.

The key directions relevant to planning for encouraging renewal of Ashfield Town Centre are described below:



- Ashfield Central:
 - Promote mixed-use development with ground level active, non-residential uses.
 - Consolidate fragmented miscellaneous zoning into a single B4 Mixed Use zone.
 - Maintain the existing predominant 6-8 storey height limit across the central area. The building height controls should reflect the 'Street Wall Height Zone' as identified within the Ashfield Development Control Plan - Part C3 Ashfield Town Centre Part 2.
- Ashfield East:
 - Consolidate fragmented zoning and rezone for mixed uses fronting either side of Liverpool Road.
 - Rezone No. 7 – 9 Victoria Street (Ashfield West car park) from Residential to B4 Mixed Use.
- Ashfield West:
 - Consolidate fragmented zoning and rezone for mixed uses fronting either side of Liverpool Road.
 - Establish a predominant building height of 6 storeys fronting Liverpool Road, stepping down to 4 storeys away from the Liverpool Road.
 - Rezone land at the corner of Liverpool Road (Nos. 361 – 391) and Thomas Street (Nos. 2 – 8) to permit mixed uses with ground level active, non-residential uses (see figure overpage).
- Broader Catchment:
 - Maintain the predominant existing low-density residential zones.
 - Retain the existing FSR in the 2B and 2C residential zones to the south of Parramatta Road.
 - Consolidate the existing 2(b) and 2(c) Residential zones into a single R3 Medium Density Residential zone with differential height limits and floor space ratio controls where required.
- Parramatta Road Corridor refocused as an Enterprise Corridor:
 - Rezone land along the Parramatta Road Corridor to B6 Enterprise corridor. Permit a wide range of competitive business, retail, light industrial and employment generating uses.
 - Prohibit further residential and seniors living development along the road corridor.

- Encourage new business opportunities in Ashfield Town Centre:
 - Promote new retail and business opportunities as part of mixed use developments within the town centre and within the western and eastern fringes of the centre
 - Simplify the planning controls for Ashfield Town Centre to facilitate more opportunities for standalone and mixed use business development
 - Ensure that planning control within town and village centres provide opportunities for new small businesses to occupy the ground level of buildings and to ensure that parking requirements are not overly onerous.

3.2.3.2 Ashfield Town Centre Strategy 2013

Ashfield Town Centre Strategy 2013 (Town Centre Strategy) presents a series of strategic principles for the town centre together with actions. Relevant actions for employment and retail lands are presented in Table 4.

Table 4: Relevant Ashfield Town Centre Strategy 2013 Actions

Community Vision	Action
Provide recreation and quality open space	Developments are to be required to have active street frontages, transparent windows facing the street in order to have passive surveillance of lanes, streets and open spaces.
Renewed and diverse retailed opportunities	Require in a DCP minimum amounts of ground level commercial floor space
	Encourage commercial and mixed development proposal by applying development incentives
	Identify key potential development sites for additional commercial/retail uses, including new retail frontages along The Esplanade.
Appropriate height and built form	Carefully control building form to achieve high quality architectural outcomes

The Town Centre Strategy presents a series of spatial actions on maps, most of which are more appropriate for DCP development, including a street wall height zone to ensure the existing scale of the street is maintained.

3.2.3.3 Marrickville Employment Lands Strategy 2014

Core to the strategic directions presented in the *Marrickville Employment Lands Strategy 2014* (Marrickville ELS) is the recognised need to have a coordinated and strategic approach to planning Inner Sydney employment lands. The Marrickville ELS considers the context of the former Marrickville LGA in its strategies and actions.

- Strategy 1: Protect subregionally significant industrial lands
 - Actions in this strategy focus on the importance of the Marrickville-Sydenham precinct as a subregionally significant industrial precinct, and to zone, accordingly, including to prevent the spread of retailing and services into the precinct core, and restrict subdivisions and/or strata titling to prevent fragmentation.
- Strategy 2: Ensure sufficient stocks of industrial land to meet requirements of local population.
 - Population serving industry is expected to increase as the population grows. Land use planning should consider the local service industry needs of residents.
- Strategy 3: Explore economic development opportunities in some industrial precincts

- Actions relevant to this strategy recognise the role creative industries play in the economic activities of the LGA. Rezoning of selected lots to B7 Business Park as ‘live-work’ space targets some business activities in this industry, and should not, however, jeopardise existing industrial activity. A live music hub is also considered.
- Strategy 4: Consider residential conversion opportunities
 - Opportunities to include some mixed-use zones in Carrington Road and selected sites converted to B4 Mixed Use are recommended
- Strategy 5: Encourage the development of Princes Highway strategic corridor.
 - B6 zoning is considered appropriate for the corridor general, however IN1 and IN2 zones should be retained.

The Marrickville ELS presents a number of localised rezoning proposals, and future land use scenarios. Forecasts indicate demand for the former Marrickville LGA is modest when compared with the existing capacity. However, the report indicates that Marrickville hosts some of the subregions most significant industrial demand and that the Marrickville-Sydenham precinct should be protected.

3.2.3.4 Rezoning Study: Lewisham Industrial Precinct (2017)

SGS Economics and Planning were commissioned by Inner West Council to undertake *Rezoning Study: Lewisham Industrial Precinct* (Rezoning Study), reviewing the IN2 Light Industrial zoned properties at 135-203 and 180-218, New Canterbury Road and 1 Wardell Road, known as Lewisham industrial precinct. The Rezoning Study forecasts a deficit of 375,900sqm of industrial zoned floorspace in the Inner West LGA by 2036.

The Rezoning Study recommends the lands within the Lewisham Industrial Precinct retain their current industrial zoning, and carefully considers the impacts of loss of cumulative industrial lands through multiple small rezonings elsewhere throughout the LGA.

3.2.3.5 Leichhardt High Street Vacancy Study (2013)

The *Leichhardt High Street Vacancy Study* (Vacancy Study), prepared by HillPDA, reviewed vacancy rates within non-residential premises located on Parramatta Road, Norton Street, Darling Street Rozelle, Darling Street Balmain and Annandale Village. The study provided baseline data to assist Council to track vacancy trends over time. The Vacancy study informed the *Leichhardt Employment and Economic Development Plan*.

The best performing high streets surveyed were the neighbourhood centres of Rozelle and Annandale, which are noted to have adapted to meet the changing needs of their respective communities (for example, adapting to the trend of consumers spending less on fashion and more on cafes, restaurants, takeaway foods, groceries and personal services), as well as a limited supply of retail floorspace. Parramatta Road had the highest vacancy rate, with barriers to renewal including poor amenity, traffic congestion, poorly maintained and unattractive buildings, tired public domain, low rental yields and a lack of convenient parking.

3.2.3.6 Leichhardt Industrial Land Study 2014

Forecasts undertaken by SGS Economics in *Leichhardt Industrial Land Study 2014* (Industrial Land Study 2014) indicate an undersupply of industrial lands is expected by 2036. The Industrial Land Study 2014

Relevant recommendations and actions put forward in Industrial Land Study 2014 are detailed in Table 5.

Table 5: Recommendations, Leichhardt Industrial Lands Study

Recommendation	Action
Recommendation 1: Protect Leichhardt's industrially-zoned precincts for their important employment and service functions.	
Action 1.1	Refuse any proposal to rezone land from Council's small pool of industrial land within any of the industrial precincts.
Action 1.2	Protect the industrial nature of the key precincts of Moore Street South, White Bay and Camperdown from rezoning and non-industrial redevelopment that may be a permitted use within IN2 zoning.
Action 1.3	Rezone the key industrial precinct of Moore Street South from IN2 to IN1 to maximise its industrial nature.
Action 1.4	Amend the clause within the Leichhardt LEP that allows for the continued provision of creative industries within any IN2 land and identify specific precincts in which it is permitted.
Recommendation 2: Develop a profile and plan for each industrial precinct	
Action 2.1	Develop a profile of each precinct to assist in planning for their future function, including: <ul style="list-style-type: none"> i. Precinct context and current mix of land uses ii. Physical characteristics of precincts & lots (size, configuration etc) iii. Available floorspace and development potential.
Action 2.2	Develop a coherent vision for each precinct, as part of a broader industrial land strategy, which: <ul style="list-style-type: none"> i. Considers the pressures and potential demands the precinct may face ii. Considers each precinct's ability to support particular industrial uses or mix of uses iii. Includes specific detail on zoning, controls and permitted uses iv. Can be incorporated into the Development Control Plan or similar policy document.
Action 2.3	Facilitate intensification of existing precincts, where possible, to make better use of the LGA's existing industrial land supply.
Action 2.4	Develop an LGA-wide industrial land strategy that encapsulates the findings of precinct plans and provides a clear position with regards to Council's approach to industrial land protection and development.
Action 2.5	Consult with industry groups to ensure future precinct development meets the needs of users.
Recommendation 3: Develop clear vision for the future of the Camperdown precinct and maintain industrial zoning	
Action 3.1	Maintain current IN2 zoning for Camperdown precinct
Action 3.2	Permit no further retail use (including large-format retail) within Camperdown precinct
Recommendation 4: Ensure adequate provision of industrial land for population-serving industries	
Action 4.1	Maintain current provision of IN2-zoned land
Action 4.2	Provide an additional 33,909 sqm of IN2 floorspace by 2036
Action 4.3	Prohibit large-format retail in industrial zones
Action 4.4	Consider the establishment of a B5 and/or B6 zone along major arterial roads to accommodate the demand for large-format retail
Recommendation 5: Ensure the vision for Leichhardt's industrial lands considers possible impacts of the Bays Precinct redevelopment	
Action 5.1	Advocate as a key stakeholder on behalf of the Leichhardt LGA community, including local businesses, to protect and enhance their interests
Action 5.2	Adopt urban design/strategic plan framework to respond to the Bays Precinct redevelopment
Action 5.3	Ensure Council is a key stakeholder in discussions regarding the redevelopment of the Bays Precinct

Recommendation	Action
Action 5.4	Maintain industrial zoning of White Bay industrial precinct
Recommendation 6: Work with neighbouring councils to ensure a sub-regional approach to industrial land provision	
Action 6.1	Engage with Marrickville Council and state agencies on Parramatta Road-focused renewal schemes

Source: SGS Economics

3.2.3.7 Leichhardt Industrial Precinct Planning 2016

Following on from Industrial Lands Study 2014, *Leichhardt Industrial Precinct Planning 2016* provides recommendations for future planning of Leichhardt's industrial precincts based on different land use scenarios.

A review of industry and lot size profiling found that:

- There is a shortage of industrial land at a subregional level
- There is a shortage of local services within Leichhardt (industrial uses that service a local market)
- There is a need to provide sufficient floorspace and appropriate built form configurations to support emerging uses
- Industrial precincts are under threat from other uses.

SGS Economics looked at a number of development scenarios to address these issues and found that industrial development alone will not provide additional industrial floorspace, that the addition of commercial floorspace brings the result closer to feasible but comes with some risk, and that residential is the easiest way to generate additional industrial floor space but comes with significant risk.

Given the level of risk, two options were provided to Council:

- Option 1: Business as usual. Recommends protection of the remaining industrial precincts.
- Option 2: Policy change approach (introduce other uses). Makes recommendations based on the scenario that there is continued pressure on Leichhardt Council to redevelop its precincts, persuaded by such drivers as the development aspiration for the Parramatta Road Corridor.

A summary of Option 2 is presented in Table 6.

Table 6: Leichhardt Industrial Precinct Planning 2016 Recommendations (Option 2)

Strategy /Action	Recommendations
Strategy 3a: Development of Camperdown as a distinct commercial precinct	
Action 3.1	Introduce B5 (Business Development) zone into the LEP and prohibit 'Residential Accommodation'
Strategy 3b: Development of Camperdown as an industrial mixed-use precinct (an alternative to Strategy 3a)	
Action 3.2	Introduce B5 (Business Development) into LEP 2013 and include 'Residential Accommodation' as a permitted use with consent.
Action 3.3	Provide additional direction with regards to floorspace proportions and height of buildings for the B5 Business Development zone in either the LEP or Development Control Plan (DCP) if they are unable to be included in the LEP. This would limit the total amount of residential GFA to approximately 20 per cent to 30 per cent of total GFA for individual development and control the minimum ceiling height on the ground floor of buildings in the B5 (Business Development) zone to at least 4 metres.
Strategy 4: Re-configure the zoning of the Camperdown precinct	
Action 4.1	Re-zone the outer fringe of the precinct to B5 Business Development (see map in Recommendations chapter).
Action 4.2	Retain existing IN2 zone in core of precinct (see map in Recommendations chapter).

Strategy /Action	Recommendations
Action 4.3	Set a clear vision for the future industry identity of the Camperdown Precinct
Strategy 5: Be proactive in aligning Tebbutt Street/Parramatta Road precinct with the future of the Parramatta road strategy	
Action 5.1	Re-zone eastern edge of Tebbutt Street to B4 Mixed Use north of Number 7 Tebbutt Street (see map in Recommendations chapter).
Action 5.2	Re-zone IN2 Light Industrial zoned land in precinct between Tebbutt Street and Hathern Street and between Flood Street and Elswick Street to B6 (Enterprise Corridor) (see map in Recommendations chapter).
Action 5.3	Retain IN2 Light Industrial zoning between Flood Street and Upward Street (see map in Recommendations chapter).
Strategy 6: Retain and protect all other industrial precincts	
Action 6.1	All other precincts, with the exception of Camperdown and Tebbutt Street/Parramatta Road will be retained as per Strategies 1 and 2 under Option 1.

3.2.3.8 Leichhardt Urban Design Study for Industrial Precinct Planning 2016

Following on from the recommendations of Industrial Land Study 2014, *Leichhardt Urban Design Study for Industrial Precinct Planning 2016* was developed to profile and plan for particular industrial precincts in the former Leichhardt LGA: Camperdown, Moore Street South, and Tebbutt Street and Parramatta Road Precincts.

Overall recommendations for land uses across the precincts are:

- The amount of industrial floorspace should increase across each Precinct
- Any alternative land uses, such as retail, commercial or residential, should be located to minimise the impact of strata ownership on the redevelopment potential of industrial lots (including amalgamation)
- Alternative land uses should be tied to the delivery of public benefit or used to encourage the redevelopment of challenging sites, such as those with existing heritage buildings. Other uses may be used to increase the development feasibility of these projects.

Regarding densities, the report recommends that for zones B5, B6 and B4 sites to typically achieve an FSR of 2.5:1, assuming ground +1 industrial and a mix of commercial and/or residential.

3.2.4 Parramatta Road Corridor

3.2.4.1 Parramatta Road Structure Plan

The Parramatta Road Structure Plan (former Leichhardt Council) proposes the following zone adjustments to those put forward by PRCUTS:

- Rezone currently zoned IN2 sites along Parramatta Rd between Brown and Tebbutt Streets, and Flood and Elswick Street to B6 zoning
- Rezone some IN2 sites on Tebbutt Street to B4
- Rezone some IN2 sites in the Camperdown precinct to B5 to allow tentation of industrial uses and facilitate a biomedical/ biotechnical / creative hub.

The following design principles relevant to employment and retail lands:

- Built form should integrate higher density redevelopment with adjoining land uses
- Manage interface between different land uses on site and at the 'edges' of industrial precincts
- Encourage active frontages in B2 zones
- Provide flexible floorplates that can respond to market changes

- Consider additional height and scale on B5 zoned land in Camperdown where design excellence is demonstrated.

Further amendments recommended for the planning framework include:

- For land zoned B4 in Tebbutt Street, a maximum height of 4 storeys, FSR of 2:1 with both residential and industrial uses permissible
- For land zoned B6 in Taverners Hill / Tebbutt Street / Parramatta Road precinct, a maximum height of 4 stories, FSR of 2.5: 1 with bonus of 2 stories to provide laneways
- For land zoned B2 on Norton Street, a maximum height of up to 6 storeys and FSR of 3:1 with additional height and scale considered where there is a public benefit
- For land zoned B5 in Camperdown precinct, a maximum height of 4 storeys, an FSR limit of 2.5:1 and potential for additional height and scale where design excellence is demonstrated.

Council has indicated it has several concerns that arise from PRCUTS and in particular, inconsistencies with the District Plan, including:

- Potential conflicts with the planning for the Camperdown – Ultimo Collaboration Area
- Potential further loss of industrial and urban services land from the LGA, noting that there may be potential to utilise lands adjoining the corridor instead, that have increased dwelling and employment potential
- Inconsistencies in the projection of dwellings and jobs with the Council's projections suggesting 7,818 fewer jobs across the LGA.

This section considers local studies relevant to the Parramatta Road Corridor, outside of the State strategy PRCUTS, discussed in Section 2.1.6.

3.2.4.2 Parramatta Road and Norton Street Urban Design Study 2016

Parramatta Road and Norton Street Urban Design Study 2016 recognises the historical shift in character of the precinct. Changing shopping behaviours, a decline in the cultural character of the precinct and the rise of competitive neighbouring centres has triggered the need to review the livelihood and character of the precinct.

The following recommendations were made regarding land use to improve the offer and position of Norton Street and the wider study area:

- Increase FSRs in the Norton Street Precinct between 2 and 2.5:1 to encourage shop top residential development
- Identify a second generation of uses to drive the precincts future – retail focus should be on specialty stores, including food retailing
- Encourage a range of streetscape and character improvements, as well as traffic and parking management strategies
- Encourage night-time activities and uses with extended trading hours
- Creation of a central and community 'heart' of Norton Street (close to Norton Plaza and Norton Street cinema)
- Relocated community facilities closer to Norton street and the Forum

- Implement planning controls or incentives to amalgamate and redevelop key sites along Norton Street (notably 39-51 and 63-97)
- Encourage redevelopment in the Forum through increased FSRs, height limits or higher density zonings
- Allow for new retail floorspace to meet demand, and in particular, encourage new mixed use developments to include a significant retail component on the ground floor.

In the longer term:

- Rezone some of Parramatta Road's commercial and retail space to B4 mixed use
- Allow increased residential development (shop top housing) along the southern end of Norton Street.

3.2.4.3 Parramatta Road and Norton Street Corridor: Commercial and Retail Study 2016

Parramatta Road and Norton Street Corridor: Commercial and Retail Study 2016 was undertaken to determine the existing capacity and future demand for commercial and retail floorspace within the project area and inform the land use future of land zoned B2 Local Centre. Key constraints identified by the study include prevalence of underutilised land in the Norton Street area which weakens the centre as a hub, the lack of pedestrian connections between Norton Street and adjacent Renwick Street and Balmain Road, retail decline, poor parking, lack of good amenity, and poorly defined street ends on Norton Street.

Land use principles recommended include:

- Manage interface between zones in precincts and adjoining zones
- Encourage built form that maintains fine grain and relies less on lot amalgamation
- Encourage ground level commercial
- Built form should have a four-storey street wall to Parramatta Road, with upper levels set back 6 to 8m.
- Allow maximum of three levels to laneway, Parramatta Road side. Set back levels above 3 storeys.

3.2.4.4 Parramatta Road Public Transport Opportunities Study

In response to PRCUTS and resultant expected reduced congestions (resulting from WestConnex) *Parramatta Road Public Transport Opportunities Study* (Public Transport Opportunities Study) was commissioned. It identifies opportunities for a light rail service along Parramatta Road, whether the existing carriage way was appropriate, and more broadly, examine best practice public transport in this area as a catalyst for revitalisation.

The shift in traffic movements along the corridor should be considered when considering land uses along Parramatta Road, particularly the opportunities to revitalise retail street frontages.

3.3 Other literature

3.3.1 Metropolis that works, Greater Sydney's Commission, 2018

The discussion paper *A Metropolis that Works* is centred on the concept that strategic industrial lands are integral to the 30-minute city. The location and proximity of industrial precincts to local labour markets, a local distribution network, is crucial to making efficient connections between suppliers, employees and end users.

A Metropolis that Works acknowledges the increasing pressure on industrial areas in the Eastern Harbour City to be substituted or developed into other uses, namely residential development. It specifically encourages innovative zoning to adapt to a shift in demand for various uses (eg the growth of the 'maker' economy), but to

beware of mixed use and the usurping of industrial land to make way for residential land. Place-based approaches are encouraged to think more about public realm with built form, considering thoughtful transitions between the industrial zones and residential zones to create precincts that have an agglomeration of activities, and the benefits of interdependency (eg transport connectivity, shared public space, proximity to human services).

Some key considerations relevant for Inner West LGA worth highlighting are:

- The value of industrial and urban services land should not be based only on the volume and types of jobs generated, but to the operational role and function it plays throughout the city.
- Industrial precincts should be identified as valuable and strategic places in Region, District and Environment Plans
- Flexible planning controls and increased densities can allow existing industrial sites to evolve to support emerging industries, however caution should be exercised in allowing small-scale live/work uses, or more pervasive actions such as rezoning to B4 Mixed Use which can act as a stepping stone to uses that are not in the best interests of maintaining a productive industrial and urban services area.

A Metropolis that Works includes consideration of the Victoria Road industrial precinct in Marrickville which has come under significant pressure in recent years from landowners to allow residential development on the grounds that small lot sizes, increased congestion and relocation of traditional industries meant that the area was no longer suitable for modern industrial uses. The former Marrickville Council and the then Department of Planning and Environment undertook a five-year strategic review of the precinct. Counter to prevailing arguments regarding the site's ongoing suitability, *A Metropolis that Works* determined that the large majority of the land was highly valued for its employment purposes and pivotal role it played in servicing the Harbour CBD, Sydney Airport and Port Botany.

In addition, *A Metropolis that Works* considers the impacts of previous decisions by the former Marrickville Council and the Department of Planning and Environment which supported more flexible planning controls and increased densities to allow the precinct to evolve to support emerging industries like the creative arts, microbreweries and populating-service activities. The papers states:

While this has in many regards helped cement the 'maker' credentials of the precinct, caution should be noted here. Seemingly minor tweaks – such as adding artisan premises or small scale live/work as permissible uses – or more pervasive actions such as rezoning to B4 Mixed Use and allowing cafes and restaurants, recasts expectations and can act as a Trojan Horse or stepping-stone to uses which in the longer term are not in the best interests of maintaining a productive industrial and urban services area.

Getting a better understanding of this nuance – how to support evolving uses which benefit from, and support, local networks yet which risk 'creativeled' gentrification – will necessarily underpin forward strategic thinking. In some circumstances, helping consolidate organically-emerging creative enterprises will be an important planning function; however, it is certainly not a silver bullet for all localities.

The paper concludes better planning and management of these lands is needed, while also being responsive to the market and community needs.

3.3.2 Sydney Urban Services Land

SGS Economics' *Sydney Urban Services Land* (2017) identified the location of urban services jobs and land across Greater Sydney. District specific approaches to managing these industries across Sydney were recommended. It identified a 'Central District' (inclusive of Inner West LGA) as already below the benchmark of three square metres of urban services land per capita, with the provision is expected to fall by 2036. Having the

second lowest provision of urban services focused industrial land in the metropolitan region, the area is considered to be “under pressure”. The report sees there are a significant amount of non-urban services industries that seek proximity to the port and the airport and compete for the areas finite industrial land, and that this requires careful management.

3.3.3 Transformation Plan: The Bays Precinct, Sydney

The Bays Precinct comprises of 5.5 kilometres of harbour front land and 94 hectares of waterway in Sydney Harbour. The Bays Precinct includes Blackwattle Bay (Sydney Fish Market & Wentworth Park), as well as areas within the Inner West: White Bay Power Station & White Bay; Rozelle Bay and Bays Waterways & Rozelle Rail Yards and Glebe Island, including the Cruise Passenger Terminal. These Inner West lands are not managed under an LEP, rather they are under *Sydney Regional Environmental Plan 26 – City West* (SREP 26).

The NSW Government’s ambition for The Bays Precinct is to drive an internationally competitive economy, by providing world-class destinations on Sydney Harbour. UrbanGrowth NSW is leading the strategic planning for this precinct, on behalf of the NSW Government. A metro station is proposed in the Precinct as part of the Metro West project.

The lands within the Inner West LGA are to be used as a staging and construction area for the WestConnex and likely for the future Metro West project. The Rozelle lands within the Bays Precinct contains the almost completed Light Rail Stabling and Maintenance Yard, while Glebe Island is proposed to support the relocation of 2 concrete batching plants, as well as Longitude Tower (an office tower). The latter is currently subject to a state significant development application. UrbanGrowth NSW is preparing a master plan for the West Bays part of the Precinct (ie the Inner West SREP lands).

Redevelopment is not expected for at least 10 years, and many of the details are not yet developed and there is uncertainty about the anticipated development mix (although Urban Growth have advised that Glebe Island is likely to support a mix of uses, including residential, commercial and port related uses, with around 10 hectares of open space west of Glebe Island). The potential for improved employment opportunities and movements may be dependent on whether a Metro station is located within the precinct, and other public transport options. Regardless, any future land use plans will need to factor in increased need for connectivity from existing networks through to the edge and within the precinct.

3.3.4 Sydenham to Bankstown Urban Renewal Corridor Strategy

The Sydney Metro City and Southwest project proposes to convert eleven stations between Sydenham and Bankstown to metro standards. The area is identified as an Urban Renewal Area in the District Plan. In June 2015 the NSW Government released the Draft *Sydenham to Bankstown Urban Renewal Corridor Strategy* (Urban Renewal Strategy) to revitalise the precincts along the rail corridor to create additional infrastructure, housing and jobs over the next 20 years. The draft was revised in June 2017 and publicly exhibited.

Proposals from the Urban Renewal Strategy relevant to Inner West Employment and Retail lands are:

Sydenham

- Transformation of part of the Sydenham Industrial area into a creative hub with night-time uses
- Allow residential development to occur with the area bounded by Marrickville Road, Meeks Road and the rail line
- Retain land on Unwins Bridge Road and Mary Street for industrial purposes but over time, permit these sites to transition to other employment and/or recreation uses with greater employment densities

- Diversify employment activities within the Sydenham Enterprise area by permitting business and office premises associate with creative industries
- Ensure that the future development of any surplus land at the Marrickville Dive Site incorporates employment generating uses (such as business, retail and/or light industry) and provides public connections and potential public access to new open space alongside the reservoir
- Identify the land north of Edinburgh Road/Murray Street and Victoria Road, including Marrickville Metro Shopping Centre, as a future opportunity for redevelopment and renewal to be investigated by Inner West Council
- Permit a mix of residential, employment and industrial uses in the Victoria Road and Mary Street Precincts.

Marrickville

- Change of use of for industrial properties along Carrington Road (proposed by former Marrickville Council) to allow residential uses. The future redevelopment of Carrington Road Precinct is to be mixed use supporting the retention of smaller scale industrial uses on lower floors in keeping with the existing mixed-use character of the suburb and the precinct. Use ground floor light industrial uses to address the potential negative streetscape impacts of raised ground floor residential levels required to respond to flood levels
- Shop top housing along Illawarra Road incorporates a street wall height that is consistent with the predominant two storey and parapet street wall height with potential for high rise development between Schwebel and Grove Streets subject to addressing overshadowing, NSW Apartment Design Guide requirements and providing some public benefit in the development.

Dulwich Hill

- Allow shop top housing development along Wardell Road directly to the north as far as Keith Street and south to Ewart Street focusing in the area immediately around the train station
- Allow shop top housing along New Canterbury Road and Marrickville Road as far south as the intersection with Macarthur Parade.

In November 2017, Inner West Council made a submission on the revised Urban Renewal Strategy. Council found that the revised strategy imposes unwanted and inappropriate major changes to density and scale, largely destroys historic character and fabric and its dwelling targets which are too big to accommodate constraints such as diminishing employment land. Council specifically called for the then NSW Minister for Planning to abandon the Urban Renewal Strategy until Council had an opportunity to prepare an LEP. Council's submission also asked that:

- The Minister restricts the ability of proponents to rely on the strategy in draft form, particularly for the proposed rezoning of Carrington Road, Marrickville
- The revised draft Urban Renewal Strategy be amended to retain all existing land in the precincts zoned IN1 General Industrial, IN2 Light Industrial and B7 Business Park under Marrickville LEP 2011.

Council's submission rejects any notion to amend existing rezoning of industrial land indicating it would have a significant negative impact on employment, availability of industrial floor space, supply chains, markers and synergies between businesses and Sydney's Creative/Cultural institutions.

The Urban Renewal Strategy received a significant amount of feedback objecting to the proposals and has not been adopted. Control for the Urban Renewal Corridor in the Inner West will now be achieved through a new LEP. On 27 July 2018, the then Minister for Planning announced a new approach to planning for the Sydenham

to Bankstown Corridor by confirming that Council would coordinate and lead the process for its part of the Corridor. On 14 August 2018, Inner West Council voted to accept an offer from the then NSW Government Department of Planning and Environment to receive extra funding (\$2.5 million) on the condition that the LEP is completed by 30 June 2020.

3.4 Implications

Long term planning for continued growth at Sydney Airport is expected to attract ongoing strong demand for employment land in the surrounds. There is potential for additional hotel and office commercial development. Particular opportunities for commercial development facing Cooks River could create opportunities for amenity improvements including improved pedestrian links, with new freight facilities also planned. Overall, the plans for Sydney Airport are in favour of retaining existing industrial land nearby.

Demand for creative spaces is expected to continue to be strong in the employment precincts. Several approaches to supporting creative industries have been tested with varying degrees of success. It will be important to build on past lessons learned in order to develop a holistic approach to meeting the needs of creative industries. Past research suggests that a multi-pronged approach is needed which focuses on:

- Protecting affordable creative spaces
- Increasing the opportunities for new spaces to be built, including larger multi-purpose spaces to allow for a wide range of activities, or co-located activities
- Exploring innovative approaches to deliver light-industrial creative spaces and venues that meet needs to enable creative industries to be accommodated on the ground floor of modern mixed use developments.

Consistent with the strong demand identified above, there is a need to protect employment land in the Inner West LGA. This policy position is consistent with that of the Greater Sydney Commission, which has stressed the importance of maintaining urban services land in areas that are close to the populations they serve. Flexible planning controls and increased densities can allow existing industrial sites to evolve to support emerging industries, however the introduction of non-employment uses into employment lands such as small-scale live/work permissible uses, or rezoning to B4 Mixed Use, can undermine productive industrial and urban services areas.

Major infrastructure projects, such as the Sydenham to Bankstown Metro, threaten to reduce the available employment lands in the Inner West LGA.

Ashfield Town Centre presents some particular opportunities to attract employment growth and investment, as the major retail centre in the Inner West LGA. Promoting new retail and business opportunities as part of mixed use developments within the town centre will allow the centre to grow and be supported by population growth. Actions to attract investment in the centre should be implemented including simplifying the planning controls to facilitate more opportunities for standalone and mixed use business development.

Throughout the Inner West LGA there is a growing demand for spaces for small businesses. Ensure that planning controls within town and local centres provide opportunities for new small businesses to occupy the ground level of buildings and to ensure that parking requirements are not overly onerous would assist the Inner West LGA to respond to this demand.

SOCIO-ECONOMIC SNAPSHOT

4.0 LGA ECONOMIC SNAPSHOT

4.1 Population

In 2016, there were 182,043 people living in the Inner West LGA. Between 2006 and 2016, the population increased by 12,244. The LGA's resident population will continue to increase, with an additional 50,000 persons expected by 2036 (DPE 2016).

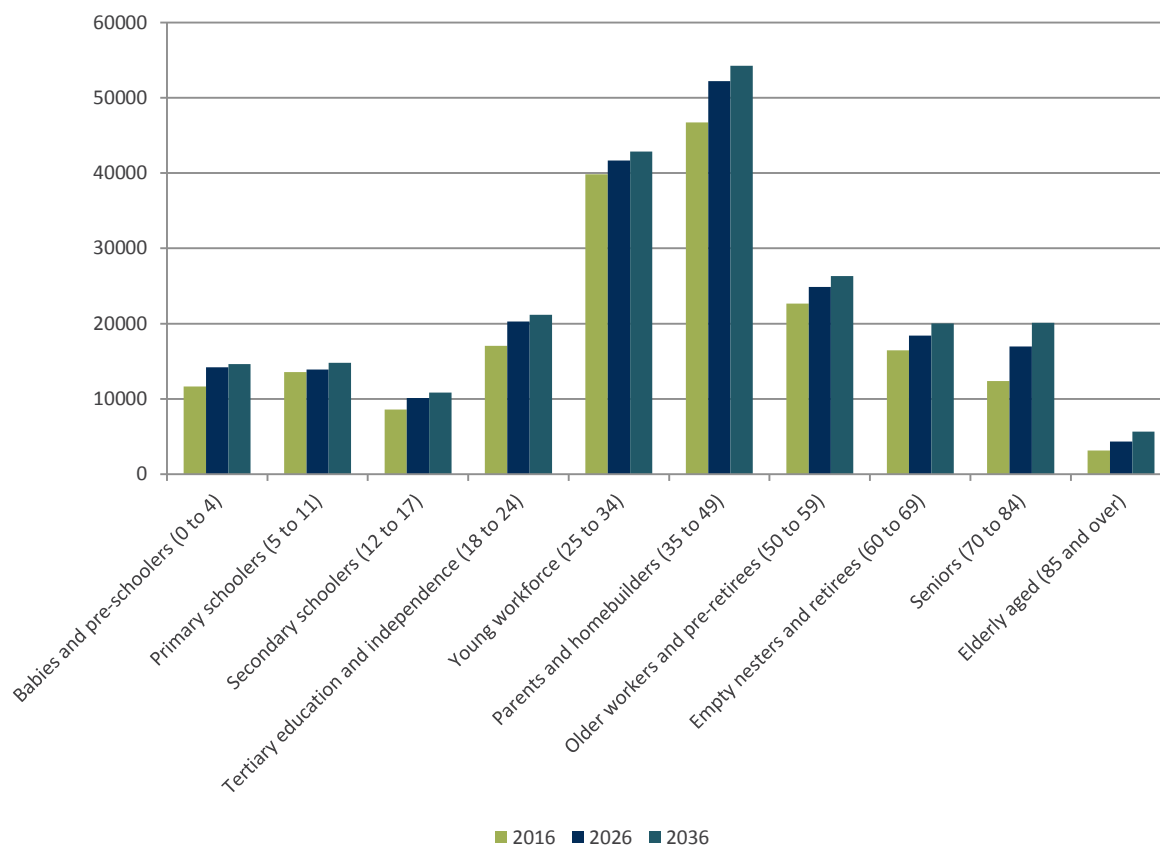
Key Population Metrics

POPULATION
2016: 182,043 persons 2036: 232,100 persons (approx. 2,500 additional persons per year)
MEDIAN WEEKLY INCOMES
\$2,048 / household \$957 / person
EDUCATION
41.7 per cent with tertiary/university qualification 19.1 per cent with a trade

In 2016, the Inner West LGA had an above average proportion of population in the working years, aged 15-64 years, with 72.5 per cent of the population in this age category compared to 67.4 per cent in Greater Sydney. The LGA has a slightly below average proportion aged 65 years and over (12.6 per cent) compared to Greater Sydney (12.6 per cent).

Population projections, shown in Figure 2 suggest that by 2036 an additional 50,000 people will be living in the Inner West LGA. This will include a sizeable population outside the working age group with 20,900 residents expected to be 65 years and over (DPE 2016). The projections assume an aging of the existing population and allow for in and out-migration.

Figure 2: Projected growth in Inner West LGA by service groups

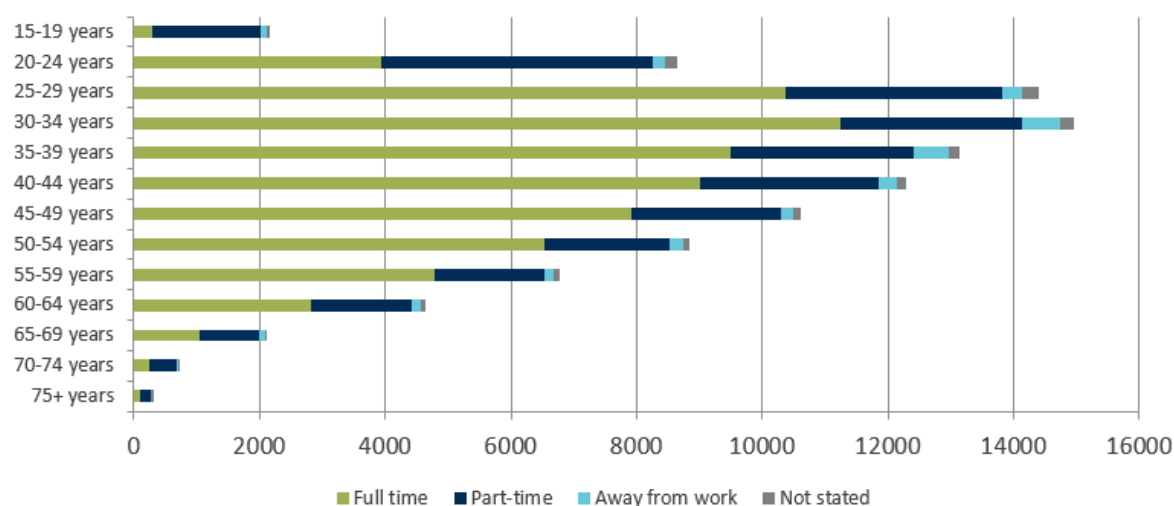


Source: ABS 2016 Census, Time Series Data Community Table 3, and DPE Population Projections (2016)

4.2 Workforce

In 2016, there were around 99,573 people living in the Inner West LGA who were employed. The workforce comprised 64.8 per cent full time and 26.2 per cent part-time employees. Part-time employment was highest for those aged 20-24 years and the highest proportion of people who are 'away from work' were aged between 30-39 years.

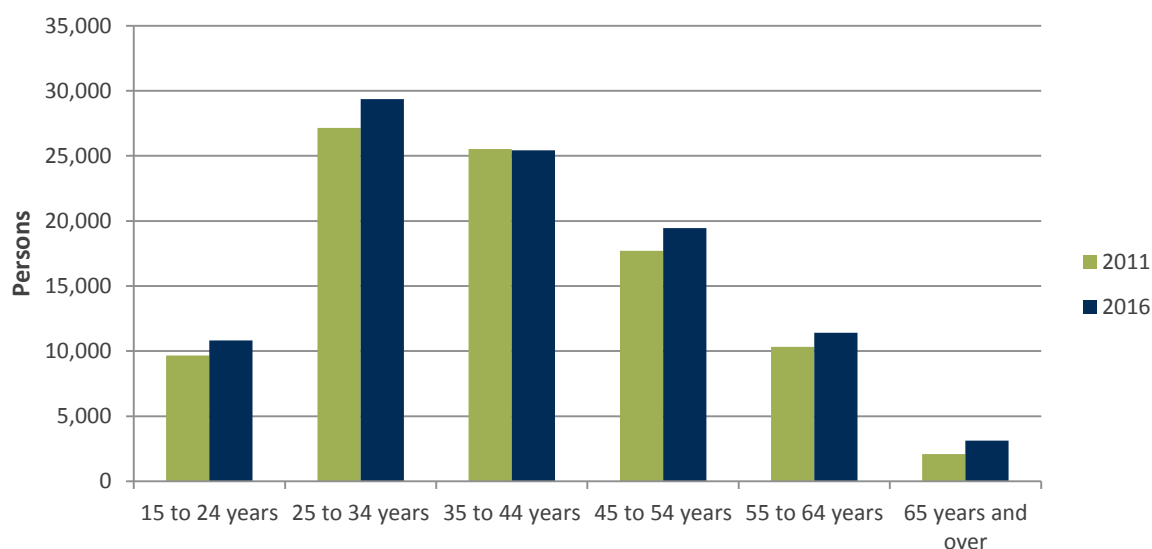
Figure 3: Labour force status in Inner West LGA by age group in 2016



Source: ABS 2016

Workforce participation in the Inner West LGA was highest for those aged 25-34 years (23.1 per cent), with that age bracket having grown the fastest in terms of people between 2011 and 2016 (2,197 persons). The fastest growing workforce age group proportionately were amongst residents aged 65 years and over, which increased by 48.7 per cent between 2011 and 2016 (1,022 persons). Overall, the LGA had a younger workforce, with more workers under 45 years of age.

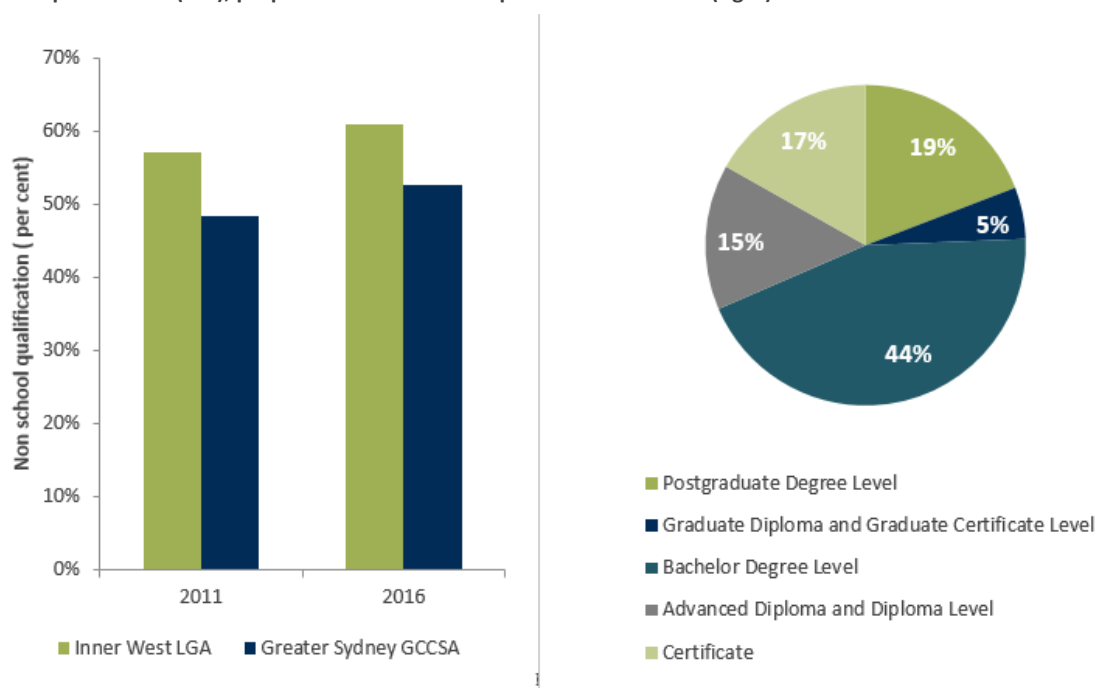
Figure 4: Inner West LGA workforce age structure 2011-2016



Source: ABS 2016

In 2016, 60.9 per cent of the population aged over 15 years had a non-schooling qualification (eg TAFE, University and trade qualifications) which is high compared to 52.7 per cent across Greater Sydney.

Figure 5: Proportion of population of Inner West LGA and Greater Sydney GCCSA aged 15 years and over with a non-school qualification (left); proportion of non-school qualifications in 2016 (right)

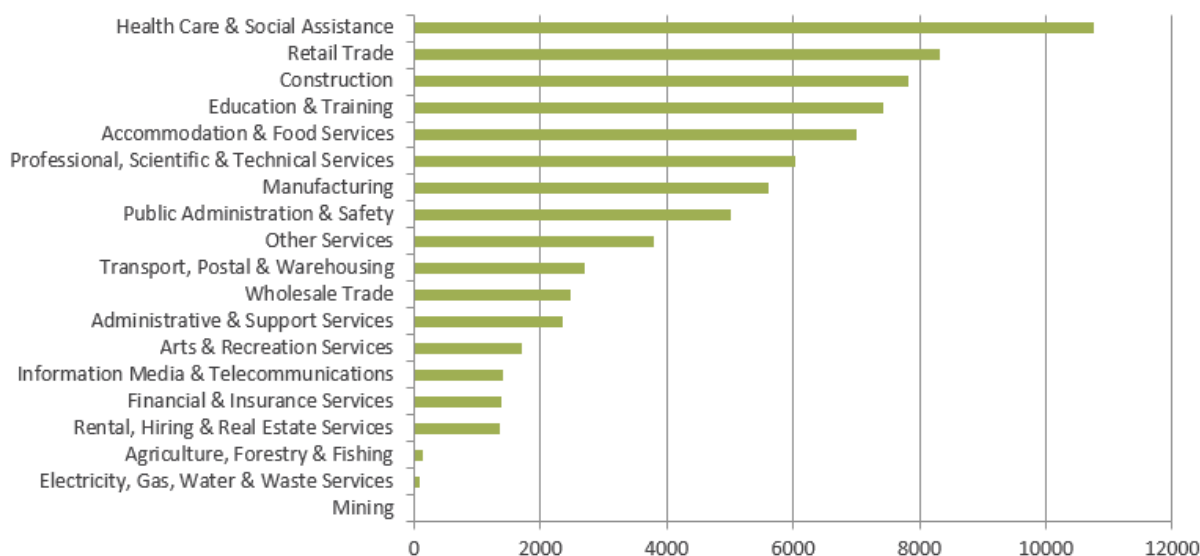


Source: ABS 2016

4.3 Employment

The largest employing industry within the Inner West LGA is health care and social assistance (14.3 per cent), followed by retail trade (11 per cent) and construction (10.4 per cent), as shown in the Figure 6. Health care and social assistance is also the largest industry of employment across Greater Sydney, though the proportion is slightly lower (12.3 per cent). Some employment growth in this sector is likely to occur outside retail and employment lands as defined in this study.

Figure 6: Estimated employment in Inner West LGA by industry in 2017-18

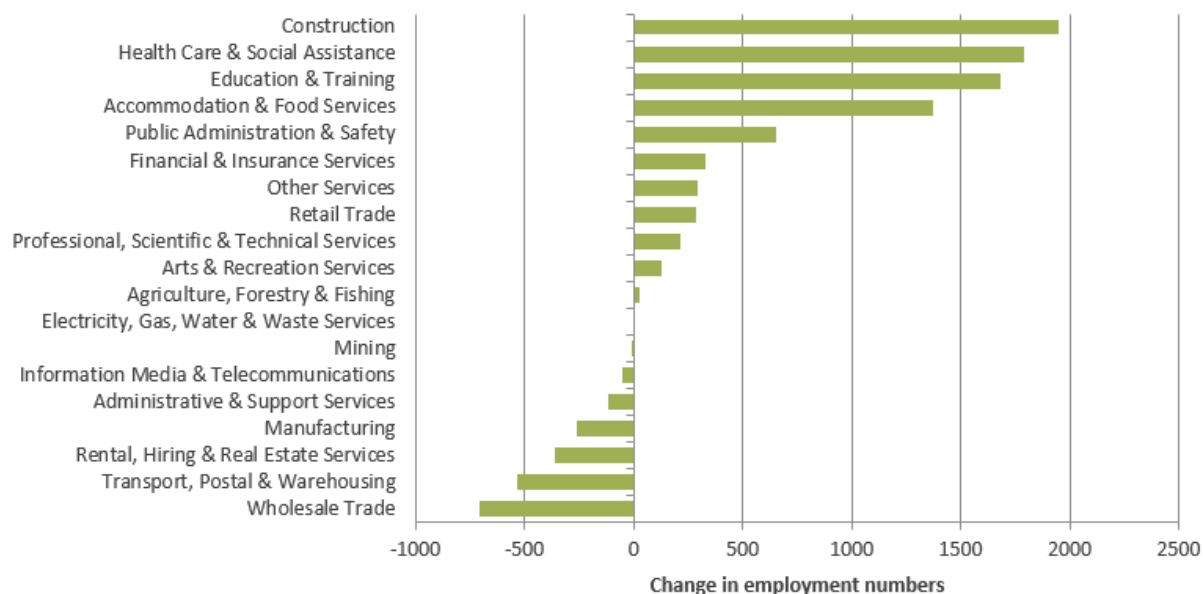


Source: economy.id 2018

Inner West LGA is estimated to have had 75,447 jobs as of 2017-18, representing a 9.7 per cent increase in employment generation from that recorded in 2012-13, when the Inner West LGA contained an estimated 68,756 jobs⁴. Over this period, increased employment was generated in the fields of construction, health care, education, public administration and services. Job numbers declined in wholesale trade, logistics, real estate/rental services and manufacturing, as shown in the figure below. Growth industries are generally consistent with the regional trends.

⁴ (economy.id, 2018)

Figure 7: Change in jobs within Inner West LGA 2012-13 to 2017-18



Source: economy.id 2018

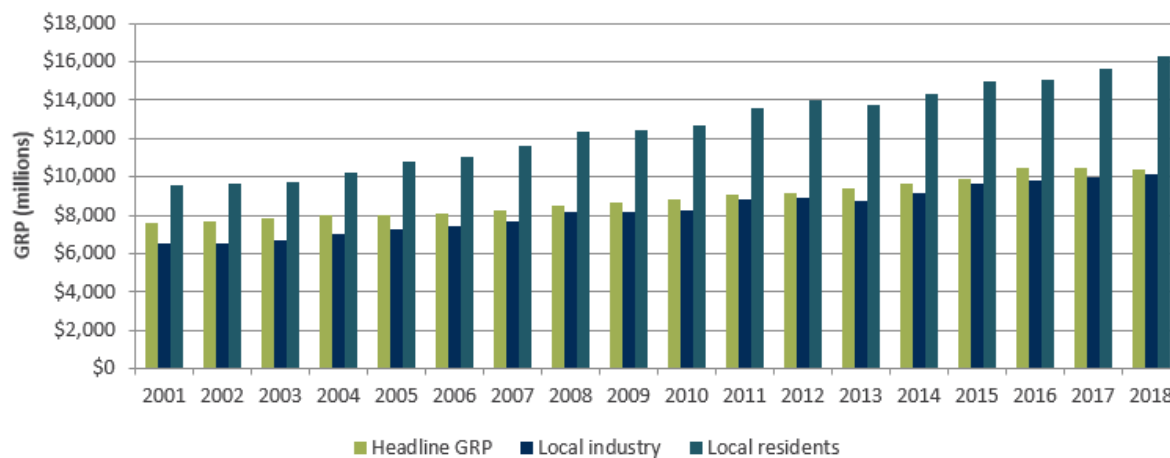
4.4 Gross regional product

In the analysis and figure below:

- Headline Gross Regional Product (GRP) refers to what is commonly known as GRP - a measure of size or net wealth generated by the local economy
- Local Industry refers to the GRP of the local economy, generated by the local workers within the area regardless of where they live
- Local Residents refers to the GRP of the residents of the area regardless of where they work. It is best thought of as the income received by people in the Council.

GRP measures the overall output of a given region's economy. In June 2018, the GRP for the Inner West LGA was \$10.41 billion, representing a 23 per cent increase from that generated in June 2008 (\$8.48 billion). Examining the longer-term breakdown of GRP in Figure 8, it can be seen that the Inner West LGA has a relatively higher local resident GRP compared to the local industry output. This is consistent with a longer-term trend of decline in the ratio of local industry to residents, indicating that residents are contributing less to the Inner West LGA's regional economy and are contributing their economic productivity to other areas (most likely commuting out). This trend is consistent with the Inner West LGA's position in Greater Sydney, between a number of major metropolitan and strategic centres that could be drawing residents in particular industries outside the Inner West LGA.

Figure 8: Gross regional product over time for Inner West LGA



Source: economy.id 2018

4.5 Business counts

Analysis of business counts in Inner West LGA reveals that between June 2015 and June 2017 an additional 628 business were recorded. The bulk of this growth was in transport, postal and warehousing businesses with 182 new businesses. Financial and insurance services, professional and scientific services, and health care and social assistance were the other top performing businesses. Also notable was the decline in manufacturing, electricity, gas, water and waste services. The two trends combined suggest a repositioning of the Inner West LGA in favour of professional types of businesses and services.

Table 7: Registered businesses by industry

Industry	2017			2015			Change
	No.	%	NSW %	No.	%	NSW %	2015 to 2017
Agriculture, Forestry & Fishing	121	0.7	7.1	161	0.9	7.6	-40
Mining	10	0.1	0.2	13	0.1	0.2	-3
Manufacturing	752	4.1	3.5	816	4.6	3.7	-64
Electricity, Gas, Water & Waste Serv.	25	0.1	0.3	34	0.2	0.3	-8
Construction	1,984	10.7	15.8	1,914	10.7	15.2	+70
Wholesale Trade	749	4.0	3.7	721	4.0	3.9	+29
Retail Trade	1,190	6.4	5.8	1,222	6.8	6.3	-32
Accommodation and Food Services	891	4.8	4.1	888	5.0	4.1	+3
Transport, Postal and Warehouse	1,015	5.5	6.8	833	4.6	6.2	+182
Information Media and Telecom.	545	2.9	1.2	541	3.0	1.2	+5
Financial and Insurance Services	1,400	7.6	9.1	1,280	7.1	8.8	+121
Rental, Hiring & Real Estate Serv.	2,143	11.6	11.0	2,153	12.0	11.2	-10
Professional, Scientific & Technical Serv.	3,671	19.8	13.1	3,535	19.7	13.0	+136
Administrative and Support Serv.	785	4.2	4.0	732	4.1	4.0	+53
Public Administration and Safety	64	0.3	0.4	61	0.3	0.4	+3
Education and Training	337	1.8	1.4	309	1.7	1.4	+28
Health Care and Social Assistance	1,409	7.6	5.9	1,296	7.2	5.8	+114
Arts and Recreation Services	580	3.1	1.3	537	3.0	1.3	+43
Other Services	670	3.6	4.0	675	3.8	4.1	-5
Industry not classified	202	1.1	1.2	199	1.1	1.2	+4
Total business	18,546	100.0	100.0	17,918	100.0	100.0	+628

Source: [Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, 2015 to 2017](#) Cat. No. 8165.0. Non-employing businesses includes sole proprietors where the proprietor does not receive a wage or salary separate to the business income.

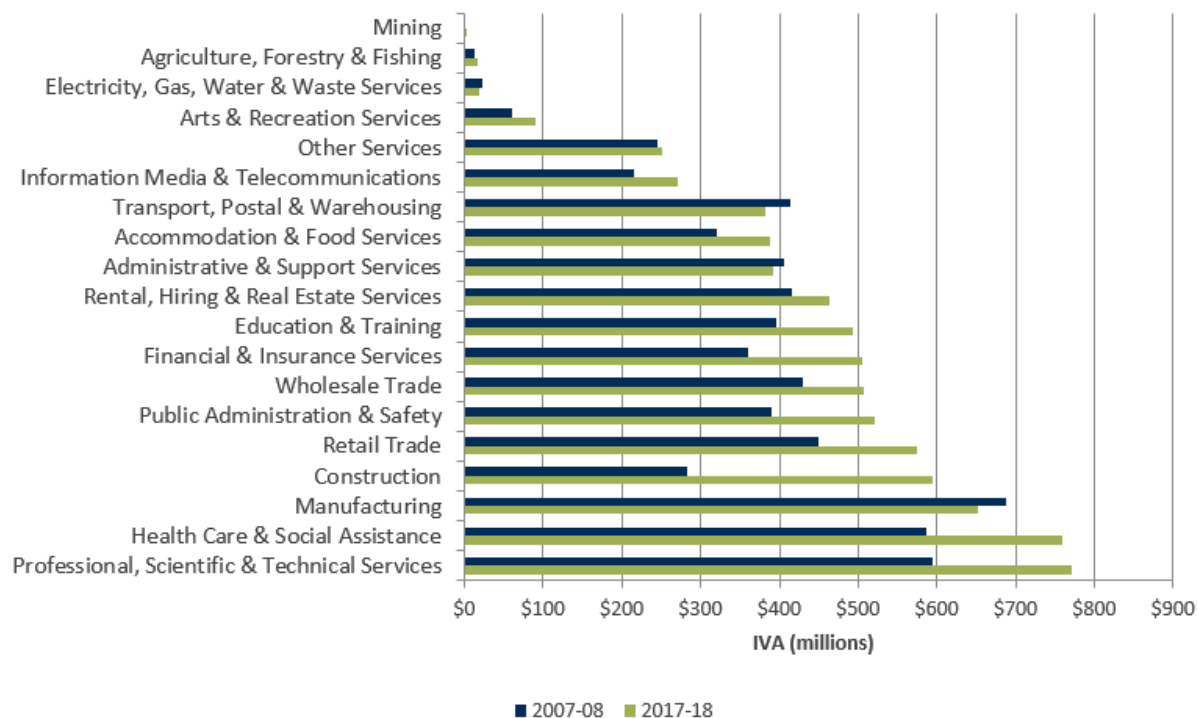
4.6 Industry value added

Industry value added (IVA) measures the net contribution that the industry makes to the country's wealth. Value added by industry is an indicator of business productivity. It shows how productive each industry sector is at increasing the value of its inputs. It is a refined measure of the productivity of an industry sector as some industries have high levels of output but require large amounts of input expenditure. In 2017/18, the five largest industries, by IVA were:

- Professional, scientific and technical services (\$771.4 million)
- Health care and social assistance (\$759.8 million)
- Manufacturing (\$651.9 million)
- Construction (\$593.6 million)
- Retail trade (\$574.5 million).

The below figure compares value added by industry in Inner West LGA between 2007-08 and 2017-18. What is significant is that manufacturing went from being the largest contributor in 2007-08 to now being surpassed by health care and social assistance and professional, scientific and technical services. The change in construction from 2007-08 is also significant and reflective of the significant development occurring in the area.

Figure 9: Value added by industry in Inner West LGA, 2007-08 and 2017-18



Source: economy.id 2018

4.7 Self-containment

Self-containment measures the proportion of residents who are employed within the boundaries of the LGA or region. It indicates the propensity of residents to seek employment outside the LGA or region in which they live⁵. The Inner West LGA self-containment rate in 2016 was 19.6 per cent, which means that a vast majority of resident workers are leaving the Inner West LGA to work in another location. This is fairly normal in an inner-city location where a lot of people travel to the city or nearby strategic centres.

⁵.id the population experts

Table 8: Employment self-containment by industry

Inner West Council area	2016			2011			Change
Industry	Total resident workers	Resident workers employed in the Inner West Council area	per cent resident workers employed in the Inner West Council area	Total resident workers	Resident workers employed in the Inner West Council area	per cent resident workers employed in the Inner West Council area	2011 to 2016
Wholesale Trade	2,632	447	17.0	3,725	700	18.8	-1.8%
Other Services	3,104	868	28.0	2,855	820	28.7	-0.8%
Industry not classified	3,898	1,025	26.3	1,863	461	24.7	+1.6%
Agriculture, Forestry and Fishing	137	32	23.4	69	16	23.2	+0.2%
Transport, Postal and Warehousing	3,274	485	14.8	3,201	494	15.4	-0.6%
Health Care and Social Assistance	10,972	2,264	20.6	9,905	2,186	22.1	-1.4%
Mining	102	13	12.7	88	8	9.1	+3.7%
Construction	5,049	1,085	21.5	3,271	963	29.4	-8.0%
Education and Training	10,419	1,990	19.1	9,249	1,684	18.2	+0.9%
Professional, Scientific & Technical Ser.	14,012	2,691	19.2	12,253	2,641	21.6	-2.4%
Public Administration and Safety	6,297	893	14.2	5,784	744	12.9	+1.3%
Administrative and Support Services	3,582	669	18.7	3,318	647	19.5	-0.8%
Electricity, Gas, Water and Waste Services	569	44	7.7	548	29	5.3	+2.4%
Financial and Insurance Services	7,341	392	5.3	7,070	361	5.1	+0.2%
Retail Trade	7,288	2,073	28.4	6,883	2,161	31.4	-3.0%
Rental, Hiring and Real Estate Services	1,798	424	23.6	1,558	452	29.0	-5.4%
Manufacturing	3,531	872	24.7	4,602	1,058	23.0	+1.7%
Information Media and Telecommunications	5,338	633	11.9	5,190	573	11.0	+0.8%
Arts and Recreation Services	2,966	783	26.4	2,403	691	28.8	-2.4%
Accommodation and Food Services	6,859	1,865	27.2	5,714	1,561	27.3	-0.1%
Total industries	99,529	19,543	19.6	89,851	18,259	20.3	-0.7%

Source: Australian Bureau of Statistics, Census of Population and Housing 2011 and 2016 Compiled and presented in economy.id by .id , the population experts.

4.8 Location quotient

The location quotient identifies that extent of industry specialisation in a location relative to a wider region. Where LQ=1, that industry is exactly as prevalent as in the wider region. A LQ greater than 1.2 indicates a significant specialisation of the industry in the local area – possibly a key economic strength. Higher numbers mean greater specialisations. Anything over 2 is a major specialisation. A LQ between 0.8 and 1.2 means the industry is broadly similar in importance in the local area compared to the comparison region and could be seen as representative. An LQ under 0.8 indicates an industry which is more important in the region than the local area and may represent an economic weakness or opportunity for growth⁶.

Table 9 shows the change in LQ between 2012/13 and 2017/18 by industry type and identifies areas of specialisation. The industry of ‘other services’ reflected the highest specialisation. This includes services such as automotive repair and maintenance, personal services, religious services, and laundry and dry cleaning services. These are population serving urban services that are generally important and valued by local residents. Arts and recreation services are another specialised area that has slightly grown over the last five years. This industry includes sectors such as creative artists, musicians, writers and performers; museum activities; sports and recreation activities; performance arts operations; and health and fitness centres and gymnasium operations.

Table 9: Change in LQ by industry sector 2012/13 – 2017/18

	2017/18			2012/13			Change
Industry	Inner West LGA %	Greater Sydney %	LQ (compared to Greater Sydney)	Inner West LGA %	Greater Sydney %	LQ (Compared to Greater Sydney)	2012/13 to 2017/18
Other Services	5.0	3.6	1.41	5.1	3.8	1.35	+0.0
Arts and Recreation Services	2.3	1.7	1.37	2.3	1.8	1.29	+0.1
Accommodation and Food Services	9.3	7.1	1.31	8.2	6.5	1.25	+0.0
Public Administration and Safety	6.7	5.6	1.19	6.3	5.8	1.10	+0.1
Manufacturing	7.4	6.3	1.17	8.5	7.8	1.09	+0.1
Health Care and Social Assistance	14.3	12.3	1.16	13.1	11.0	1.19	-0.0
Retail Trade	11.0	9.6	1.15	11.7	9.5	1.23	-0.1
Education and Training	9.9	8.8	1.12	8.4	7.9	1.06	+0.1
Construction	10.4	9.5	1.10	8.5	8.2	1.05	+0.0
Rental, Hiring and Real Estate Services	1.8	1.9	0.95	2.5	1.9	1.32	-0.3
Wholesale Trade	3.3	3.7	0.89	4.6	4.8	0.96	-0.1
Administrative and Support Services	3.1	3.5	0.89	3.6	3.7	0.98	-0.1
Professional, Scientific & Technical Serv.	8.0	10.7	0.75	8.5	10.1	0.84	-0.1
Transport, Postal and Warehousing	3.6	5.2	0.69	4.7	5.7	0.83	-0.2
Information Media and Telecomm.	1.9	2.8	0.66	2.1	3.3	0.64	+0.0
Agriculture, Forestry and Fishing	0.2	0.4	0.46	0.2	0.4	0.40	+0.1
Financial and	1.8	6.4	0.29	1.5	6.6	0.23	+0.2

⁶ .id, the population experts

Insurance Services							
Electricity, Gas, Water & Waste Services	0.1	0.8	0.18	0.1	1.0	0.15	+0.2
Mining	0.0	0.3	0.06	0.0	0.3	0.11	-0.5

4.9 Creative industries

Creative industries are an employment sector that is highly visible in the LGA. In 2016 the Inner West cultural and creative industries featured 6,400 local jobs and generated \$1.4 billion in output⁷. This represented 8 per cent of jobs in the Inner West LGA. Around 9 per cent of residents were employed in cultural and creative industries, double the greater Sydney average. In the five years to 2016, cultural and creative industries grew by 2.9 per cent per annum compared to 1.7 per cent for all other industries. Key industries in which local creative and cultural employment is focussed include creative artists, musicians and writers; printing; architecture; design; arts education; and the film industry. There are more than 4,830 cultural and creative industry businesses in the Inner West.

The following estimates have been provided by Inner West Council of creative industries from the 2011 Census to indicate the range of creative industries in the Inner West LGA.

Table 10: Creative Industries

Business type	No.	Proportion
Printing	488	10.1%
Reproduction of Recorded Media	0	0.0%
Book and Magazine Wholesaling	13	0.3%
Jewellery and Silverware Manufacturing	71	1.5%
Entertainment Media Retailing	28	0.6%
Newspaper and Book Retailing	183	3.8%
Publishing (except Internet and Music Publishing), nfd	55	1.1%
Newspaper, Periodical, Book and Directory Publishing, nfd	4	0.1%
Newspaper Publishing	24	0.5%
Magazine and Other Periodical Publishing	191	4.0%
Book Publishing	97	2.0%
Software Publishing	13	0.3%
Motion Picture and Sound Recording Activities, nfd	7	0.1%
Motion Picture and Video Activities, nfd	16	0.3%
Motion Picture and Video Production	280	5.8%
Motion Picture and Video Distribution	20	0.4%
Motion Picture Exhibition	96	2.0%
Post-production Services and Other Motion Picture and Video Activities	29	0.6%
Sound Recording and Music Publishing, nfd	5	0.1%
Music Publishing	0	0.0%
Music and Other Sound Recording Activities	47	1.0%
Radio Broadcasting	21	0.4%
Television Broadcasting, nfd	0	0.0%
Free-to-Air Television Broadcasting	89	1.8%

⁷ Source: https://public.tableau.com/profile/economyid#!/vizhome/InnerWestCulturalAnalysis_0/InnerWest

Business type	No.	Proportion
Cable and Other Subscription Broadcasting	7	0.1%
Internet Publishing and Broadcasting	9	0.2%
Library and Other Information Services, nfd	0	0.0%
Libraries and Archives	29	0.6%
Architectural, Engineering and Technical Services, nfd	19	0.4%
Architectural Services	563	11.6%
Other Specialised Design Services	552	11.4%
Advertising Services	299	6.2%
Professional Photographic Services	214	4.4%
Arts Education	273	5.6%
Heritage Activities, nfd	0	0.0%
Museum Operation	47	1.0%
Parks and Gardens Operations, nfd	0	0.0%
Zoological and Botanical Gardens Operation	4	0.1%
Nature Reserves and Conservation Parks Operation	28	0.6%
Creative and Performing Arts Activities, nfd	19	0.4%
Performing Arts Operation	60	1.2%
Creative Artists, Musicians, Writers and Performers	590	12.2%
Performing Arts Venue Operation	59	1.2%
Funeral, Crematorium and Cemetery Services	31	0.6%
Religious Services	254	5.3%
Total	4,834	100.0%

Source: Inner West Council

4.10 Implications

In general, the Inner West LGA has a strong and well performing economic sector. Inner West LGA is estimated to have had 75,447 jobs as of 2017-18, representing a 9.7 per cent increase in employment generation from that recorded in 2012-13, when the LGA contained an estimated 68,756 jobs⁸. In 2017/18, the five largest industries, by industry value added were:

- Professional, scientific and technical services
- Health care and social assistance
- Manufacturing
- Construction
- Retail trade.

Notably, health care and social assistance along with some construction employment will typically occur outside the employment precincts.

Industry specialisations reflected having the highest specialisation are most commonly in the service sector: automotive repair and maintenance, personal services, religious services and laundry and dry cleaning services. These are population serving urban services that are generally important and valued by the local residents. Arts

⁸ (economy.id, 2018)

and recreation services are another specialised area that has slightly grown over the last five years. This industry includes sectors such as creative artists, musicians, writers and performers; museum activities; sports and recreation activities; performance arts operations; and health and fitness centres and gymnasium operations. Continuing to leverage on these specialisations will benefit the LGA.

COMMUNITY VIEWS

5.0 COMMUNITY VIEWS

The following community engagement was undertaken to inform the development of the Strategy:

- Workshop involving a local democracy group
- Targeted telephone survey of businesses and peak organisations
- Interviews with organisations selected by Inner West Council

Records from the engagement are provided at Appendix A. A brief summary of key outcomes is provided below.

Further engagement with the community will occur as Council works towards a new LEP for the Inner West LGA. This will include exhibition of the Strategy.

5.1 Views of the business sector

Key issues raised during discussions with local businesses are summarised in Table 11 by issue.

Table 11: Summary of issues raised during consultation

Issue	Common responses
Land use conflicts	<ul style="list-style-type: none"> Increased residential development near employment land is increasing complaints from residents about noise generated by employment activities Some businesses in the employment precincts are changing operations to reduce noise but this is affecting their business.
Access	<ul style="list-style-type: none"> Recent growth in residential development is reducing on street parking for businesses and their customers.
Rezoning	<ul style="list-style-type: none"> Pressure to rezone employment land for residential development is threatening the continuation of employment activities in the Inner West LGA.
Suitable spaces for employment activities	<ul style="list-style-type: none"> Newer strata developments in employment precincts are not delivering the same types of spaces as older style developments which is contributing to some industries moving out of the Inner West LGA Some of the older spaces are quirky and highly sought after New mixed use developments are not delivering the type of space that businesses in the area need Fragmentation of employment precincts by new mixed use development will erode the character of the area and push out businesses Area that offer a mix of older and new spaces are ideal There is a need for more smaller spaces that are suited to artisan premises Rents are increasing generally which is impacting on creative industries in particular Most creative industries would prefer to stay in the inner west but increases in rents may lead to them moving out of the Inner West LGA Ground floor retail areas in mixed use developments often remain vacant There is a need for a network to support start-up businesses Universities are trying to incubate start-ups and students to help commercialise research. There is progress, but there is a way to go.
Creative and artisan industries	<ul style="list-style-type: none"> The appropriateness of some creative and artisan uses in industrial zoned areas is questioned, such as restaurants associated with artisan food, as these uses can conflict with warehousing and other activities Microbreweries are attracting young people to the precinct and generating a vibrancy that was not previously present.

Operations

- There are strong synergies between businesses in the employment precincts with many occupants utilising the offer of other businesses in the precinct

5.2 Community perceptions

The following perceptions about the retail centres and employment land were identified in a workshop involving a local democracy group, targeted telephone survey with businesses and key organisations and interviews with organisations selected by Inner West Council. Records from the engagement are provided at Appendix A. A brief summary of key outcomes is provided in Table 12.

Table 12: Community perceptions

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
Booth Street and Johnston Street, Annandale (retail/commercial)	<ul style="list-style-type: none"> • Ample open/green space at Johnston Creek (end of Booth Street) • Strong local character identity, in particular Johnston Street 'witches houses' • Diverse and practical range of businesses • High quality selection of restaurants • Strong 'village like' local character identity 	<ul style="list-style-type: none"> • Community support for non-residential uses has declined • Limited parking • Lack of public access to underutilised heritage building stock • Lack of cultural/community spaces
Ashfield centre (retail/commercial)	<ul style="list-style-type: none"> • Substantial creative community and businesses • High quality Asian food and beverage establishments • Focal point for Sydney's Chinese community • Intricate and interesting urban fabric • Diverse and practical range of small businesses/services • Pratten Park music, cultural and community role • Ashfield Park 	<ul style="list-style-type: none"> • Difficult to get through on Saturday's with traffic congestion and lack of clearways • Maintenance of streetscape amidst high density development • Lack of high quality pedestrian areas • High rental rates • Decline in sense of community/community feel
Callan Park, Balmain (creative industries)	<ul style="list-style-type: none"> • Crown land • Important green space • Vital area for providing creative uses space • Casual space for creative uses • Diverse range of uses • Substantial creative community and businesses • Strong heritage local character identity 	<ul style="list-style-type: none"> • Dilapidated urban fabric • Underutilisation of buildings • Lack of tenure security (NSW Government related) • Lack of protection • Lack of community control • Neglect of certain green space areas • Accessibility from the West
Darling Street, Balmain (retail/commercial)	<ul style="list-style-type: none"> • Strong heritage streetscape • Considerable local pub heritage • Established restaurant strip • Diverse range of businesses/services • Frequent local markets 	<ul style="list-style-type: none"> • Limited parking • Decline in businesses • High rental rates • Traffic congestion • Residential rental rates too high for local

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
	<ul style="list-style-type: none"> Strong local character identity Diverse selection of food and beverage establishments 	<ul style="list-style-type: none"> employees Expensive retail outlets
Bays Precinct/White Bay, Balmain, Balmain East, Rozelle (industrial)	<ul style="list-style-type: none"> Cruise ship related employment Potential for creative industries Potential for cultural venues Strong maritime history and built environment heritage 	<ul style="list-style-type: none"> Possible pollution from proposed cement plant Possible future overdevelopment Possible heavy focus on residential development as opposed to creative industries Cruise terminal related noise and air pollution
Camperdown centre (health/education/retail/commercial)	<ul style="list-style-type: none"> Strong medical/health sector High quality public healthcare Substantial creative community and businesses Ample open/green space Strong education sector 	<ul style="list-style-type: none"> Excessive focus on medical/health sector Overly concentrated medical/health facilities Dilapidated urban fabric
New Canterbury Road, Dulwich Hill, Hurlstone Park (retail/commercial)	<ul style="list-style-type: none"> Strong heritage streetscape Sense of community Convenient public transport Ample open/green space New retail/commercial premises, such as: Cafes, wool shop and sewing school, in recently completed mixed use developments 	<ul style="list-style-type: none"> Increase in rental rates New creative industries and new businesses need protection from rental increases Greenway completion required to connect employment lands Lack of effective traffic management Lack of dedicated parking
Enmore Road , Enmore, Newtown (retail/commercial)	<ul style="list-style-type: none"> Anchored by the Enmore Theatre Established restaurant strip Vibrant entertainment precinct 	<ul style="list-style-type: none"> Overcrowded public transport
Haberfield centre (retail/commercial)	<ul style="list-style-type: none"> Strong heritage streetscape Ample local open/green space Sense of community High quality food and beverage establishments 	<ul style="list-style-type: none"> Limited trade parking Haberfield Village Lack of street seating Empty retail/commercial space
Canal Road, Leichhardt (creative industries)	<ul style="list-style-type: none"> Substantial creative community and businesses Appropriate zoning reinforces local uses Ample open/green space Convenient public transport Ease of access to wider road network 	<ul style="list-style-type: none"> Regular flooding issues Lack of tenure security Increase in rental rates
Lords Road, Leichhardt (industrial)	<ul style="list-style-type: none"> Important manufacturing area 	<ul style="list-style-type: none"> Lack of tenure security (zoning related)
Norton Street, Leichhardt (retail/commercial/indust)	<ul style="list-style-type: none"> Ample open/green space Pioneer Park 	<ul style="list-style-type: none"> Narrowly focused on food and beverage establishments

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
rial)	<ul style="list-style-type: none"> Strong heritage streetscape Independent local businesses/services High quality food and beverage establishments Established restaurant strip 	<ul style="list-style-type: none"> Lack of music venues Lack of parking Lack of efficient public transport options, in particular heavy rail Lack of traffic calming devices Empty retail/commercial premises Lack of street seating Lack of urban design that encourages people to 'hang around' Lack of tenure security
Lewisham		<ul style="list-style-type: none"> Loss of creative industries Lack of understanding of cultural production Inappropriate new creative spaces
Addison Road, Marrickville (retail/commercial)	<ul style="list-style-type: none"> Vibrant entertainment precinct Independent local businesses/services Diverse and practical range of businesses/services Convenient public transport Accessible cultural venues High quality food and beverage establishments Sense of community 	<ul style="list-style-type: none"> Lack of tenure security for live music/entertainment venues and spaces (residential development related) Lack of tenure security (zoning related) Overcrowding High rental rates Redevelopment can lead to loss of original tenants and result in empty new retail space
Carrington Road, Marrickville (industrial)	<ul style="list-style-type: none"> Important industrial centre (IN1) Diverse range of industrial/commercial businesses/services Local employment centre 	<ul style="list-style-type: none"> Possible loss of aviation related businesses Lack of tenure security (zoning related)
Marrickville Road and Illawarra Road, Marrickville (retail/commercial)	<ul style="list-style-type: none"> Vibrant entertainment precinct High quality food and beverage establishments Diverse and practical range of businesses/services, such as: Restaurants, galleries, coffee, fruit and veg, transport, good food, cultural/retail Established restaurant strip Independent retail outlets Accessible cultural venues Sense of community 	<ul style="list-style-type: none"> Redevelopment can lead to loss of original tenants and result in empty new retail space Lack of tenure security for live music/entertainment venues and spaces Lack of tenure security (zoning related) High rental rates Reduction of community activity such as local markets Loss of cultural integration Overcrowding
Victoria Road, Marrickville (industrial)	<ul style="list-style-type: none"> Important urban services centre 	<ul style="list-style-type: none"> Lack of tenure security (zoning related) Increase in rental rates Increase in residential development Important industrial centre (IN1) Possible loss of manufacturing/urban

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
		services due to residential zoning
King Street, Newtown (retail/commercial)	<ul style="list-style-type: none"> Strong local character identity Diverse and practical range of businesses/services Convenient public transport Strong local community groups Established restaurant strip Independent local cinema Vibrant entertainment district Great music and other performance spaces Accessible cultural venues Substantial creative community and businesses Ample open/green space, often used for employment activities such as: boot camp and music performances 	<ul style="list-style-type: none"> Traffic congestion
Petersham centre (retail/commercial)	<ul style="list-style-type: none"> Focal point for Sydney's Portuguese community Diverse selection of food and beverage establishments Older industrial stock is a creative incubator 	<ul style="list-style-type: none"> Increase in rental rates
Darling Street and Victoria Road, Rozelle (retail/commercial)	<ul style="list-style-type: none"> Established restaurant strip Diverse and practical range of businesses/services Ample open/green space Diverse selection of food and beverage establishments 	<ul style="list-style-type: none"> Limited parking Derelict Leagues Club site negatively impacts local amenity Narrow streets limit public transport access Traffic congestion, particularly regarding City West Link access roads
Stanmore centre (retail/commercial)	<ul style="list-style-type: none"> Strong education sector 	<ul style="list-style-type: none"> Traffic congestion Increase in residential development
St Peters (industrial)	<ul style="list-style-type: none"> Ample open/green space Successful redevelopment and reuse of industrial land Substantial creative community and businesses Integration between different industries/sectors Important supply of industrial and small business space Vibrant live music venue 	<ul style="list-style-type: none"> Lack of industrial/commercial supply Loss of industrial/commercial space due to WestConnex Lack of busways on WestConnex Need for preservation of industrial buildings (and their industrial uses) in perpetuity Lack of tenure security (zoning related) Increasing residential development Expensive public transport Expensive parking No services

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
Summer Hill centre (retail/commercial)	<ul style="list-style-type: none"> Strong 'village like' local character identity Substantial creative community and businesses Diverse and practical range of businesses/services, such as: dentist, doctor, butcher and hairdresser 	<ul style="list-style-type: none"> Decrease in creative retail/commercial premises due to increase in regular retail businesses Traffic congestion Lack of traffic management Lack of parking at certain times (eg garbage collection day)
Sydenham (industrial)	<ul style="list-style-type: none"> Possibility for 24 hour operation Substantial creative community and businesses Important food processing and retail area 	<ul style="list-style-type: none"> Traffic congestion Lack of tenure security (zoning related) Lack of zoning security for food production/manufacturing Increase in rents
Tempe (specialised retail/industrial)	<ul style="list-style-type: none"> Important industrial centre (IN1) Major cluster of specialised retail businesses Anchored by IKEA 	<ul style="list-style-type: none"> Lack of 'fun stuff'
Parramatta Road corridor, Annandale, Ashfield, Camperdown, Haberfield, Leichhardt, Lewisham, Petersham, Stanmore, Summer Hill (retail/specialised retail/commercial/industrial)	<ul style="list-style-type: none"> Strong industrial local character identity Local heritage awnings Vibrant food truck and late night entertainment precinct 	<ul style="list-style-type: none"> Dilapidated urban fabric Lack of parking Restricted tenancy uses Loss of local character through redevelopment Hard to negotiate retail/commercial leases Area in 'development limbo' due to PRCUTS Increase in rental rates Lack of bus shelters and street seating Lack of street trees Traffic congestion Loss of businesses due to WestConnex Possible loss of cultural venues and creative spaces due to redevelopment

5.3 Implications

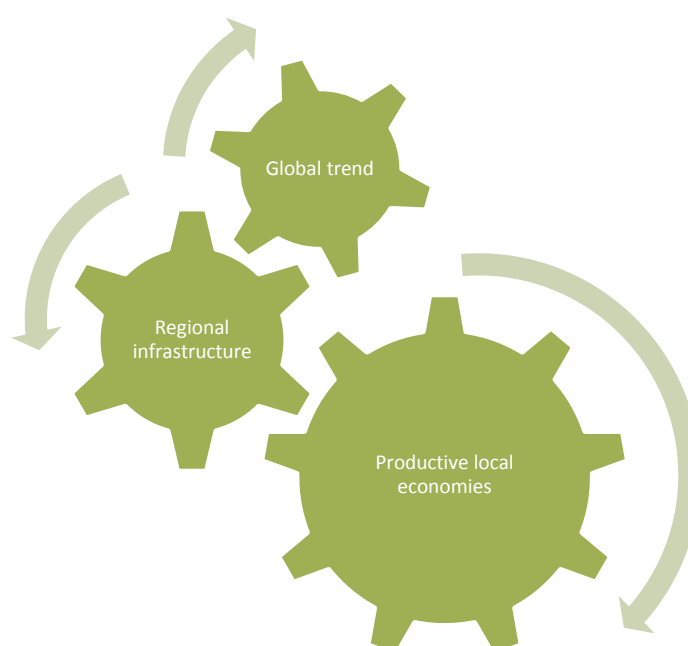
The stakeholders contacted for this study feel very protective of the Inner West LGA. In general, they are seeking to protect employment lands and the opportunities that they bring. Many felt that there were ways to improve how the employment precincts operate and function through improvements in traffic management and parking. Most feel that it is important to allow the employment precinct to operate for their purpose, with potential for land use conflicts to be minimised. The encroachment of residential development into employment precincts and their immediate surrounds was felt to compromise the operations in the employment lands.

Stakeholders highly valued the Inner West LGA's centres as both economic and socially important locations. Parking and traffic inefficiencies were cited as common concerns across all centres. Stakeholders felt that inadequate parking was adversely impacting on businesses and the centres, as a whole.

TRENDS AND INFLUENCERS

6.0 TRENDS AND INFLUENCES

This section considers recent trends and how these may impact on retail and employment in the Inner West LGA. Many of the factors influencing Inner West LGA's retail and employment land will be locally originated, while others will be derived from regional and even global trends (see diagram below). For example, the relative recent growth of online retailing has been a global phenomenon, but its impact has been felt at the LGA level through growth in demand for premises suitable for 'last mile' distribution of goods to online shoppers. For this reason, this section purposely takes a comprehensive view of the range of factors that could impact on retail and employment lands to 2036 in Inner West LGA.



To consider what retail and employment land will be like by 2036, we must first consider what may change between now and then. Some longer-term trends are well-established and seem set to continue, such as increased automation, while reducing employment in some sectors is seeing industries seek buildings with larger footprints to accommodate the technology.

It is highly likely that new trends will also emerge between now and 2036.

6.1 Retail trends

Retail experiences and shopping convenience are the driving forces in retailing. This is part of a continually evolving retail market, which has been most significantly influenced by the growth of online retailing and e-marketplaces.

Retailing is responsive to the demands of the local market by its nature. The need for a business to anticipate and respond to its customers' needs and desires ensures that the retail industry must innovate. Changes in the socio-demographic characteristics of a trade area, lifestyle preferences and available incomes, require individual retailers to constantly monitor shifts in demand and reposition their offer, mode of operation and distribution.

Over the last three and a half decades, all retail industry groups have recorded growth in turnover. However, food retailing has out-performed all other industries over this period, recording a \$3 billion or 709 per cent

growth in turnover. Of this growth, around \$2.5 billion was attributed to supermarket and grocery stores with this subcategory comprising 83 per cent of the turnover recorded for food retailing in 2018⁹.

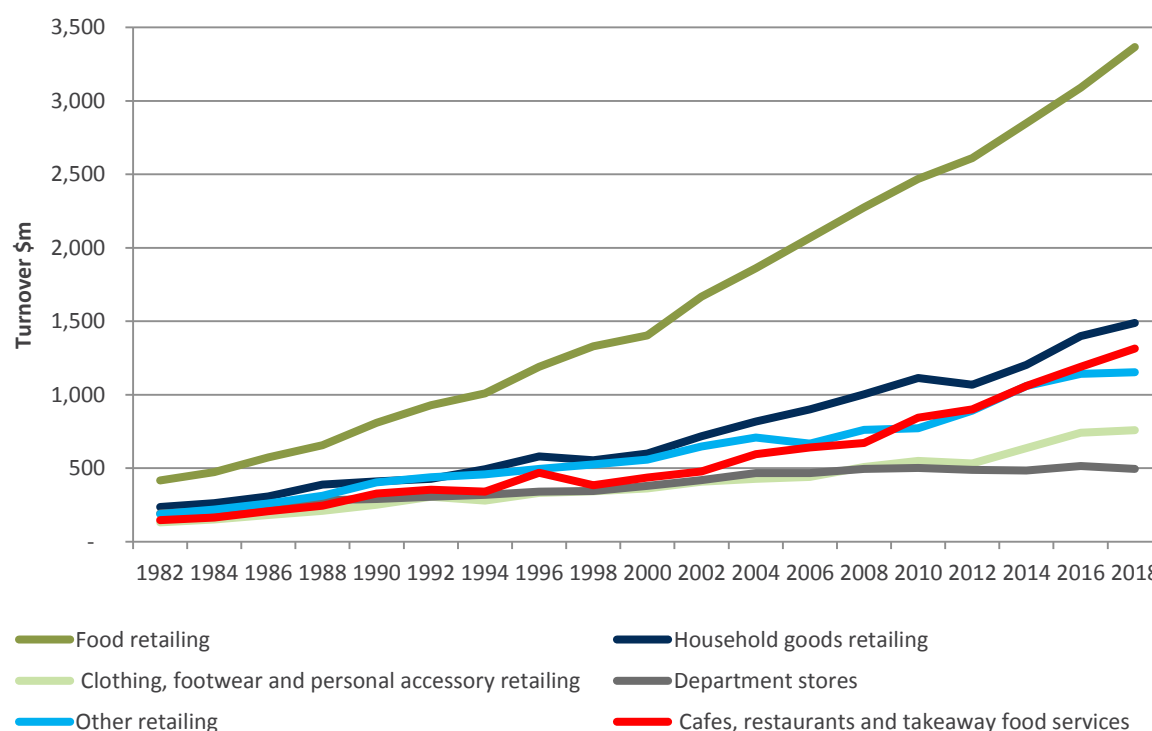
Strong growth has also been recorded in the industry of household goods retailing, especially circa 2000. This industry is closely linked to the property market where the purchase of new white goods and other furnishings go hand and hand with the purchase of a new dwelling or redevelopment/refurbishment of an existing dwelling. This linkage can be seen in the slight decline in turnover experienced by the industry between 2009 and 2012. This is likely a result of the global financial crisis where uncertainty subdued development and retail expenditure.

The growth in leisure shopping and the rise of the café culture in NSW have witnessed strong growth in the provision and turnover of the cafes, restaurants and takeaway food services industry in recent years. This is evident in the industry experiencing a \$645 million or 49 per cent increase in turnover over the last eight years¹⁰.

The rise of the café culture has seen a dramatic increase in the number of cafes and restaurants across Sydney with increased demand for outdoor dining options and enhanced amenity within centres to facilitate this.

Turnover of department stores has been variable and subdued over recent years, recording only a \$2 million increase in turnover over the last eight years¹¹. Recently department stores have experimented with new innovative sales and in-store experiences to attract shopper and reverse this trend, while also shrinking in size. Innovation in new technologies, niche markets and unique experience will need to be constantly provided and examined for this industry type to remain relevant and profitable.

Figure 10: Growth in retail turnover in NSW 1982-2018 by industry group (month of April)



Source: ABS Cat. 8501.0 Retail Trade, Australia Table 13

⁹ ABS Cat. 8501.0 Retail Trade, Australia Table 13

¹⁰ *ibid*

¹¹ *ibid*

6.1.1 Traditional retailing

Traditional retailing has been declining nationally. Low wage growth, high personal debt levels and a weakening housing market are contributing to this trend as consumers are becoming more reluctant to spend on non-essentials. ABS retail turnover data, has recently shown negligible growth New South Wales, whilst Victoria, Queensland, Western Australia, Tasmania and the ACT all saw turnover trends increase. While data is not available for small areas, it is likely that this national trend will impact retailing in Inner West LGA.

The performance of traditional ‘bricks and mortar retailing’ is being outpaced by the growth of the online retail sector. The growth in online retail is mainly from domestic online shopping as international online sales have almost stalled, possibly due to currency related trends.

Even with increased online retail, anticipated population growth and associated retail expenditure increase is expected to generate demand for an additional 7.2 million sqm of shopfront retail floorspace by 2031 in Australia.

At the local level, current industry forecasts suggest that the strong forecast population growth in Sydney will support demand for local floor space. Inner city retailing is expected to remain strong as lifestyles are intrinsically linked to amenity and retail. Supermarkets, specialty retailers and bohemian style boulevards and neighbourhoods are key attractors for inner city populations.

Demand for retail floorspace is not expected to decline despite the growth in online retailing. Demand for retail floorspace will be underpinned by projected population growth and sought after inner city lifestyles.

6.1.2 Warehousing and retail distribution for online retailing

Retail analysts generally agree that growth in online retail is likely to continue in the future. There is no clear consensus as to the amount of growth that can be expected, possibly because indicators show mixed results.¹² The rate of growth in online retail sales have slowed and from October 2018 to November 2018 was estimated at 0.1 per cent¹³. National Australia Bank Online Retail Sales Index recorded a negative 1.4 per cent month-on-month contraction in December 2018, down from a 2.9 per cent increase in November 2018 noting that November sales are typically the largest for the calendar year. However, National Australia Bank (NAB) indicates that for year to year growth in 2019, online retail spending increased by 9 per cent. This accounted for approximately 6.5 per cent of traditional retail spending overall, although market penetration rates vary significantly across category types. There has been continued growth in online trading for electronic games and toys, fashion, homewares and appliances, groceries and liquor but trends have been much weaker for recreational and personal goods and media.

The introduction of online sales events such as Black Friday and Cyber Monday (28 per cent year to year growth), and EOFYS (30 per cent year to year growth) shopping night have cemented the importance of online sales in Australia’s retail shopping calendar.

The growth in online retailing has been accompanied by strong demand for ‘last mile distribution’ facilities. CBRE has estimated that across Australia *the growth in e-commerce sales will generate demand for an additional 350,000sqm of distribution space annually*¹⁴. The Inner West LGA is ideally situated to capture this demand being located close to Sydney Airport and road transport links connecting the Inner West LGA to urban and regional markets. The Inner West LGA’s location could allow retailers to ensure consumers receive same-day delivery, or ‘within an hour’ deliveries.

¹² National Australia Bank. (2019) Online Retail Sales Index

¹³ Popomaronis, T. (2018). E-Commerce In 2018: Here's What The Experts Are Predicting. *Forbes*

¹⁴ Sydney Morning Herald, Omni-channel retail the new fix for quick service, By Carolyn Cummins 2018

6.1.3 Supermarkets in neighbourhood centres

Recent growth in demand for larger format retail space and new format supermarkets in smaller centres is expected to continue. This trend would see an increase in proposals to develop supermarkets of around 1,000sqm to 1,500sqm in smaller retail centres where previously, smaller supermarkets or convenience stores may have prevailed. Coles and Woolworths have introduced more metro style and upmarket formats, which resemble fresh food halls more than traditional supermarkets. The new Coles supermarket in East Village, Zetland is an example of this format.

It is anticipated that this trend will continue, due to:

- Steady population growth from infill redevelopment contributing to a growing demand for additional supermarkets
- Relatively fewer sites and opportunities for larger full-line supermarkets
- Prevalent lifestyle and consumer habits increasingly favouring multiple smaller convenience shopping trips during the week rather than one large shopping trip
- Increasing desire from consumers for walkable, convenient access to food and grocery shopping reflecting declining vehicle ownership/usage and expectations for access to retail facilities outside of traditional trading hours
- Strong activity from smaller supermarket operators including ALDI and Harris Farm with Coles and Woolworths increasingly competing at this end of the market.

Recent amendments to *Standard Instrument—Principal Local Environmental Plan* (Standard Instrument) accommodates this trend by introducing a definition of a neighbourhood supermarket and permitting the development of small-scale supermarkets of up to 1,000sqm in size in the B1 Neighbourhood Centre zones. This trend will have implications for floorplate sizes in neighbourhood centres as traditionally these centres have had floorplates of around 400 to 600sqm.

The attraction of larger supermarkets of around 1,000sqm into smaller centres can have both a negative and positive impact. On one hand, a larger supermarket directly competes more with smaller speciality shops, such as bakeries, butchers and fruit and vegetable shops. On the other, the supermarket increases the attractiveness of a centre to its surrounding community, thereby increasing the number of times they choose to shop there. This increased pedestrian traffic has positive effects for other shops in the centre. This is mainly through increased opportunity for capturing passing trade.

An increase in proposals for smaller supermarkets of around 1,000sqm in neighbourhood centres is expected in response to lifestyle changes that favour convenience and smaller, more frequent grocery shopping trips. This could strengthen the role of neighbourhood centres, but would present increased competition to fresh food retailers.

6.1.4 Food services

Some centres in the Inner West LGA already exemplify the role food offering can play in retailing. Growth in food retailing is increasing, largely as a result of changes in consumer behaviour: less cooking at home, increasing consumption of meals out and a desire for entertainment and socialisation whilst eating. More and more consumers are expecting high-quality food and a wide choice anywhere, at any time.

Customers are seeking an experience where it is not just about the food but also the environment they eat in, creating the needs for designing venues that also enhance and excite a customer's sense of touch, smell, sight and taste. Venues that create this "point of difference" or unique experiences can evoke an emotional

response and attachment from customers that will have them talking and referring friends and family. Pop up kitchens and restaurants are one example.

This 'experience' has seen increased demand for comfy outdoor dining options with centres needing to respond through providing improved centre amenity. Venues can also extend their trading hours, provide natural themes or taking advantage of existing natural assets or open space, where venues open onto scenic views or green spaces can also create a connection to the land, increasing dining experience.

Burwood Brickworks Rooftop Garden concept (middle), Hugo's Manly (right)



Source: HillPDA, Frasers Property, Hugos.com.au

Opportunities exist to build on the Inner West LGA's reputation for food retailing through ongoing innovation. Overseas examples of emerging trends and new retail formats include the following:

- Amazon markets with no checkouts where the shopper can eat-in or take-out and have the items automatically billed to their credit account
- Adaptation of heritage buildings such as Mercado da Ribeira Timeout Market in Lisbon and the Chelsea Markets in New York.

Internet shopping and social media are being used increasingly in food services. However, the potential impact on 'brick and mortar' food services is not as significant as it potentially is for non-food retail. This is because when food is ordered online it is prepared, in most cases, by the same store or restaurant that people sit down in.

Maintaining the Inner West LGA's reputation as a leader in food retailing could involve considering new formats such as pop-up kitchens and restaurants, adaptation of heritage building for food markets and food related events.

Mercado da Ribeira Time Out, Lisbon

Time Out magazine has established Ribeira Market as the first magazine in the world that you can read, eat and drink. Time out invited the food spots that were highly recommended by its editorial staff to become a part of its physical space. It includes about 34 spaces in the Ribeira Market, each with a different concept but most of them with an identical principle – to promote Portuguese products and to work with the spaces within the market itself.

The market has a very special offer: top chef stands at low-cost prices, where you can indulge in Portuguese cuisine. In the middle you'll find beverage suggestions, namely Compal, which presents itself in a more handmade format with natural juices only; and Super Bock, that will teach you, with the aid of an interactive device, how to serve your own draught beer.



<https://lisboacool.com/en/eat/mercado-ribeira-time-out-market-that-is-totally-in>

6.1.5 Out-of-centre retailing

The high level of demand for retail floorspace is anticipated to continue, given the constraints on in-centre development. The lack of large and appropriately serviced sites in established centres, such as those required by larger retailers, and the relatively high land values in those centres, contribute to the attractiveness of out-of-centre developments. Floorspace requirements from specialised goods and other retailers such as supermarkets will lead to continued pressure to develop in out-of-centre industrial and employment sites.

The development of out-of-centre retailing, especially for supermarkets, has the potential to affect the continued economic viability of the established centres. An international study found that the presence of out-of-centre retailing can negatively affect retail activity in nearby centres by around 12 per cent¹⁵.

¹⁵ Land Use Policy, The impact of out-of-town shopping centres on town-centre retailers and employment: The case of the Region of Murcia. Armando Ortuño Padilla; Antonia Alarcón Hermosillab; and Olga Tomás Ozoresc 2017

Existing centres should be the primary location for new commercial and retail floor space. Council is encouraged to adopt a retail policy that supports centres. This could involve:

- Reducing barriers to in centre development (eg developer contributions, design requirements and retail demand and impact assessments).
- Identifying additional land within centres (eg Council car parks or additional levels above existing shopping centres) to facilitate new retail development
- Zoning additional land for retail and commercial uses to accommodate future growth, where there is a genuine demand which cannot be met in centres.

6.1.6 Residential uses in centres

Demand for housing within centres is increasing as a result of:

- Increasing population and demand for the residential stock
- Demand for smaller dwellings in accessible locations with public transport to support affordable living
- Lifestyle changes with residents increasingly favouring the accessibility, and retail and service provision of centres
- Improved viability of redevelopment as residential values outperform other land use types in many situations.

In many cases providing residential development in centres can improve business conditions by increasing the population in the retail catchment. There is an increasing preference by younger households to live in highly accessible and well-serviced locations. At the same time, retirees are seeking to remain in their local neighbourhoods and downsize their dwelling. These trends and preferences will continue to influence centre development into the future.

Delivering residential development in centres can increase demand for retail services and make a positive contribution to the amenity and vitality of the centre.

6.1.7 Amenity and activation

The study area has some well-established and successful commercial centres. Capturing the trends outlined above will require removing some barriers to retail growth, such as parking, retail mixture, low amenity and fragmented ownership. Additional initiatives identified below may assist the viability of commercial centres increasing economic activity and stimulating rejuvenation:

- A high level of street activity, encouraged by good architecture, improved amenity and streetscape and pedestrian connectivity
- Increased diversity in the number of and mixture of retail businesses
- Development of neighbourhood supermarkets
- Creation of eating precincts or zones with a notable variety of food offerings ranging from a pop-up 'hole in the wall' to fine dining experiences
- Flexible space suited to short-term leases to allow small format, pop-up or shared retail space
- Community events that showcase local retail brands, food offerings and creative services foster a sense of identity and assist in driving retail growth
- Flexible IT infrastructure that can accommodate the growth in the online demand for retail
- An agile retail environment that can respond to changes in the retail industry as they occur.

Businesses owners are increasingly choosing to locate in commercial centres outside of the larger established 'commercial office precincts' because of their established identity, amenity and proximity to home. This demand is likely to continue to grow, to encourage this trend the study area, in appropriate centres, should provide:

- An increased range of commercial floor plates that can accommodate local professional services, start-ups and boutique small and medium-sized enterprises (SME)
- Provision of affordable commercial office space
- Provision of flexible floorplates suitable for co-working
- A continuation of floorspace suited to professional business services to cater to the local population.

Encouraging specific businesses to locate in the area is difficult. Businesses will tend to choose their location based on a variety of individual factors such as style, identity, skill base, demographics, accessibility, competition, proximity to other businesses, utilities, rents, infrastructure, and ordinance. To support new investment, a clear vision and direction for the study area can be embedded in the planning framework. Maintaining flexibility in the size of and variety of floor plates will be important to attract the greatest diversity of uses. Protecting the existing supply of commercial floorspace will also be important so not to inadvertently affect rents and the affordability of the location.

6.1.8 Activity clusters and eat streets

Eat streets have emerged as a defining feature of some centres which is increasing after hours activation and creating lively night-time economies. Centres with a balance of commercial and residential uses tend to experience enhanced activation both day and night with workers contributing greatly to the vitality of the centre during the daytime hours, and residents increase activation after hours. Global trends and disruptive technology are changing the way office and business premises are being delivered. There is a growing demand for flexible working spaces in suburban locations that are closer to people's homes. More affordable, generally older, office stock can also be attractive to start-up businesses looking for a pathway into the market.

Activities are tending to cluster within centres to capture the benefits of co-location and synergies between businesses. Commercial activity clusters, eat streets and the village shops collectively function as vibrant and dynamic centres.

6.1.9 Council interventions to revitalise centres

Councils are increasingly taking action to encourage activation and revitalisation of traditional centres that have experienced decline. Incorporating public spaces and community facilities in centres encourages visitation by families and customers that would otherwise not visit the centre. Hosting markets and free events increases activity and attracts visitors. Strengthening the streetscape appeal and delivering public spaces creates a pleasant street environment and improved amenity, generally more conducive to outdoor dining.

Council assets can provide a valuable resource in stimulating the revitalisations centres. Where surplus land is available in a centre, partnering with a developer can deliver valuable community benefits. Some examples of actions by councils to revitalise centres are below.

Kiaora Place, Double Bay NSW

Kiaora Lands is a master planned mixed-use precinct in the heart of Double Bay, a joint venture between Woolworths Solotel and Woollahra Council.

The main components of the scheme were a 600-space car park including 300 car spaces for public use, a 2,000sqm Public Library, a 3,500sqm supermarket, speciality retailing, 133 apartments, a 21 room private hotel

with function rooms, and a five storey commercial office building. The project realigned three streets and included a 600sqm public square. The development consisted of six separate buildings over a common two-level basement car park. The middle stretch of Kiaora Lane was pedestrianised, while the trucks use either end for access to Woolworth's underground loading bay.

Woollahra Council amalgamated a number of sites to create the new library centre with a through-site link. The public library is considered a 'next-generation' space featuring everything from a slippery dip for children, to a public access computer hub, meeting rooms, study areas, and even a quiet reading area with a fireplace. The library has become a destination in its own right, providing a public space for events including live music and exhibitions, extensive children's programs and workshops and movie screenings. It has been designed with all ages in mind and acts as an attractor for the centre. The library is framed by a number of retail shops and cafes that line the through-block connection. The library is open until 8 pm.

Figure 11: Kiaora Place, Double Bay



Source: Woollahra Council

Cato Square Melbourne

The City of Stonington in Melbourne has embarked on a project to transform a 9,000sqm car park into a new public plaza, dubbed Cato Square. Prior to the dedication of the project, the City of Stonington had the second-lowest amount of open space per capita of all Victorian Councils and embarked on transforming the car park into a versatile facility incorporating multi-storey car parking capped by an inviting and safe public plaza.

“Our vision is for this site to be recognized as a world-class public space that can be enjoyed by everyone. We will achieve this by transforming the existing car park into an

active, vibrant, safe and exciting public open space.”

Mayor Steve Stefanopoulo, City of Stonnington

The square is currently under construction and is proposed to incorporate retail/hospitality opportunity spaces, free public WiFi, environmentally friendly design features, safe and improved pedestrian movement paths and capacity for events such as outdoor cinemas, markets, and live performances. The project was designed by Lyons Architecture and Aspect Studios and is due for completion late 2019.

Figure 12: Artist impressions - Cato Square, Prahan Melbourne



Source: Hunn, P 2018 'Work begins on burying 9,000m² Melbourne carpark under public plaza', viewed at: <https://landscapeaustralia.com/articles/lyons-and-aspect-studios-to-transform-melbourne-carpark-into-public-park-1/> and Images source: City of Stonnington, 2018

Library at The Dock (Docklands, Melbourne)

Library at the Dock was developed in a tri-partnership between the City of Melbourne, Places Victoria and Lendlease. It is a mixed-use facility that has set a new standard in civic placemaking. The facility provides a variety of spaces including areas where musicians can practise, podcasters can record programs, movies can be screened, yoga can be conducted and like any other library, spaces for quiet reading and study.

The library is located on the waterfront of Victoria Harbour and anchored by a new park and children's play space. The site is an example of investment in placemaking, with the internationally acclaimed building also being loved by the locals and a draw card from tourists.

“Locals and visitors are drawn to the site for its library collection and peaceful environment, as well as its café, recording studios, meeting rooms, digital spaces, auditorium and performance studios.”

Tim Campbell, Lendlease

Figure 13: Library at The Dock



Source: Andrew Hoyne, 2019, 'The Place Economy, Hoyne, pg. 2 article: A new chapter for Melbourne Docklands

Chapel Street, Melbourne

The Chapel Street Masterplan focuses on the pedestrian experience of Chapel Street, Melbourne – a prominent retail street surrounded by mixed-use functions and including heritage buildings. The masterplan was produced to improve the 'rundown' urban form to secure the destination into the future. The plan established a hierarchy of streets and focussed on the single-lane streets immediately stemming from Chapel Street. Improved landscaping on these streets made more roads attractive for small businesses and extended the activity footprint of the area.

The plan sought to co-locate small public open spaces with train stations, tram stops and street corners, which provided a pause point that attracts pedestrian activity. Well-designed and stylish street furniture was included in the streetscape plan, as well as plenty of lighting, signage, and universally-designed kerbs and paths. Under-storey car parking off Chapel Street was advocated, to encourage foot-traffic on the main street.

A crucial and successful aspect of this plan was a community engagement workshop run with local residents. The workshop gave the residents a say on planning matters and small-scale initiatives. This included making some one-way streets, moving power underground to make way for trees, and relaxing density controls at principle urban junctions. Small-scale initiatives included the addition of local art projects to the streetscape, a free shuttle tram, projecting urban art to blank walls, and using native plants. Giving more control to the community encouraged the locals to spend more time on Chapel Street.

Figure 14: Chapel Street Masterplan



Source: City of Stonnington, 2013

6.1.10 Market considerations

Commercial properties along traditional neighbourhood retail strips such as Darling Street, Balmain and Liverpool Road, Dulwich Hill and Ashfield comprise traditional two storey buildings; ground floor retail and first floor commercial or residence is provided.

HillPDA has undertaken high level market research of the retail and commercial market focusing on Ashfield, Leichhardt and Marrickville.

The main retail precinct of Marrickville along Illawarra Road and Marrickville Road is currently struggling with high reported levels of vacancies. Despite the easing of demand a local leasing agent has reported a strong level of food and drink retailing as well as local services such as gyms and childcare operators. The agent has indicated that net retail rents range from \$500 to \$600/sqm of net leasable area (NLA) and first floor commercial range from \$250 to \$300/sqm of NLA. Local agents have also indicated that freehold sale value rates range from \$5,000 to \$7,000/sqm of NLA (freehold). Although there has been renewed interest in Marrickville in the past few years as an alternative to Newtown and Enmore, it is currently experiencing slow activity in a lagging economy.

Similarly, Leichhardt has experienced renewed interest with the northern side of Norton Street experiencing increased popularity for café/restaurant operators due to the increased availability of car parking. Local agents have also indicated that freehold sale value rates range from \$5,000 to \$7,000/sqm of NLA, there has been limited sale activity over the past two years. Haberfield has experienced increased vacancies in recent years however, most recent indications are that there is growing interest.

It has been reported that Ashfield is also experiencing low levels of market activity and agents have reported the majority of enquiries are for the use of food retailing and professional services. Local agents have also indicated that freehold sale value rates range from \$8,000 to \$12,000/sqm of NLA and retail net rents range from \$750 to \$900/sqm of NLA.

6.2 Office trends

The NSW experience in job growth is similar to that observed in Europe and the US, where a 20-year analysis of net job growth revealed that firms less than five years old were the only cohort of firms that were net job creators. Every other cohort was found to have shed more jobs than they created. This fact is a key consideration in positioning Inner West LGA to attract commercial jobs growth. It suggests that a focus on start-up businesses is likely to yield a net job increase.

6.2.1 Start-ups and flexible spaces

Start-ups have great disruptive potential because of the ease with which they can reach global audiences through the use of technology. These businesses can exploit a competitive advantage in price through high labour productivity and lower capital requirements.³ Providing a supply of spaces that are able to respond to technology requirements and expand to meet growth will assist start-ups to compete on a regional and global platform for the jobs of the future.

Space and floor plate requirements are changing, with the traditional purpose-built office space increasingly giving way to more flexible options like co-working spaces. These spaces act as a shared workspace for a highly diversified workforce of small businesses, start-ups, freelancers, and entrepreneurs. The rise in demand for co-working space has grown by 6 per cent per annum in the five years up to 2017, with approximately 50,000sqm of space existing in Sydney in that year.¹⁶ That said, there is still demand for larger floor plates >2,000sqm to accommodate international or domestic corporations.

The initial demand for these spaces was focussed around urban cores, with 53 per cent of Australian co-working spaces located in CBD or metro areas in 2017. However, there has been growth in suburban locations away from metropolitan centres,⁵ with these areas accounting for 32 per cent of spaces. The growing demand for flexible workspaces away from the metropolitan core echoes trends in the US market.⁶ Co-working typically requires comparatively small office spaces of less than 200sqm.

While the demand from co-working space operators is primarily domestic at present, it is predicted that the imminent entry of international operators will increase demand for spaces suited for co-working.¹⁷ JLL has predicted that 30 per cent of all office space will be classed as flexible by 2030.¹⁸ The demand for these types of spaces is continuing to grow, most notably in suburban locations.

The impact of technology is fundamentally changing the way in which people work, adding flexibility to when and how they allocate their time. The traditional concept of the workplace being a fixed space is changing, with telecommuting and remote working now commonplace. While research has found that there has been an overall decrease in regular work from home since 2001, it remains highly prevalent amongst managers and professionals, with 41.2 per cent of managers and 38.2 per cent of professionals regularly working at home, as of 2016. Over the last twenty years the proportion of employed professionals has expanded rapidly, now

¹⁶ PwC (Commissioned by Google). (2013): The Startup Economy; How to support tech startups and acceleration innovation

¹⁷ JLL. (2017), Bracing for the Flexible Space Revolution

¹⁸ The University of Sydney. (2017). An introduction to the growing co-working industry in 2017. *Co-working Spaces Australia*

comprising the largest occupational grouping, at almost 24 per cent. As a consequence, telecommuting is set to continue expanding.¹⁹

This is playing out in the changing nature of contemporary workplaces, and therefore the type of spaces that are in demand. This translates into people working from home or other suitable spaces. Naturally, this will have a flow-on effect into the way space is used in Inner West LGA, influencing the times when offices are active and the total floor space required by different industries.

Providing more flexible working space is likely to attract new businesses, freelancers and start-ups. Embracing this concept will assist in the support of small business, attract jobs growth and deliver jobs closer to homes.

6.3 Employment land trends

The globalisation of trade, wider use of information technology and online retailing is influencing demand for industrial floor space. Today's global economy is underpinned by linkages between businesses, which enable the efficient sharing of information and the delivery of goods through a global supply chain.

This supply chain, or movement of goods through production to the end user, is an alignment of firms that design, develop, market and produce goods and services and deliver them to the customer when needed. Demand for space built for the transfer of goods is increasing, primarily for 'high throughput distribution' space that is essentially designed to facilitate the rapid movement of goods through the supply chain. Businesses with low inventory turnover are gravitating to inexpensive land and low cost buildings.

Retail and industrial operations are becoming increasingly aligned, with omni-channel real estate emerging as a key trend in 2018. Supply chain efficiencies is a key for the success of the retail sector with the rise of online retailing has also driving demand for warehousing and distribution centres. A recent article prepared by CBRE and Jagonal²⁰ indicated that proximity to key transport routes is one of the priorities for industrial occupiers due to supply change efficiencies and the increasing geographic division between consumption and production. The Inner west LGA's connection to WestConnex and other motorways has it well placed to service demand for product distribution.

There is an opportunity to capitalise of the Inner West LGA's strategic road and Sydney Airport connections to deliver industrial spaces that respond to the changing face of retail by offering 'strategically proximate' warehousing for online retailers. These types of spaces would be well-positioned to offer strong returns to investors.

The evolution of industry is impacting on occupier demand. Industrial demand is increasingly being influenced by technology with cutting edge micro-manufacturing replacing traditional manufacturing. As production and manufacturing technologies evolve, there will most likely be a shift in the scale and land requirements of businesses. While the size of distribution and warehousing increases, manufacturing will become more automated reducing floorspace and car parking requirements. This will be more evident in major markets before filtering to the regions.

The employment land is located in the suburbs of Balmain, Camperdown, Leichhardt, Lewisham, Lilyfield, Marrickville, Petersham, Rozelle, St Peters, Summer Hill, Sydenham and Tempe. These industrial areas include the specialised areas of Balmain Shipyard, Balmain Marine Centre, Glebe Island and White Bay (port facility), Rozelle Rail Yards and the Cooks River Rail Freight Terminal.

¹⁹ Bankwest Curtin Economics Centre. (2018)

²⁰ CBRE (December 2017), "Time to motorway drives rental savings"

Expert insight, Ross Lees Fund Manager for Centuria Industrial REIT

Retailers need to reassess supply chains

Many retailers are recognising the need to reassess their supply chains. Most traditional networks don't include enough distribution centres to deliver goods cost-effectively and quickly – and this is a challenge as consumers demand ever-shorter delivery times.

Retailers also realise they cannot separate the online from their traditional shop-based business; rather, they need to be viewed as two parts of a whole. Successful retailers now think end-to-end, which means including transport and fulfilment centres in the mix. This is where industrial property, particularly warehouses located close to consumers and transport hubs, is benefitting.

Proximity to the consumer means cheaper transport costs and faster delivery times – both of which play an important role in overall profitability. And as the number of fulfilment centres for online retailing increases, so too does the number of businesses which service these centres, such as packaging companies. And both require industrial property.

Industrial property outlook

Growth in exports, business investment, and infrastructure, are driving demand for industrial property. There has been a strong flow of capital into the Australian industrial sector from a diverse range of investors – including domestic private and institutional groups, and offshore groups.

Supply is constrained however, and as a result, yields have compressed across the board. In Sydney, yields moved from 5.73 per cent (in H2 2017) to 5.26 per cent (in H2 2018); in Melbourne from 6.27 per cent to 6.06 per cent.

At the same time, the digital revolution and advances in technology mean that industrial property is changing from the simple, low-tech warehouses of the past. Today's industrial property is more sophisticated, efficient, and flexible – ready to service a diversified range of industries.

As a result, prices have risen across the board – but more significantly in locations close to population hubs, where there is greater density and higher competition from alternative uses.

While online retailing is providing a positive flow-on to industrial property, to regard this as a one-to-one increase in industrial space would be overstating the case. Certain types of industrial space will benefit disproportionately from the rise in online retailing. For online retailers in pursuit of supply chain efficiencies, "strategic proximity" is key: industrial property that is close to transport nodes and consumers will be the winners.

From an investment perspective, the same holds true. Industrial portfolios that align with the changing face of retail – by offering "strategically proximate" warehousing for online retailers – will be well-positioned to offer strong returns to investors.

Extract from article published: Tuesday, April 30, 2019 at <http://www.switzer.com.au/the-experts/ross-lees/online-retailing-increasing-demand-for-industrial-real-estate/>

6.3.1 Emerging and disruptive technologies

Technological progress provides potential for economic growth, but its impact is seen by some, as disruptive force for labour markets and established business models. ‘Disruptive innovation’ refers to an innovation that creates a new market by applying a different set of values, and which ultimately (and unexpectedly) overtakes an existing market.²¹ This commonly occurs by harnessing new technologies, or by developing new business models. Products based on disruptive technologies are typically cheaper to produce, simpler, better performing, and more convenient to use.²²

Disruptive technologies have the potential to impact growth, employment, and inequality by creating new markets and business practices - and ultimately on demand for employment land. Disruptive technologies will have potentially negative effects on some firms, through declines in shareholder value and loss of markets. Employment lands may suffer increased vacancies unless they provide spaces that are suited to the emerging business types and their changing operations.

Employment lands that provide spaces in a variety of sizes and price ranges are more likely to be resistant to the impacts of disruptive technologies.

Analysts²³ have identified emerging and disruptive technologies that will likely have significant impact on the manufacturing transformation, they include (in alphabetical order):

- **Additive manufacturing** (3D printing): The class of materials that can be printed has been expanded greatly, from plastics, paper, ceramics, metals, superalloys, to biomaterials. Developments in additive manufacturing will likely create new applications that will have significant impact on traditional manufacturing methods.
- **Advanced robotics**: New and advanced robotics will increasingly be used in precision manufacturing and assembly, in semiconductor fabrication, and even in human-robotic cooperative environments beyond manufacturing. Manufacturers using advanced robotics are typically seeking larger spaces.
- **Digital manufacturing**: Traditional experiential and experimental approaches to product development, manufacturing process design and validation, factory automation and supply network development are being replaced by highly efficient digital thread approaches.
- **Distributed and cyber manufacturing**: Distributed manufacturing has been enabled by the DIY maker movement, 3D printing technologies, CNC machines and the internet. This promises to transform centralised manufacturing hubs, the supply network and the logistics industry as machine APPs operating on cyber platforms create on-demand design and manufacturing.
- **Hybrid processes**: The development of new, advanced materials and the increasing integration of multi-functionalities into a single product is creating innovative hybrid manufacturing processes
- **Lightweight materials and structures**: The demand for energy-efficient transportation vehicles has driven the rapid adoption of lightweight materials and multi-material structures for the construction of aero, ground and marine vehicles. These new advanced materials and structures call for the disruptive development of novel manufacturing methods.
- **Intelligent maintenance systems**: In the era of industrial big data, new development in predictive analytics and infotronics has enabled complex engineering equipment and systems to achieve near-

²¹ Clayton Christenson (The Innovator’s Dilemma),

²² Ibid.

²³ Jun Ni and Jay Lee (2016) Emerging and Disruptive Technologies for the Future of Manufacturing: 2015 - 2025

Keywords: disruptive technologies, emerging trends, future manufacturing technologies, University of Michigan, University of Cincinnati

zero breakdown performance. The monitoring and prognostic health management capability allows proactive approaches to address the performance degradation of their systems and equipment.

- **Prognostics and health management for self-aware machines and equipment:** Future manufacturing equipment will have the increasingly more sophisticated capacity to sense its environment, monitor its condition, be aware of its own operating performance drift, and adaptively compensate for any deviation from the ideal performance target.
- **Predictive manufacturing and smart factory:** Leading manufacturing firms are adopting highly automated, IT driven manufacturing planning, scheduling and production controls. Such factories employ smart machines and equipment that have self-aware capabilities, use vast amounts of industrial big data to evaluate and predict production conditions in real time (eg cost, quality, productivity, material supply and market demand), and proactively synchronize factory-level as well as enterprise-level resource requirements.
- **Reconfigurable manufacturing systems:** Modern manufacturing systems are increasingly expensive and yet the product life cycle becomes shorter and shorter due to fierce market competition. This dilemma has motivated many manufacturing firms to look for ways to effectively reuse the capital investment for their manufacturing systems, thus leading to the paradigm of reconfigurable manufacturing.
- **Remanufacturing systems:** The increasing pressure for environmental sustainability has created more opportunities for products to be remanufactured after their typical end of life. A properly designed and operated remanufacturing system will not only address the issue of environmental sustainability but will also increase economic benefits for the manufacturers as well as consumers, leading to a truly circular economy.
- **Real-time 3D machine vision:** Rapid development in pipeline image processing and advanced optics have created unprecedented new capability for real-time 3D machine vision technologies to be widely adopted for advanced manufacturing process control, assembly verification, and in-process product certification. This also helps to provide real-time guidance for advanced robotics.

The potential impacts of the above include:

- Physical footprints changing to accommodate automation, typically requiring larger floorplates.
- Strong growth in industries focussed on health care, leisure and hospitality, with these industries continuing to drive future growth of commercial space.
- Continued growth in demand for co-working and flexible workspaces.
- Continued growth in demand for spaces in locations that more efficiently connect providers with customers, with the goal of offering better service and cheaper goods to the consumer.
- Greater demand for leisure with increased automation allowing people to focus on culture, reemphasize social activities, and develop an experience-driven economy in more urban centres.
- Experience related real estate is expected to boom (sports, entertainment, and food and beverage).
- Given anticipated distance restrictions on commercial drone deliveries, warehouses may move closer to population centres, to allow these properties to operate as drone distribution bases, thereby dramatically improving supply chain efficiency.

²⁴ <https://www.leggmason.com/content/dam/legg-mason/documents/en/insights-and-education/whitepaper/clarion-whitepaper-disruptive-technologies.pdf>

6.3.2 Creative industries

Creative industries and culture are essential to the local community and identity. Inner West Council estimates that at the 2011 Census 9.4 per cent or 8,685 people in the Inner West Council were employed in cultural occupations, the highest of any LGA in NSW. Council's *Cultural Action Plan (2016 – 2020)* identified that arts and culture are integral to local social and economic advantage and the liveability of the area.

Table 13 presents information for a sample of creative industries located in the Inner West LGA. All feel the threat of redevelopment and rent increases. Uncertainty around tenure is impacting on operations and revenue by restricting business to short term planning.

Table 13: Issues faced by creative industries

Creative industry	Current concerns
CANAL ROAD FILM CENTRE 1 Canal Rd, Leichhardt Canal Road Film Centre (CRFM) is an umbrella organisation that runs Australia's largest independent film and TV production precinct - a unique collection of businesses artist and support services.	<ul style="list-style-type: none"> • Council has rezoned the site to SP1 Special Activity in recognition of its importance. • Strategically located near two light-rail stations. • Difficulties in getting approvals for location shootings in the city is hampering film and television businesses. • Location shooting is the only way to maintain local productions in Sydney. • The current regulatory environment is not supportive, forcing many productions to relocate to more filming friendly locations.
ART EST. 4/67/69 Lords Rd, Leichhardt Art Est. is a private Art School and Gallery providing weekday classes, weekend workshops, and art programs, catering both to adults and children with a wide offering of creative lessons, ranging from painting and drawing to pottery, printmaking, cartooning, life drawing and travel sketching.	<ul style="list-style-type: none"> • Previous attempt to redevelop the site for residential uses: <ul style="list-style-type: none"> – The most recent planning proposal for the site, submitted in October 2018, sought to rezone the site from IN2 Light Industrial to R3 Medium Density Residential, increase the floor space ratio from 1:1 to 2.4:1 and introduce a maximum building height control of RL35. – The intent of the planning proposal was to facilitate a redevelopment of the site including approximately 23,158sqm of residential floor space, comprising 235 dwellings, and 3,000sqm of non-residential floor space across five (5) buildings ranging from three to nine storeys, positioned around 1,650sqm of centrally located open space. – Strong opposition to redevelopment was found from the community. • Current activities undertaken in the warehouses and cannot move to shop fronts or be integrated with residential functions. • No other suitable sites in the area. The remaining industrial spaces in outer suburbs may be too far away for the school's customers. • Measuring the economic and cultural value of existing creative operations has tended to underestimate the situation by only accounting for full time employees but the centre also: <ul style="list-style-type: none"> – gives work to more than 60 local artists per annum – hosts more than a thousand students – holds exhibitions that attract hundreds of visitors – is instrumental a network of creativity would be lost if redeveloped.
LEGS ON THE WALL 91 Canal Road, Lilyfield Legs On The Wall is a physical theatre company including aerial performances	<ul style="list-style-type: none"> • The site is Crown land and there is uncertainty about leasing terms and future plans. • Threat of rent increases would jeopardise or heavily impact the business. • Zoning and other regulations restrict the possibility of hosting live audience performances which would be a potential revenue stream. • Applying for relevant permits is too costly and time consuming and there are

Creative industry	Current concerns
and floating stage effects and apparatus.	<p>concerns regarding the impact public traffic and congregation on other tenants.</p> <ul style="list-style-type: none"> The lack of affordable space for rehearsal and storage is encouraging casualisation of artistry with a detrimental effect on the quality and innovation of Australian theatre.
<p>TORTUGA STUDIOS</p> <p>31 Princes Hwy, St Peters</p> <p>Tortuga Studios is an artist-run initiative with its own gallery, a co-working space and a production house for TV, film and theatre, which includes set builders, lighting designers prop-makers.</p>	<ul style="list-style-type: none"> The warehouse space is old and requires a lot of maintenance which is often beyond the means of the organisation. Neighbouring redevelopment and construction of the WestConnex motorway has produced dust, asbestos debris, heavy noise, and traffic jams. Safety concerns from dust and truck movements; odour from remediation works. Operate under a medium-term lease for the next 3-6 years. WestConnex St Peters Masterplan proposes the industrial block be replaced by apartments, with an 'art space' within the buildings and a private open space.
<p>SQUAREPEG STUDIOS</p> <p>10 Junction Street, Marrickville</p> <p>A collaborative jewellery workshop used by professional contemporary jewellers, sharing heavy equipment that would be too expensive or unsuitable for installation in homes.</p>	<ul style="list-style-type: none"> There is always the possibility that the warehouse will be sold to a developer to build apartments. The area is considered suitable for new development, given its proximity to the future Sydney Metro station. Operators believe additional apartments and commercial spaces could increase business opportunities, provided that creative venues such as SquarePeg Studios are retained in the process.
<p>ERTH</p> <p>22-26 Myrtle Street, Marrickville</p> <p>An international theatre company specialising in live performances and large-scale puppetry shows.</p>	<ul style="list-style-type: none"> Erth has had to become a venue manager while remaining a physical theatre company to cover costs. Erth has become an umbrella organisation itself, managing security, telephone lines, internet, cleaning, maintenance, and so on. Maintenance costs associated with an old warehouse. The building floods during heavy rains in the basement (storage) area. A demolition clause is included in the 3+3 year lease, as the area is zoned for residential development.

Andrea Pollio, Ien Ang, David Rowe, Deborah Stevenson, Liam Magee *Cultural Creation and Production in the Inner West LGA*
A case-study needs analysis December 2018, University of Western Sydney

Rent Controls in Hackney Wick, London

Rent controls are to be imposed on properties in the Hackney Wick area to protect creative businesses.

The area which is currently experiencing a massive regeneration has long been a home to artists and other creative enterprises but has seen its rents increasing by more than 50 per cent in just one year.

The initiative has the support from the Mayor of London, Sadiq Khan. It will force landowners in the area to set rents at less than half of the current market rate.

Creative businesses will benefit from more support and protection to stay in the area thanks to new planning rules approved by the council and the London Legacy Development Corporation (LLDC). The LLDC, which manage a substantial part of the area, has agreed to a planning arrangement intended to provide new work and studio spaces at affordable rents for established businesses.

More than 8,400 sqm of existing low-cost work will be re-provided under the new planning rules, alongside hundreds of new homes, modern retail, and community facilities. The rent controls follow the creation of the masterplan for the regeneration of the area.

The Council is already in the process of refurbishing two existing buildings in the Trowbridge area. Local workspace providers will be in charge to manage the building for the small, independent and artistic firms that have already made Hackney Wick their home.



The views of creative industries were also considered through the community engagement process (see Section 5). Creative industries in the area generally fear termination of leases and redevelopment forcing them out of the area, either directly or through increases in rents. Inner West Council has been instrumental in protecting creative uses by refusing development applications and rezoning.

The continued operation of creative industries could be assisted through:

- Articulation of a clear vision for the creative industries in the Inner West LGA.
- A stronger policy position on creative industries and the future of employment lands in the Inner West LGA, including planning requirements directed to retaining or increasing the supply of low cost, suitable spaces, in perpetuity.
- Clear recognition of the benefits, including economic benefits, for the collective contribution of creative industries across the LGA.
- This would position Council to more easily respond to future planning proposals and development applications.

Factors that are challenging artists' ability to access affordable spaces in the local area include:

- Gentrification and a loss of industrial spaces, which would be heightened by any further loss of industrial lands.
- A shortage of, larger style industrial 'bare bones' warehouses, suitable for hybrid and large-scale production, such as sculpture and large scale visual arts, noting that newly built creative spaces at market rent are generally unaffordable for the area's specialised artists and makers.
- Deterioration and poor maintenance of older buildings

Council reports that there is not a clear distinction between manufacturing, niche creative production, local individual artists and small to medium creative enterprises. For example, the area houses several artists involved in creative design and experimentation (such as ceramics and sculpture), who might then produce items for sale in small to medium manufacturing and may also run community programs.

Creative industries are a driver for local innovation. For example, the draft *Sydenham to Bankstown Corridor Strategy* (while shelved) states a vision for Sydenham precinct as *"a creative and dynamic centre that increases and diversifies employment opportunities with new and exciting businesses and industries, cafes, bars, restaurants and venues for live music."* The IN1 General Industrial lands allow live music venues but there is only one established live music venue in the area. If the State Government's renewal vision for Sydenham is to be realised, targeted support for businesses including live music industries should be considered in any future planning proposal. The role of creative industries in other precincts is considered in Section 5.

6.3.3 Microbreweries

Inner West LGA has recently attracted interest as a place for microbreweries to locate. The implications of allowing microbreweries to establish in employment areas are still being monitored. Of particular concern is the potential for associated tasting rooms to lead to land use conflicts while taking away important industrial zoned land from industrial purposes. Microbrewers are an example of emerging industries and debates ensue about how to accommodate such industries within the planning framework.

In the US, microbreweries have played a key role in the revitalisation of economically distressed neighbourhoods with many reporting rising property values in areas surrounding craft breweries.²⁵ The research found that microbreweries have a positive impact on residential property values and areas near a craft brewery appear to have been associated with relatively higher price premiums even before the opening of the brewery. However, it also found there were no significant impacts on commercial property values. Policy makers are reportedly considering revising zoning laws and other regulations in efforts to promote the growth of microbreweries and spur economic development in their local economies.

Microbreweries with the Inner West LGA are gaining an identity and are collectively promoting their product through events. There is an opportunity to support this recent initiative and for future events to be coordinated and hosted by Council, noting that the breweries are typically hosting smaller individual events already.

The potential for expansion of microbreweries tasting rooms, as a result of representations from microbrewers, were discussed in Council Report C0318 item 2 at its 13 March 2018 meeting. Nine microbreweries were known to Council at that time, with the industry growing two-fold since 2015. In that report, Council also stated its position that a 'tasting room' would satisfy the provisions of 'industrial retail outlet,' but restricted to the serving of goods produced on the premises. Council noted several concerns related to the impact on industrial lands with an expansion of industrial retail outlets. In the months following that meeting Council engaged with the then Department of Planning and Environment multiple times to develop and refine a definition to more accurately define the microbrewery/tasting room land use.

In parallel, Liquor and Gaming NSW, working with Inner West Council, announced that a new Inner West micro-brewery licence had been drafted and would operate on a trial basis for 12 months commencing on Saturday 1 September 2018. The special authorisation is subject to certain conditions including:

- No beer, cider, spirit or liqueur may be sold on site unless they are the licensee's product
- The number of patrons on the premises does not exceed 100
- Food to be provided consistent with the responsible sale, supply and service of alcohol.

From a planning perspective, microbreweries have historically been established through the development application (see Development No. DA201400458) or complying development (see CDC No. 201700099) planning pathways, with 'industrial retail outlet' uses serving as tasting rooms or small bars for on-site consumption. This allows for the light industrial use of manufacturing (ie the brewing aspect of the business) to be combined with the industrial retail outlet use (ie the sales/consumption) under the LEPs and *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* (Codes SEPP).



²⁵ Nilson, I. The value of a craft brewery: On the relationship between craft breweries and property values, Article in Growth and Change, March 2019 DOI: 10.1111/grow.12292

Due to licensing requirements requiring the provision of food, operators have relied on solutions such as food trucks as exempt development. This framework allowed for microbreweries to work around food and drink premises prohibitions normally associated with industrial zones.

The microbrewing industry has expressed frustrations with this framework and has expressed a need for harmonising the relevant controls in the three former Council LEPs relating to ‘industrial retail outlets’ (which has been interpreted by private and Council assessors as including tasting rooms as a retail component) to help support the development of the microbrewery industry in the Inner West LGA.

The recent introduction of the term ‘artisan food and drink industry’ within the Standard Instrument definitions and has also attempted to resolve this inconsistency. The term is defined as follows:

artisan food and drink industry means a building or place the principal purpose of which is the making or manufacture of boutique, artisan or craft food or drink products only. It must also include at least one of the following:

- (a) a retail area for the sale of the products,
- (b) a restaurant or café,
- (c) facilities for holding tastings, tours or workshops.

Note. See clause 5.4 for controls in industrial or rural zones relating to the retail floor area of an artisan food and drink industry.

This land use effectively allows for businesses that produces small-scale food or drink products to also sell them, operate a restaurant or café, or operate facilities for tastings, tours or workshops. Notably, these uses must be subordinate to the manufacturing of the food or drink products (see Planning Circular PS13-001 for more information on ‘principal purpose’). With respect to microbreweries, this would ideally allow for permanent on-site kitchen facilities, rather than rely on exempt development such as food trucks.

At the same time the use was introduced, the Codes SEPP was amended to remove the complying development pathway for food and drink manufacturing, combined with retail sales.

Clause 5.4(10) of the three Inner West LEPs indicates that retail floor area (not including any café or restaurant area) must not exceed the following:

- Ashfield LEP: 40 per cent of the gross floor area of the industry or 400 square metres, whichever is lesser.
- Leichhardt LEP: 20 per cent of the gross floor area of the industry or 100 square metres, whichever is lesser.
- Marrickville LEP: 11 per cent of the gross floor area of industry or 400 square metres, whichever is lesser.

Prior to the introduction of the new land use, the Codes SEPP previously allowed for industrial retail outlets up to 20 per cent of the GFA of the building they are within. Allowing retail floor space exceeding that, particularly 40 per cent of the size of the industrial component, would have a more significant impact on industrial land provision than previously existed. A consistent percentage of floor space needs to be determined for whole of the Inner West LGA. This percentage should reflect that concerns about potential loss of industrial land to other uses.

The new land use does not contain specific size restrictions for the other uses, including the restaurant or café options. While it is intended for these components to be subordinate to the manufacturing, recent applications (DA No. 201800295 and 201800576) have included sizeable venues that are arguably major components of the proposed development.

There is potential for the expansion of restaurant and cafes and retail floorspace within industrial zones, which would see the emphasis shift from industrial uses and production to retail and hospitality venues in these areas. Further, the expansion would potentially impacting on businesses within town centres and properties zoned for more traditional retail uses, by drawing traffic away from them at a time when they are also competing with increasing online sales. This would be inconsistent with the Greater Sydney Commission's District Plan and more recent assertions from *A Metropolis that Works* that safeguarding all existing industrial land and urban services land is an urgent priority to ensure the long-term liveability and functionality of the city.

6.3.4 Market evidence

HillPDA has undertaken research into current market conditions in the Inner West LGA as outlined below. Conversations with local agents in Leichhardt have indicated that industrial properties in Leichhardt have site and access constraints due to the surrounding residential development. For example, 37 John Street, Leichhardt is currently on the market at a reduced sales price. Feedback has been that limited on-street car parking and constraints to the manoeuvrability of trucks has detracted from the marketability of the property.

The selling agent has indicated that industrial properties in Leichhardt sell within the range of \$4,000 to \$5,500/sqm of site area (improved) and indicative rents are within the range of \$225 to \$300 per sqm of gross leasable area (GLA) per annum. The likely buyer profile is owner-occupiers and comprise mostly of small local operators of light industrial uses such as light manufacturing and workshops.

Market research of industrial properties in Marrickville found that the main industries comprise e-commerce, logistics and warehousing. Typical building areas are within the range of 250 to 500sqm with medium height clearance.

A selling agent indicated that industrial properties in Marrickville sell within the range of \$4,000 to \$5,000/sqm of site area (improved) and indicative gross rents are within the range of \$250 to \$300 per sqm per annum. Agents are also reporting that buyers and prospective lessees are more price conscious than interested parties in South Sydney.

In consideration of industrial precincts in the Inner West LGA, Marrickville is a popular industrial precinct due to its relative affordable price point in comparison to the industrial precincts in South Sydney and its connectivity to the Princes Highway.

6.4 Planning proposals

HillPDA concurs with the views of the Greater Sydney Commission that employment land should be protected for its purpose. This is particularly true in Inner West LGA where there has been a steady loss of employment land over an extended period through rezoning land, typically for residential. Planned infrastructure delivery will also result in a substantial loss of employment land in the LGA as indicated in Table 14.

Table 14: Recent planning proposals

Planning proposal identifier and address	Description	Date lodged	Stage
PP_IWEST_105_00120C Old Canterbury Road, Summer Hill	Apply a B4 land use zone to all of site Apply a maximum height of buildings of RL 38.0 to all of site Apply a maximum floor space ratio of 2.5:1 to all of site	December 2016	Post exhibition report

Planning proposal identifier and address	Description	Date lodged	Stage
IWC_PP_2018_01 1-5 Chester Street, Annandale	Rezone the from Light Industrial (IN2) to Medium Density Residential (R3) zoning Increase the maximum floor space ratio to 2.6:1 Introduce a maximum building height control of 17 metres – equivalent to six storeys Approximately 44 apartment units in total	2 February 2018	Not supported by Council 30 October 2018
PP_2017_IWEST_010_00 Mary, Edith and Roberts Streets, St Peters	Rezone from IN2 Light Industrial and R2 Low Density Residential, to B4 Mixed Use Apply a maximum height of building varying from 17 metres (4 to 5 storeys), 20 metres (5 to 6 storeys), 23 metres (6 to 7 storeys) to 29 metres (8 to 9 storeys) Increase the maximum floor space ration from the current 0.60:1 and 0.95:1, to 2.2:1.	30 September 2015	Post exhibition stage. Awaiting decision by DPE
IWC_PP_2018_04 67-75 Lords Road, Leichhardt	To amend the Leichhardt Local Environmental Plan 2013 to rezone the site from IN2 Light Industrial to R3 Medium Density Residential Increase the floor space ratio from 1:1 to 2.4:1 Introduce a maximum building height control of RL35	October 2018	Not supported by Council 12 Feb 2019. A Rezoning Review was lodged and the Sydney Eastern City Planning Panel decided (27 June 2019) that the planning proposal should not be submitted for a Gateway determination because the proposal has not demonstrated strategic merit.

Source: Inner West Council

6.5 Major infrastructure influence

There are several major projects that are under construction and in the planning phase that will impact on employment lands in the Inner West LGA.

Table 15: Major development applications

Application Ref	Name	Type	Summary	Status
SSI17_8256	Sydney Metro City & Southwest – Chatswood to Sydenham	State Significant Development	Construction of a new metro rail line, approximately 16km long (of which approximately 15km is in underground tunnels) between Chatswood and Sydenham.	Determined
SSI17_8256	Sydney Metro City and Southwest – Sydenham to Bankstown Upgrade	State Significant Development	Proposed modification to existing rail infrastructure (the Bankstown Line), new passenger railway infrastructure, station upgrades and associated works and facilities.	Determined

Application Ref	Name	Type	Summary	Status
DA14/96	Boral St Peters Terminal	Part 3A Modification	Upgrade and expansion of the Boral St Peters concrete batching plant and materials handling facility.	Determined
MP09_0191	Marrickville Metro Expansion	Major Project	Extension to the existing Marrickville Metro Shopping Centre to include an additional level of retail floorspace with an additional level of parking above, construction of a new building comprising 2 levels of retail with 2 levels of parking above (13-55 Edinburgh Road).	Determined
SSI18_9737	Sydney Gateway Road Project	State Significant Development	A new direct high capacity road connection linking the Sydney motorway network at the St Peters interchange with Sydney Airport.	SEARs issued
SSI17_8863	Western Harbour Tunnel	State Significant Development	A new tolled motorway tunnel connection across Sydney Harbour, and the Warringah Freeway Upgrade to integrate the new motorway infrastructure with the existing road network and to connect to the Beaches Link and Gore Hill Freeway Connection.	SEARs issued
SSI 14_6788	WestConnex New M5	State Significant Development	New multi lane twin motorway tunnels between the M5 East Motorway (east of King Georges Road, Beverly Hills and Bexley Road, Bexley) and St Peters, and a new road interchange and upgrade of local roads at St Peters to connect to Campbell Road and Euston Road, St Peters and Gardeners Road, Mascot.	Determined
SSI 16_7485	WestConnex M4-M5 Link	State Significant Development	The construction of a new, tolled multi-lane road link between the proposed M4 East at Haberfield and the proposed New M5 at St Peters.	Determined
MP 10_0111	Inner West Greenway	Major Project	GreenWay Central Missing Links capital works project is a unique north-south public transport and active transport corridor which connects several precincts identified in this document eg Bays Precinct, Lilyfield, Callan Park, Canal Road, Taverners Hill, Lewisham West/Summer Hill, New Canterbury Road, Dulwich Hill.	DA under assessment

Source: Major projects register, Department of Planning and Industry

The Inner West Light Rail is a north/south light rail and active transport connection through Inner West and into the City. It connects significant numbers of knowledge-based and creative industries employment locations. The light rail stops are

already activated in places including Lewisham West, Dulwich Hill and along parts of the GreenWay at Canal Road. Redevelopment around the light rail stops and implementation of the GreenWay Master Plan adopted by Council in 2018 will result in further activation, which will benefit for precincts specialising in knowledge-based and creative industries jobs. The GreenWay shared path is scheduled to be completed in 2022.

6.5.1 Parramatta Road Corridor Urban Transformation Strategy

Parramatta Road is a major arterial road connecting Sydney CBD to Parramatta and provides a vital east-west link through Inner Western and Western Sydney. The urban transformation strategy details the area as having the potential to create a balanced, high quality multi-use corridor with improved amenity, better transport choices, more job opportunities and an increased quantity and diversity of housing.

Features which define PRCUTS include:

- 27,000 new dwellings
- Delivery of 50,000 new jobs
- A rapid bus service and a guided light transit system
- A focus on provision of affordable housing
- Creation of increased open space and public infrastructure.

PRCUTS will influence four precincts within the Inner West LGA, being Camperdown, Taverners Hill and Leichhardt. Key commitments in these areas are:

- Kings Bay –an additional 2,510 dwellings and 4,440 jobs by 2050
- Taverners Hill –an additional 1,350 dwellings and 4,110 jobs by 2050
- Leichhardt –an additional 1,100 dwellings and 3,600 jobs by 2050
- Camperdown – an additional 700 dwellings and 2,300 jobs by 2050.

Potential issues arising from PRCUTS include:

- Potential conflicts with the planning for the Camperdown – Ultimo Collaboration Area;
- The further loss of industrial and urban services land from the LGA, noting that there may be potential to utilise lands adjoining the corridor instead, that have increased dwelling and employment potential; and
- That the assumptions and calculations for dwelling and job numbers are unclear and require investigation.

6.5.2 Sydney Gateway

The Sydney Gateway is a planned major multi-modal transport infrastructure project comprising a motorway interchange, freight and passenger rail junctions and direct links to Sydney Airport and Port Botany. The proposal will provide a new alternative route to enhance connections and reduce travel times to international gateways helping to move people and goods around New South Wales. Additionally, it will provide improved access to all airport terminals and cater for increased rail freight, which will help take pressure off local roads.

Council has advised that properties set to be acquired for the Sydney Gateway project include key investment lands currently occupied by the Tyne Container Yards and Tempe Golf Driving Range, Inner West Council depot on Swamp Road and part of the Tempe lands recreation area. The proposed compulsory acquisition of Council-owned land is estimated to produce an annual impact on Council's budget of approximately \$3 million, as well

as resulting in the removal of industrial and employment which will affect the greater economic activity and resilience of the LGA.²⁶

6.5.3 Sydenham to Bankstown Rail corridor

The rail corridor upgrade involves converting the existing 13.5 kilometre section of the Sydney Trains Bankstown Line between Sydenham and Bankstown to a metro line and directly connecting it with the CBD and North West metro line.

The project would provide a number of community and customer benefits during delivery and subsequent operation of metro services between Sydenham and Bankstown, including improved station facilities, improved public domain at the station entries, and improved ability to interchange with other transport modes at stations.

A small segment of Inner West LGA is located within the corridor, including Marrickville, Dulwich Hill, Hurlstone Park and Sydenham railway station which is to become a major interchange between the future Sydney Metro and existing Sydney Trains heavy rail network. Due to the economic activity and population growth expected within the Inner West LGA over the short, medium and long term, as well as the LGAs close proximity to Sydney's Global Economic Corridor, the ongoing role of accessibility between Port Botany, Sydney Airport and Sydney's CBD could have follow on effects that impact upon the Inner West LGA and its economic activity.

For this reason, economic and employment activity within Inner West LGA must be both resilient, (core industries associated with the inner city) and flexible (industries that can operate and prosper with affordable urban land on the city periphery).

6.5.4 The Bays Precinct

The Bays Precinct comprises of 5.5 kilometres of harbour front land and 94 hectares of waterway in Sydney Harbour. The Bays Precinct includes Blackwattle Bay (Sydney Fish Market and Wentworth Park), as well as areas within the Inner West. These areas include White Bay Power Station & White Bay; Rozelle Bay and Bays Waterways and Rozelle Rail Yards and Glebe Island, including the Cruise Passenger Terminal. These lands, while within the Inner West LGA are managed under SREP 26.

The NSW Government's ambition for The Bays Precinct is to drive an internationally competitive economy, by providing world-class destinations on Sydney Harbour. UrbanGrowth NSW is leading the strategic planning for this precinct, on behalf of the state government. A metro station is proposed in the Bays Precinct as part of the Metro West project.

The lands within the Inner West LGA are to be used as a staging and construction area for the WestConnex and likely for the future Metro West project. The Rozelle lands within the Bays Precinct contain the almost completed Light Rail Stabling and Maintenance Yard, while Glebe Island is proposed to support the relocation of two concrete batching plants, as well as Longitude Tower (office tower). The latter is currently subject to a state significant development application. UrbanGrowth NSW is preparing a masterplan for the West Bays part of the Bays Precinct (ie the Inner West SREP 26 lands).

²⁶<https://www.innerwest.nsw.gov.au/about/news/media-releases/2019-media-releases/state-government-land-grab-to-leave-inner-west-millions-short>

GROWTH, DEMAND AND CAPACITY

7.0 GROWTH, DEMAND AND CAPACITY

This chapter projects the demand for commercial centres and employment lands within the Inner West to 2036.

7.1 Employment floorspace

Employment floorspace in the Inner West LGA has been estimated through an audit process. The audit was undertaken between March and June 2019. The process is summarised below.

1. Review of available data

Available data was compiled and analysed including:

- Earlier audits conducted by SGS Economics
- PCA Shopping Centre Directory 2018
- Shopping Centre News 2018
- Recent development application reports
- Information obtained from building and shopping centre operators.

2. Desktop audit

Where existing data is incomplete or there has been significant change or development, data has been supplemented in part or wholly by a desktop audit conducted using:

- Google Street View imagery (2018)
- Australian Business Register (2019)
- Building envelopes (see image).

3. Physical survey

Where the above two methods could only render incomplete or out-of-date land use information, up to date data was obtained through a visual survey in the field.

4. Quality assurance checks

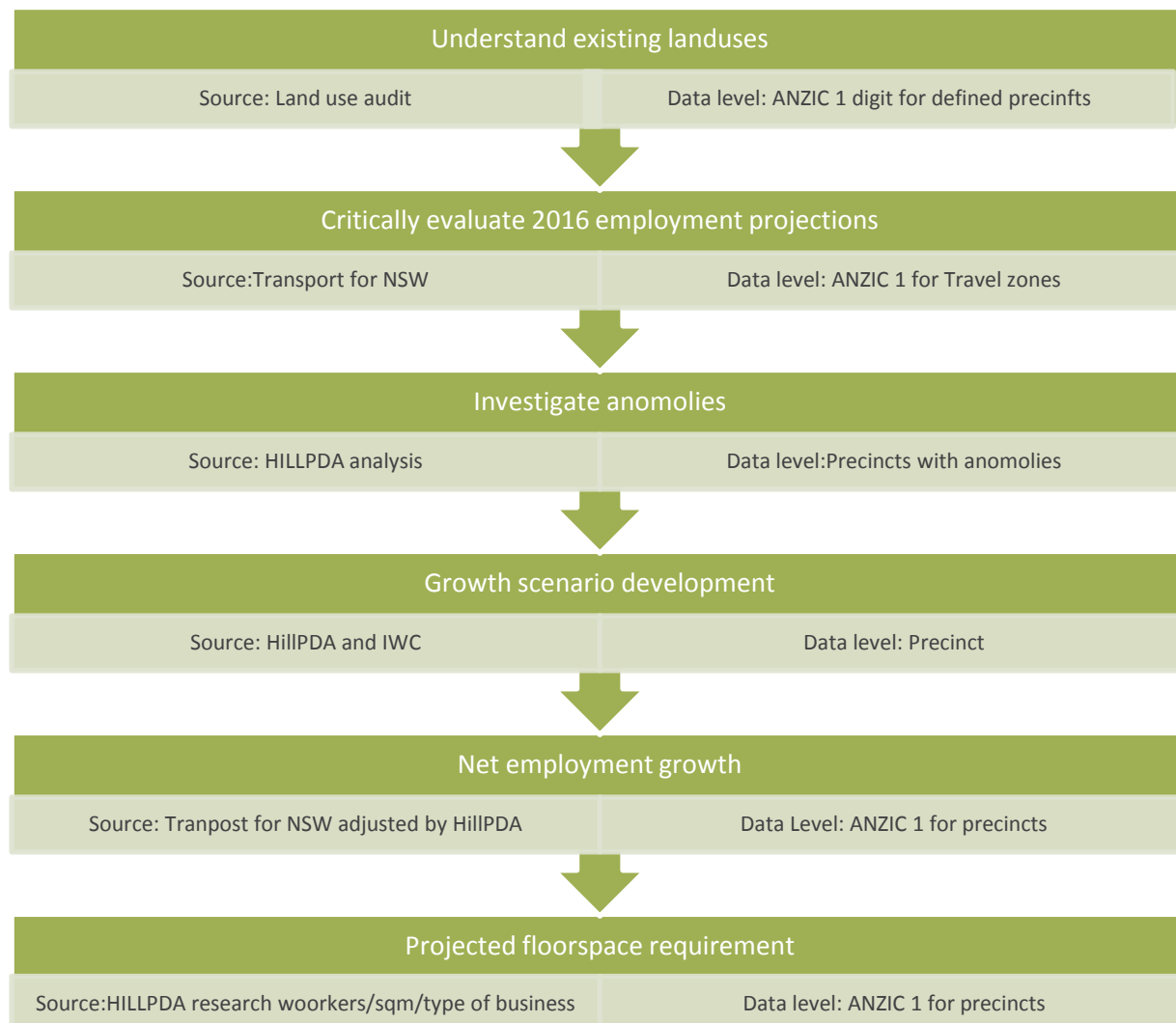
- Ensure building envelope data matches development on each lot
- Ensure that appropriate floorspace is recorded to each lot (search for outliers)
- Map to identify any missing lot data and amend.

It should be noted that the floorspace audits presents a snapshot of uses and floorspace on a site at a point in time when floorspace, uses and vacancies change overtime. In some instances which access to a lot or building could not be obtained it was necessary to rely on building signage and occupant boards, which can be outdated.

The results of the floorspace audit are provided in the sections that follow and in the precinct profiles at Section 9. Combined, the employment precincts currently accommodate around 1.8 million square metres of occupied employment floorspace.

7.2 Floorspace and employment projections - employment precincts

The following section projects the demand for employment lands within the Inner West LGA to 2036. The methodology used is indicated below.



7.2.1 Projected employment

Two scenarios of employment growth have been developed. Both rely on the latest employment projections available from Transport for NSW's Transport Performance and Analytics (TPA) at a travel zone level.

These projections include what appears to be an anomaly in that employment in Transport, Postal and Warehousing (TPW) in the former Leichhardt LGA being projected to increase by 8,375 between 2016 and 2036, despite the very limited supply of land zones for this purpose. This is extremely high when compared to projections for in neighbouring areas (former Ashfield LGA +30 jobs; former Marrickville LGA +249 jobs).

Consequently, two scenarios of employment growth were developed given the uncertainty around this particular aspect of Transport for NSW projection.

- **Scenario 1:** used employment TPA employment projections for the former Ashfield and Marrickville LGAs and for Leichhardt the compound growth rate for TPW employment between 2016 and 2026 was applied at the TZ level to give total growth of 152 TPW jobs, in line with other LGAs

- **Scenario 2:** Applies the TPA projections for all three LGAs, excluding TPW employment within the former Bays precinct.

Table 16 provides a summary of the total and net growth in employment across the Inner West LGA by scenario and industry.

- Under Scenario 1 employment increases by around 23,542 jobs or 35 per cent over the 20 years from 2016
- Under Scenario 2 employment increases by around 27,068 jobs or 41 per cent over the 20 years from 2016.

Table 16: Employment projections by scenario

Industry	Scenario 1		Scenario 2		Net growth	
	2016	2036	2016	2036	Scenario 1	Scenario 2
Agriculture, Forestry and Fishing	95	144	95	144	48	48
Mining	17	11	17	11	-7	-7
Manufacturing	5,722	6,757	5,722	6,757	1,035	1,035
Electricity, Gas, Water and Waste Services	140	160	140	160	20	20
Construction	5,660	7,675	5,660	7,675	2,015	2,015
Wholesale Trade	3,019	2,808	3,019	2,808	-211	-211
Retail Trade	8,252	9,699	8,252	9,699	1,447	1,447
Accommodation and Food Services	5,140	7,557	5,140	7,557	2,417	2,417
Transport, Postal and Warehousing	3,307	3,825	3,307	7,352	518	4,044
Information Media and Telecom.	1,336	2,696	1,336	2,696	1,360	1,360
Financial and Insurance Services	993	1,726	993	1,726	732	732
Rental, Hiring and Real Estate Ser.	1,704	1,758	1,704	1,758	54	54
Professional, Scientific & Technical Ser.	6,284	10,153	6,284	10,153	3,869	3,869
Administrative and Support Ser.	2,470	2,576	2,470	2,576	106	106
Public Administration and Safety	3,700	5,773	3,700	5,773	2,073	2,073
Education and Training	5,035	8,032	5,035	8,032	2,997	2,997
Health Care and Social Assistance	8,634	12,106	8,634	12,106	3,472	3,472
Arts and Recreation Services	1,565	2,195	1,565	2,195	630	630
Other Services	3,380	4,347	3,380	4,347	967	967
Total	66,455	89,997	66,455	93,523	23,542	27,068

Source: TPA 2016 employment projections, HillPDA

7.2.2 Projected floorspace

Future floorspace has been projected based on the above employment projections and industry standard benchmarks of floorspace per worker. The projected floorspace requirements are:

- Scenario 1: there would be demand for an additional 315,865sqm of floorspace to be accommodated in the Inner West LGA's employment precincts
- Scenario 2: there would be demand for an additional 722,535sqm of floorspace.

Table 17 provides a summary of the projected net growth/decline in floorspace demand by industry for each scenario. The projections by TPA (Scenario 2) for transport, postal and warehousing is excessive and unlikely to occur.

Table 17: Total net demand in floorspace demand by industry to 2036

Industry	Scenario 1	Scenario 2
Agriculture, Forestry and Fishing	2,412	2,412
Mining	-338	-338
Manufacturing	103,468	72,427
Electricity, Gas, Water and Waste Services	1,977	1,977
Construction	40,295	40,295
Wholesale Trade	-11,064	-11,064
Retail Trade	5,066	5,066
Accommodation and Food Services	3,625	3,625
Transport, Postal and Warehousing	88,045	525,753
Information Media and Telecommunications	2,720	2,720
Financial and Insurance Services	732	732
Rental, Hiring and Real Estate Services	564	564
Professional, Scientific and Technical Services	23,211	23,211
Administrative and Support Services	745	745
Public Administration and Safety	4,146	4,146
Education and Training	8,990	8,990
Health Care and Social Assistance	10,415	10,415
Arts and Recreation Services	3,780	3,780
Other Services	27,076	27,076
Total	315,865	722,533

Source: HillPDA

7.2.3 Occupied employment floorspace by precinct

The total floorspace demand has been distributed across Inner West LGA precincts in Table 18, having regard each precinct's unique land use mixture and market share, as observed during the land use audit.

Combined, the employment precincts currently accommodate around 1.8 million square metres of occupied employment floorspace.

- Under Scenario 1 floorspace demand is forecast to increase to around 2.1 million square metres across the precincts
- Under Scenario 2 floorspace demand is forecast to increase to around 2.5 million square metres across the precincts.

Table 18: Total occupied employment floorspace demand by employment precincts

Precinct	Current space*	Demand		Net change	
		Scenario 1	Scenario 2	Scenario 1	Scenario 2
Addison Road Industrial	85,434	98,971	123,789	13,537	38,355
Balmain Industrial	25,656	31,172	48,164	5,516	22,509
Balmain Working Waterfront	7,861	9,736	18,942	1,875	11,081
Camperdown Core Precinct	157,883	186,240	213,589	28,357	55,706
Camperdown Frame Area	23,366	26,432	30,455	3,067	7,089
Canal Road Arts Precinct	33,943	39,420	39,360	5,477	5,417
Canterbury Road Enterprise Corridor	5,576	6,136	6,136	560	560
Carrington Road Industrial	106,218	131,050	191,821	24,832	85,603
Dulwich Hill Industrial	4,486	5,581	7,747	1,095	3,261
Gladstone Street Business Precinct	9,774	10,698	10,698	924	924
Kings Bay Core Precinct	16,845	17,862	17,836	1,017	991
Kings Bay Frame Area	13,111	14,128	14,102	1,017	991
Leichhardt Precinct Frame Area	24,003	32,563	47,972	8,560	23,969
Lewisham Industrial	7,900	8,910	11,284	1,010	3,384
Lilyfield Industrial	7,256	8,297	9,775	1,041	2,519
Marion Street Industrial	24,199	29,596	38,787	5,397	14,588
Marrickville Sydenham	565,875	666,742	730,818	100,867	164,943
Milton Street	1,791	2,060	2,060	269	269
Moore Street Industrial	60,355	74,026	98,039	13,671	37,684
Precinct 75	3,062	3,655	3,610	593	547
Princess Highway and Airport Enterprise	278,186	316,036	397,744	37,850	119,558
St Peters Triangle	61,302	71,589	72,790	10,287	11,488
Stanmore Bridge Road West	3,799	5,182	7,944	1,384	4,145
Summer Hill Industrial	9,911	11,197	14,196	1,286	4,285
Taverners Hill Core Precinct	38,117	43,563	44,022	5,446	5,904
Taverners Hill Frame Area	70,059	76,963	78,139	6,904	8,079
Terry Street Industrial	15,159	18,013	25,768	2,854	10,609
Victoria Road Marrickville	87,237	106,140	124,542	18,903	37,305
White Bay Industrial	72,704	84,973	113,474	12,269	40,770
Total	1,821,068	2,136,931	2,543,603	315,865	722,533

Source: HillPDA, *excludes residential space

7.2.4 Occupied floorspace demand by precinct

It is important to maintain for some level of vacancy in industrial areas to allow for the free and efficient movement of businesses, as well as to provide space for new businesses. Current vacancy rates across the precincts is around 2.9 per cent. Recent research has revealed that the industrial vacancy rate across the

eastern seaboard is around 2.4 per cent, with Sydney's vacancy rate being 1.8 per cent.²⁷ In response, a conservative vacancy rate of 2.5 per cent has been assumed for each precinct.

Accounting for residential space and a target vacancy rate, combined, the employment precincts currently accommodate around 1.8 million square metres of floorspace, as detailed in Table 19.

- Under Scenario 1 (Baseline Growth) floorspace demand is forecast to increase to around 2.2 million square metres across the precincts, representing an increase of around 369,384sqm over the period.
- Under Scenario 2 (TPA) floorspace demand is forecast to increase to around 2.6 million square metres across the precincts, representing an increase of around 786,217sqm over the period.

Table 19: Total floorspace demand by precinct (including current residential and target vacancy rate)

Precinct	Current space*	Demand		Net change	
		Scenario 1	Scenario 2	Scenario 1	Scenario 2
Addison Road Industrial	85,434	101,445	126,884	16,011	41,450
Balmain Industrial	25,656	31,951	49,369	6,295	10,033
Balmain Working Waterfront	9,894	12,013	21,449	2,118	11,554
Camperdown Core Precinct	157,883	190,896	218,929	33,013	23,713
Camperdown Frame Area	23,366	27,093	31,216	3,727	7,850
Canal Road Arts Precinct	33,943	40,406	40,344	6,463	61,045
Canterbury Road Enterprise Corridor	7,927	8,641	8,641	714	6,401
Carrington Road Industrial	106,218	134,327	196,616	28,109	714
Dulwich Hill Industrial	4,486	5,721	7,941	1,235	90,398
Gladstone Street Business Precinct	9,774	10,965	10,965	1,191	3,455
Kings Bay Core Precinct	16,845	18,308	18,281	1,464	1,191
Kings Bay Frame Area	13,111	14,575	14,548	1,464	1,437
Leichhardt Precinct Frame Area	38,750	48,124	63,919	9,374	40,135
Lewisham Industrial	8,200	9,433	11,866	1,233	1,437
Lilyfield Industrial	7,256	8,505	10,019	1,249	4,640
Marion Street Industrial	24,199	30,336	39,756	6,137	2,763
Marrickville Sydenham	565,875	683,410	749,089	117,535	15,557
Milton Street	1,941	2,262	2,262	321	183,214
Moore Street Industrial	61,462	76,984	101,597	15,522	321
Precinct 75	3,062	3,747	3,700	684	25,168
Princess Highway and Airport Enterprise	278,186	323,937	407,687	45,751	638
St Peters Triangle	61,302	73,379	74,610	12,077	129,501
Stanmore Bridge Road West	3,799	5,312	8,143	1,513	13,308
Summer Hill Industrial	9,911	11,477	14,551	1,566	3,666
Taverners Hill Core Precinct	38,117	44,652	45,122	6,535	4,344
Taverners Hill Frame Area	70,059	78,887	80,092	8,828	7,005
Terry Street Industrial	18,066	21,370	29,319	3,304	11,253

²⁷ Industrial vacancy rate falls to just 2.4 per cent as developers reduce pipeline, Ingrid Fuary-Wagner, the Australian Financial Review Mar 6, 2019

Victoria Road Marrickville	87,237	108,793	127,655	21,557	40,419
White Bay Industrial	73,551	87,945	117,158	14,394	43,607
Total	1,845,510	2,214,894	2,631,728	369,384	786,217

7.2.5 Capacity analysis

The capacity for each employment precinct to accommodate the demand forecasted under different proportions of take-up is shown in Table 20. Take-up ratios of 60 per cent, 75 per cent and 100 per cent have been applied. A 60 per cent take up ratio indicates the result if 60 per cent of the total capacity of the precinct under current planning controls was developed. The resulting development floorspace has been subtracted from the capacity of the precinct.

Where capacity is insufficient to accommodate the projected floorspace demand, a negative figure results. A positive number indicates a surplus in capacity.

Overall, the projections demonstrate that:

- Scenario 1: under the 60 per cent capacity scenario there would be a shortfall in capacity of around 510,000sqm, while under the 75 per cent scenario the shortfall would be around 83,000sqm. If full capacity was achieved there would be a surplus of 629,000sqm.
- Scenario 2: (adjusted TPA projections) – under the 60 per cent and 75 per cent capacity scenarios there would be a shortfall in capacity of 927,000sqm and 500,000sqm respectively, while under the maximum scenario there would be a surplus in capacity of around 212,000sqm.

Table 20: Employment precinct capacity assessment by precinct

Precinct	Scenario 1			Scenario 2		
	60%	75%	Max	60%	75%	Max
Addison Road Industrial	-45,575	-31,608	-8,328	-71,014	-57,046	-33,767
Balmain Industrial	-23,671	-21,601	-18,151	-41,089	-39,019	-35,569
Balmain Working Waterfront	-6,903	-5,625	-3,496	-16,339	-15,061	-12,932
Camperdown Core Precinct	-136,001	-122,278	-99,405	-164,034	-150,311	-127,438
Camperdown Frame Area	-19,570	-17,689	-14,554	-23,693	-21,812	-18,677
Canal Road Arts Precinct	-12,188	-5,133	6,624	-12,126	-5,072	6,686
Canterbury Road Enterprise Corridor	4,638	7,958	13,490	4,638	7,958	13,490
Carrington Road Industrial	-62,382	-44,396	-14,420	-124,672	-106,686	-76,709
Dulwich Hill Industrial	-3,005	-2,326	-1,195	-5,225	-4,546	-3,415
Gladstone Street Business Precinct	-4,543	-2,937	-261	-4,543	-2,937	-261
Kings Bay Core Precinct	-7,145	-4,354	298	-7,118	-4,327	325
Kings Bay Frame Area	5,542	11,504	21,442	5,569	11,531	21,469
Leichhardt Precinct Frame Area	-37,567	-34,928	-30,529	-53,362	-50,723	-46,324
Lewisham Industrial	-530	1,696	5,406	-2,962	-737	2,973
Lilyfield Industrial	-2,199	-622	2,005	-3,713	-2,137	491
Marion Street Industrial	-27,191	-26,405	-25,095	-36,612	-35,826	-34,516
Marrickville Sydenham	-246,111	-136,786	45,422	-311,789	-202,465	-20,257
Milton Street	-365	109	899	-365	109	899
Moore Street Industrial	-35,500	-25,129	-7,844	-60,113	-49,742	-32,457
Precinct 75	3,862	5,764	8,934	3,909	5,811	8,981
Princess Highway and Airport Enterprise	257,413	402,750	644,979	173,662	319,000	561,228
St Peters Triangle	-24,167	-11,864	8,641	-25,398	-13,095	7,410
Stanmore Bridge Road West	-3,423	-2,951	-2,164	-6,254	-5,782	-4,995
Summer Hill Industrial	5,125	9,275	16,193	2,051	6,201	13,119

Precinct	Scenario 1			Scenario 2		
	60%	75%	Max	60%	75%	Max
Taverners Hill Core Precinct	-21,147	-15,270	-5,476	-21,616	-15,740	-5,946
Taverners Hill Frame Area	15,032	38,512	77,644	13,827	37,307	76,440
Terry Street Industrial	-10,516	-7,803	-3,280	-18,465	-15,752	-11,229
Victoria Road Marrickville	-15,749	7,512	46,281	-34,611	-11,350	27,419
White Bay Industrial	-56,323	-48,417	-35,241	-85,536	-77,631	-64,455
Total	-510,159	-83,042	628,819	-926,994	-499,877	211,984

Source: HillPDA, existing floorspace includes residential space at the time of the audit

The projections indicate that most precincts are unlikely to be unable to accommodate demand into the future. This signals a likely shift in the location of employment activities with Taverners Hill Frame Area and the Princes Highway Corridor Precinct becoming increasingly important in accommodating the Inner West LGA's future demand.

Measures to improve the attractiveness and amenity of these precincts will assist the Inner West LGA to continue to attract employment demand. The projections also suggest that increases in densities in non-corridor employment precincts, particularly the IN1 and IN2 industrial lands, may be needed to accommodate future demand.

7.3 Commercial floorspace demand

The following chapter forecasts the demand for additional employment space (predominantly office space) to be accommodated in the commercial centres of the Inner West LGA over the next 18 years (2018-2036).

The bases for these projections have been the TPA's 2016 employment forecasts for the Inner West LGA by SA2 local area level, as defined by the ABS.

The methodology to estimate the required office space to meet forecast growth in employment for each commercial centre was as follows:

1. Assessed TPA employment projections by ANZSIC 1-digit codes for the study area
2. Grouped the ANZSIC 1-digit industry codes into broad industry sectors (as identified by the GSC)
3. Subtract retail employment from the population serving sector
4. Estimate employment directed towards commercial centres, by broad industry sector, based on the current proportion generated by the combined commercial centres
5. Estimate employment directed to individual centres based on their current proportion of employment by industry sector
6. Apply observed and industry standard employment densities to individual industry sectors employment to estimate floorspace.

The TPA projections are provided in the Table 21.

Table 21: TPA employment projections 2016-2036, Inner West LGA

Industry	2016	2026	2036	Change 2018-2036
Agriculture, Forestry and Fishing	119	154	188	70
Mining	15	15	15	-0
Manufacturing	5,152	5,577	5,743	590
Electricity, Gas, Water and Waste Services	131	156	177	45
Construction	6,198	6,981	7,881	1,683
Wholesale Trade	3,091	3,032	2,952	-139
Retail Trade	9,310	10,062	10,798	1,488
Accommodation and Food Services	5,730	6,457	7,136	1,406
Transport, Postal and Warehousing	3,288	3,502	11,663	8,375
Information Media and Telecommunications	1,417	2,487	2,547	1,129
Financial and Insurance Services	1,125	1,271	1,428	303
Rental, Hiring and Real Estate Services	2,008	2,390	2,754	746
Professional, Scientific and Technical Services	7,343	9,264	11,210	3,867
Administrative and Support Services	2,464	2,653	2,902	438
Public Administration and Safety	3,916	4,453	5,034	1,119
Education and Training	5,800	6,983	8,201	2,401
Health Care and Social Assistance	9,797	11,478	13,457	3,660
Arts and Recreation Services	1,747	2,025	2,356	609
Other Services	3,717	3,930	4,173	456
Total	72,368	82,868	100,615	28,246

Source: TPA 2016 employment projections

The next step involves allocating the forecast jobs to the employment zones: industrial zones, commercial centres and special infrastructure. The assumptions are shown in Table 22.

Table 22: Assumed allocation of jobs by land use zone

	% directed towards industrial Precincts	% directed towards to Commercial Centres	Remainder (SP, etc)
Agriculture, Forestry and Fishing	50%	50%	0%
Mining	50%	50%	0%
Manufacturing	100%	0%	0%
Electricity, Gas, Water and Waste Services	90%	10%	0%
Construction	50%	40%	10%
Wholesale Trade	70%	30%	0%
Retail Trade	10%	90%	0%
Accommodation and Food Services	5%	95%	0%
Transport, Postal and Warehousing	100%	0%	0%
Information Media and Telecommunications	5%	90%	5%
Financial and Insurance Services	5%	95%	0%
Rental, Hiring and Real Estate Services	30%	70%	0%
Professional, Scientific and Technical Services	10%	90%	0%
Administrative and Support Services	20%	80%	0%
Public Administration and Safety	5%	80%	15%
Education and Training	5%	35%	60%
Health Care and Social Assistance	5%	35%	60%
Arts and Recreation Services	10%	70%	20%
Other Services	40%	50%	10%
Total	27%	57%	16%

Jobs in retail and food services will allocate to shop front retail space rather than office space. The balance of jobs will be in office space. Some jobs in nominally office-based industries will allocate to shop front space, particularly real estate, travel, banking services and sometimes medical services.

Based on the above method, jobs in office space in the commercial centres were forecast to increase from 26,300 in 2016 to 31,500 in 2026, a net increase of 5,200 jobs. By 2036 the number of workers in office space is expected to reach 36,050, a net increase of 9,750.

Assuming 22sqm GFA per worker and 6 per cent vacancy this calculates to an additional 121,000sqm by 2026 and 229,000sqm by 2036.

Table 23 provides the required allocation of office space for each of the commercial centres, based on the TPA forecasts at SA2 and Travel Zone levels.

Table 23: Forecast Commercial office floor space in the commercial centres 2016-2036

Commercial Centre	Net increase in workers		Required GFA	
	2016-26	2026-36	2016-26	2026-36
Ashfield	781	656	18,286	15,365
Balmain	292	526	6,833	12,316
Leichhardt	239	403	5,590	9,440
Rozelle	860	526	20,135	12,317
Marrickville	634	484	14,850	11,321
Newtown-Enmore	245	273	5,743	6,393
Petersham and Stanmore	433	394	10,144	9,219
Others	1,699	1,331	39,775	31,155
TOTAL	5,185	4,594	121,357	107,525

Source: HillPDA estimate from TPA forecasts at SA2 level

7.4 Retail floorspace demand

Demand for retail space is derived mainly from three sources being residents (household expenditure), workers and visitors or tourists. The majority of retail sales in Inner West LGA are derived from residents. For the purpose of the modelling, interstate and international tourists have been excluded, as the numbers are not significant with some capture of expenditure from beyond the LGA. The first step in the modelling is to define the smaller areas and forecast population growth in these areas. Travel zones were adopted as this is the smallest geographical area providing population projections. Population forecasts are shown in Table 24.

Table 24: Population forecasts

Small area population zone	2016	2021	2026	2031	2036
Annandale	9,973	10,124	10,281	10,456	10,776
Ashfield	25,546	27,682	29,026	30,160	30,818
Balmain	11,146	11,318	11,184	11,052	11,033
Balmain East	2,053	2,049	2,008	1,990	1,999
Birchgrove	3,415	3,284	3,220	3,199	3,200
Camperdown	3,689	4,160	4,439	4,496	4,780
Croydon	5,421	5,493	6,180	6,924	6,999
Dulwich Hill	14,295	16,109	16,463	16,601	16,833
Enmore	4,125	4,156	4,165	4,167	4,173
Haberfield	6,779	6,538	6,569	6,612	6,780
Leichhardt	15,514	18,488	21,333	21,753	23,307
Lewisham	3,383	4,760	5,643	5,703	5,940
Lilyfield	8,088	8,113	8,041	7,982	8,026
Newtown	8,411	8,525	8,506	8,495	8,517
Petersham	8,522	9,320	10,206	10,202	10,318
Rozelle	9,348	9,310	9,345	9,465	9,429
St Peters	4,546	5,654	6,486	7,531	8,052
Stanmore	8,320	8,657	9,110	9,179	9,221
Summer Hill	7,666	8,330	8,701	8,969	9,076
Tempe	3,782	3,730	3,722	3,734	3,803
Marrickville	28,000	29,549	32,288	35,004	37,585
TOTAL	192,022	205,349	216,916	223,674	230,665

Source: Population id

Expenditure data was sourced from MDS Marketinfo 2017 which utilises national accounts, ABS Census and ABS Household Expenditure Survey data to derive estimated household expenditure down to SA1 level for 625 categories of expenditure. Average expenditure per capita in retail goods and services is shown in Table 25.

Table 25: Average expenditure per capita (\$ 2018)

	Food, Groceries & Liquor*	Drinks & Meals out**	Apparel	Bulky Goods***	Other Goods	Personal Services#	Total
Annandale	5,595	3,540	1,870	2,731	4,173	732	18,641
Ashfield	4,577	2,715	1,277	1,551	3,073	439	13,632
Balmain	6,112	3,929	2,095	3,009	4,552	800	20,497
Balmain East	6,219	4,096	2,146	3,002	4,792	868	21,123
Birchgrove	6,201	3,969	2,250	3,354	4,600	822	21,196
Camperdown	6,039	4,973	2,008	2,374	4,954	852	21,199
Croydon	4,776	2,424	1,276	1,840	3,150	464	13,930
Dulwich Hill	5,129	2,952	1,436	1,995	3,635	539	15,686
Enmore	5,164	3,430	1,542	2,032	3,868	638	16,674
Haberfield	5,229	2,513	1,512	2,205	3,422	540	15,420
Leichhardt	5,212	3,218	1,617	2,309	3,839	670	16,865
Lewisham	5,568	3,284	1,671	2,412	3,995	598	17,529
Lilyfield	5,462	3,030	1,710	2,565	3,952	677	17,395
Newtown	5,414	3,991	1,705	2,245	4,241	735	18,330
Petersham	5,371	3,379	1,597	2,269	3,949	620	17,185
Rozelle	5,899	4,086	2,115	2,974	4,479	839	20,392
St Peters	5,086	3,395	1,503	2,179	3,778	642	16,582
Stanmore	5,459	3,534	1,723	2,317	3,960	661	17,654
Summer Hill	5,107	3,225	1,532	2,066	3,687	567	16,184
Tempe	4,719	2,363	1,135	1,937	3,317	458	13,929
Marrickville	4,858	2,683	1,275	1,801	3,375	490	14,482
TOTAL	5,255	3,266	1,591	2,198	3,812	618	16,741

* Includes take-away liquor

** Includes fast foods and meals and drinks in restaurants, clubs and hotels

*** Includes furniture, electrical goods, hardware, domestic appliances and the like

includes hair and beauty, clothing alterations, video hire and optical dispensing but does not include travel, real estate, financial and medical services

Sources: MDS Marketinfo 2017, ABS Household Expenditure Survey 2015-16 and HillPDA

Converting household expenditure by small geographical area into retail sales at each centre is done by assuming varying capture rates. Table 26 and Table 27 show the assumed capture rates for food, grocery and liquor (FGL) shopping and non-FGL shopping. Totals will generally be 90 per cent or less because residents shop outside Inner West LGA (eg close to work or travelling).

Table 26: Assumed capture rates for FGL household expenditure

Area	Ashfield	Haberfield	Leichhardt	Balmain & Rozelle	Marrickville	Newtown & Enmore	Summerhill	Other	TOTAL
Annandale			20%					10%	30%
Ashfield	80%							4%	84%
Balmain				70%				7%	77%
Balmain East				70%				7%	77%
Birchgrove				70%				7%	77%
Camperdown						50%		7%	57%
Croydon	20%							7%	27%
Dulwich Hill	25%				40%		5%	7%	77%
Enmore					25%	50%		4%	79%
Haberfield	15%	35%	20%					7%	77%
Leichhardt			75%					4%	79%
Lewisham	20%		20%		20%		20%	4%	84%
Lilyfield			55%	20%				4%	79%
Newtown						75%		7%	82%
Petersham	20%		25%		25%			7%	77%
Rozelle			20%	55%				4%	79%
St Peters					25%	40%		7%	72%
Stanmore			25%		25%	25%		7%	82%
Summer Hill	25%						50%	4%	79%
Tempe					65%			7%	72%
Marrickville					65%			7%	72%
From Beyond	5%	10%	10%			45%		8%	

Source: HillPDA estimate

Table 27: Assumed capture rates for Non-FGL household expenditure

Area	Ashfield	Haberfield	Leichhardt	Balmain & Rozelle	Marrickville	Newtown & Enmore	Summerhill	Other	TOTAL
Annandale			12%					10%	22%
Ashfield	44%							4%	48%
Balmain				39%				7%	46%
Balmain East				39%				7%	46%
Birchgrove				39%				7%	46%
Camperdown						28%		7%	35%
Croydon	11%							7%	18%
Dulwich Hill	14%				22%		3%	7%	46%
Enmore					14%	28%		4%	45%
Haberfield	8%	19%	12%					7%	47%
Leichhardt			45%					4%	49%
Lewisham	11%		12%		11%		11%	4%	49%
Lilyfield			33%	11%				7%	51%
Newtown						41%		7%	48%
Petersham	11%		15%		14%			7%	47%
Rozelle			12%	30%				4%	46%
St Peters					14%	22%		10%	46%
Stanmore			15%		14%	14%		4%	47%
Summer Hill	14%						28%	4%	45%
Tempe					36%			7%	43%
Marrickville					36%			10%	46%
From Beyond	5%	10%	10%	5%		5%		8%	

Source: HillPDA estimate

Applying the above capture rates to expenditure by trade area residents for each centre derives the estimated total retail sales which is shown in Table 28.

Table 28: Estimated total retail sales by Commercial Centre (\$2018)

Commercial Centre	Food and Groceries	Meals Out	Non-Food Expenditure	TOTAL
Ashfield	164.4	92.8	110.8	368.1
Marrickville	107.2	71.8	84.1	263.2
Newtown/Enmore	112.4	81.5	68.3	262.2
Norton Street	87.0	79.4	104.3	270.7
Balmain	59.7	41.9	46.3	147.9
Rozelle	49.3	30.0	54.2	133.5
Marrickville Metro	69.5	26.8	41.5	137.7
Leichhardt Marketplace	74.8	18.7	37.7	131.3
Others	185.9	83.8	170.7	440.5
TOTAL	910.3	526.9	718.0	2,155.1

Source: HillPDA estimate

Total retail sales were cross-checked with reported turnover figures, where available, with retail supply figures and industry benchmark retail turnover densities.²⁸

Forecast total retail sales is derived from population growth. The forecast in Table 29 has assumed 1 per cent real growth per annum per capita for food, groceries and meals out expenditure and 0.5 per cent per annum for non-food goods and services. This is generally in line with the historic trend since 1986 (ABS Retail Sales).

Table 29: Forecast total retail sales by Commercial Centre (\$2018)

	2018	2016	2036	% Growth
Ashfield	368.1	437.6	492.1	34%
Haberfield	263.2	316.3	362.5	38%
Leichhardt	262.2	302.5	339.0	29%
Balmain & Rozelle	270.7	334.3	366.9	36%
Marrickville	147.9	156.9	170.1	15%
Newtown/Enmore	133.5	141.1	152.3	14%
Summerhill/Lewisham	137.7	165.6	190.0	38%
Other	131.3	162.7	179.4	37%
TOTAL	440.5	522.7	579.8	32%

Source: HillPDA estimate

Required floor space is calculated by dividing forecast retail sales by industry standard retail turnover density (RTD) levels, measured as retail sales divided by leasable square metres (\$/sqm). RTDs vary by location and retail store type. A target of \$11,000 to \$12,000/sqm would be required for supermarkets in the Sydney metropolitan area. However bulky goods and department stores would have lower turnovers, generally less than \$4,000/sqm. For the purpose of the demand forecast modelling the RTDs in Table 30 were assumed.

Table 30: Assumed Target RTD

Retail Store Type	\$/sqm
Supermarkets	11,000
Specialty Foods	9,500
Take-away Foods	9,500
Cafes, restaurants, clubs, etc	6,000
Department Stores	3,700
Apparel Stores	6,000
Bulky Goods	3,700
Other Non-Food Goods	5,000
Selected Personal Services	3,000

Sources: Various including Shopping Centre News, PCA Shopping Centre Directory, ABS Retail Survey 1998-99 (adjusted to current dollars), various annual reports, Urbis Retail Averages and various consultancy reports

Average target is around \$7,000/sqm. Table 31 provides the forecast demand for retail floor space by commercial centre. It is assumed that target RTDs will increase at a rate of 0.4 per cent per annum.

²⁸ Shopping Centre News has reported retail sales for most of the indoor shopping centres including Ashfield Mall, Leichhardt Marketplace, Norton Plaza and Marrickville Metro.

Table 31: Forecast demand and current supply of retail floor space

	Current Supply*	Demand in 2018	Demand in 2026	Demand in 2036	Additional GLA Required	Additional GFA (sqm)**
Ashfield	53,200	53,682	61,435	65,847	12,647	14,879
Marrickville	27,700	39,076	45,210	49,391	21,691	25,519
Newtown Enmore	43,700	37,779	41,956	44,851	1,151	1,354
Norton Street	33,600	42,341	50,342	52,695	19,095	22,465
Balmain	19,600	21,978	22,437	23,206	3,606	4,242
Rozelle	18,500	21,472	21,822	22,441	3,941	4,637
Marrickville Metro	19,100	19,921	23,041	25,173	6,073	7,145
Leichhardt Marketplace	14,900	19,077	22,718	23,831	8,931	10,507
Others	96,300	76,543	87,231	92,200	-4,100	-4,824
TOTAL	326,600	331,868	376,192	399,636	73,036	85,925

* Sources: Various including:

Leichhardt Commercial and Retail study: Norton Street and Parramatta Road, SGS 2016

Ashfield, Sydney Retail Impact Assessment of proposed Woolworths supermarket, Location IQ 2019

Marrickville Metro Economic Impact Assessment, Pitney Bowes 2010

IBECON land use data across Greater Sydney 2004

HillPDA land use survey

** Assuming 15 per cent of GFA is non-leasable.

Based on this information, an additional 80,000sqm of leasable retail floor space (or approximately 90,000 GFA) should be planned for in the LGA. The area with the strongest need will be in Marrickville. This is understandable given the current strong trading levels for Marrickville Metro and the high forecast of population growth in the locality.

7.5 Summary

Employment precincts

Demand for employment precincts has been projected for two scenarios. Scenario 1 is considered most likely since it includes an adjustment for an anomaly in employment projections by Transport for NSW. Scenario 1 suggests that the employment precincts in the LGA are likely to experience:

- Employment increases by around 23,542 jobs or 35 per cent over the 20 years from 2016
- Demand for an additional 315,865sqm of floorspace.

Combined, the employment precincts currently accommodate around 1.8 million sqm of occupied employment floorspace.

Under Scenario 1, floorspace is forecast to increase to around 2.1 million square metres across the precincts, representing an increase of around 315,000sqm over the period.

Assuming a take-up rate of 60 per cent, there would be a shortfall in capacity of around 500,000sqm, while under maximum take up rate, there would be a surplus in capacity of approximately 600,000 square metres.

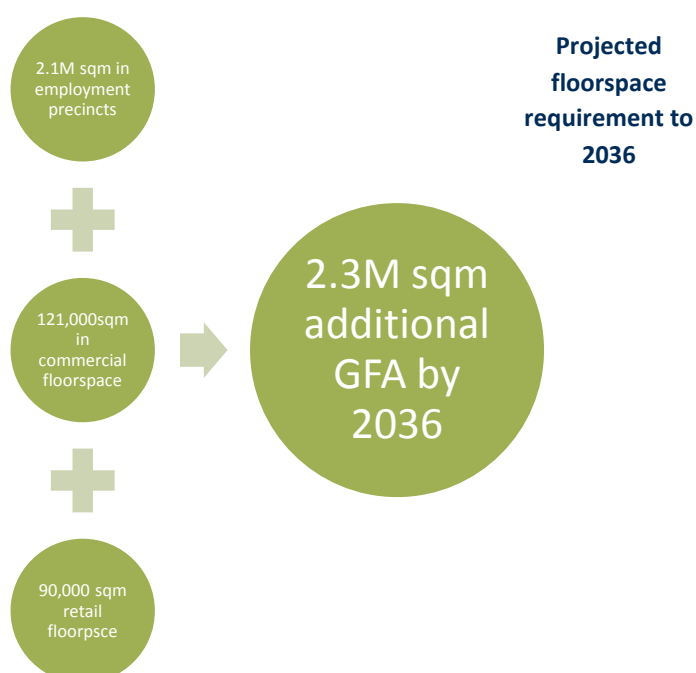
Commercial office

Jobs in office space in the commercial centres have been forecast to increase from 26,300 in 2016 to 31,500 in 2026, a net increase of 5,200 jobs. By 2036, the number of workers in office space is expected to reach 36,050, a net increase of 9,750 jobs.

Assuming 22sqm GFA per worker and 6 per cent vacancy, an additional 121,000sqm of commercial floorspace will be needed by 2026 and 229,000sqm by 2036.

Retail

An additional 73,000sqm of leasable retail floor space (or say 90,000sqm GFA) should be planned for in the LGA. The area with the strongest need will be in Marrickville. This is understandable given the current strong trading levels for Marrickville Metro and the high forecast of population growth in its trade area.



PLANNING REVIEW

8.0 PLANNING REVIEW

Inner West Council is the product of the amalgamation of three previous councils: Municipality of Ashfield, Municipality of Leichhardt and Marrickville Council. Since its creation in mid-2016, Inner West Council has operated and administered four LEPs:

- *Ashfield Local Environmental Plan 2013*
- *Leichhardt Local Environmental Plan 2013*
- *Leichhardt Local Environmental Plan 2000* (relating to Balmain Leagues Club site)
- *Marrickville Local Environmental Plan 2011.*

Inner West Council is undertaking detailed planning work to align the planning instruments and consolidate the controls into a single instrument. The study brief requires this report to:

- Review the business and industrial zones across the LEPs and identify key differences in permitted land uses. This information is provided at Appendix C
- Research and evaluate the potential impacts of the recent introduction of ‘artisan food and drink industry’ on competing land uses in industrial zones
- Review the floor space requirements for ‘industrial retail outlet’ and ‘artisan food and drink industry’ and ‘neighbourhood shops’, across the LEPs
- Identify zones that currently permit the ‘artisan food and drink industry,’ which sits under the ‘light industry’ group term.

During the course of the study, additional issues have arisen including:

- The appropriateness of residential uses being permissible in business zones given the ongoing pressure to rezone employment lands
- The impact of creative industries on the long-term supply of employment land
- The need for a clear strategy to accommodate creative industries in the LGA, including the need for suitable, low cost spaces which permit 24 hour per day operations, at low rents and without high maintenance or building improvement costs
- The appropriateness of employment land being developed for live-work commercial mixed uses
- The need to identify a long term supply of employment land
- The need for a consistent approach to zoning centres and employment land across the LGA.

Each of these matters is considered below.

8.1 Current issues

8.1.1 Artisan food and drink industry

In August 2018, the term “artisan food and drink industry” was introduced into the Standard Instrument LEP. In detailing the amendment, the Government said “the new land use term was introduced to provide clarity for the growing artisan and craft food and drink industry such as microbreweries or cheese makers, by establishing a new definition that reflects the nature of these uses”²⁹. The amendment was introduced following strong

²⁹ <https://www.holdingredlich.com/blog/making-room-for-hipster-development>

growth in boutique, craft and artisan food and drink products with some consumers turning away from mass-manufactured offerings and seeking out a unique experience linked to the producer³⁰.

The term artisan food and drink industry means:

a building or place the principal purpose of which is the making or manufacture of boutique, artisan or craft food or drink products only. It must also include at least one of the following:

- (a) a retail area for the sale of the products,*
- (b) a restaurant or cafe,*
- (c) facilities for holding tastings, tours or workshops.*

The new land use term requires that as well as the manufacture of boutique, artisan or craft food or drink products, at least one of the following services must also be included – retail sales, a café or restaurant, facilities for tours, workshops or tastings. However, the principal purpose of an ‘artisan food or drink industry’ must be the carrying out of an industrial activity involving the manufacture of boutique, craft or artisan food or drink products. The land use does not apply if the non-industrial components are major components of the development (see Planning Circular PS 13-001).

The land use is mandated as permissible with consent in any zone where light industries are mandated as permissible with consent, including the B6, B7, IN1 and IN2 zones in the LGA. The land use is also permissible in consent in the following zones:

- Leichhardt LEP: B2 Local Centre
- Marrickville LEP: B4 Mixed Use and B5 Business Development

In parallel, Inner West Council has collaborated with Liquor and Gaming NSW in a trial that would allow microbreweries to sell their products for consumption on the premises, with a maximum patronage of 100 persons. The trial period is currently scheduled to end September 2019 but is expected to be extended, based on queries with Liquor and Gaming NSW.

Combined with the rollout of the artisan food or drink industry land use, the trial period should provide Council with considerable information on the implications of this approach to balancing the size of the manufacturing and non-manufacturing components of artisan food and drink premises.

Background

The introduction of the definition for artisan food and drink industry assists manufacturers of craft products by making it easier to lawfully operate retail, restaurant other pseudo-tourism uses in industrial zones where previously such development was only achievable through a complex planning framework. The artisan food and drink term will likely have the following implications:

- Result in an increase in development applications for such premises, due to the improved planning system making it easier for applicants
- Encourage longer term growth in the artisan food and drink sector, as the planning system now supports the industry
- Encourage changes in the format of artisan food and drink premises as the new definition offers a different set of parameters from that which was previously in place.

³⁰ <https://www.theshout.com.au/news/nsw-govt-redefines-land-use-to-boost-craft-industry/>

From a planning perspective, the development outcomes of the land use vary based on the zone. As discussed in Section 6.3.3, Council and private certifiers have approved applications for food and drink manufactures (eg microbreweries and coffee roasters), with associated industrial retail outlets. These approvals were largely in industrial and B5, B6 and B7 business zones. Approvals were most commonly associated with change of use applications, rather than new builds. Historically, microbreweries have established de-facto restaurants utilising sizable industrial retail outlet space as a seating area, with exempt uses (eg food trucks) providing food to meet licensing requirements. Similarly, Council has approved limited sit-down/takeaway cafes as an ancillary use to coffee roasters (See DA reference DA201400458).

In retail-focused business zones, the Codes SEPP was historically a less reliable planning pathway, due to the limitations in change of use. Light industries with industrial retail outlets were only be permitted under the Codes SEPP where a similar use already existed. Therefore, food and drink manufacturing as a light industrial use, with an associated retail outlet, would normally have be assessed as a development application. However, a restaurant could also be included, either as permissible or complying development. Given these considerations, the land use is largely redundant to uses already permitted in retail centres where light industry is permitted.

A review of development applications from mid-2018 to mid-2019 has shown a generally limited uptake in the land use or similar land uses (See Table 32), with most applications in Marrickville LEP industrial zoned lands.

Table 32: Sample of recent development applications for artisan food and drink industry

	DA No.	Date lodged	Address	Zone	Purpose	Description
Lodged prior to introduction of Artisan Food and Drink Industry land use	DA201800295	11/07/2018	2/153-155 Victoria Road MARRICKVILLE NSW 2204	R4	Introduction of restaurant associated with existing microbrewery via existing use/ancillary use provisions	To fitout and use a portion of the premises and outdoor area in conjunction with the brewery as a food and drink premises.
	DA201800314	26/07/2018	54 Sydenham Road MARRICKVILLE NSW 2204	IN1	New Bakery with associated takeaway/sit down food and drink premises via change of use provisions	To demolish part of the premises and carry out ground and first floor alterations and additions so as to use the premises as a bakery operating 24 hours a day, 7 days a week and a portion on the ground floor as a takeaway food and drink premises operating from 6.00am to 10.00pm, 7 days a week with an outdoor seating area and associated signage.
Lodged after introduction of Artisan Food and Drink	DA201800404	28/09/2018	20 Chapel Street MARRICKVILLE NSW 2204	IN2	Modification of food production industry to include café, retail and tasting area	To carry out alterations and fitout and use the premises for the purpose of an

	DA No.	Date lodged	Address	Zone	Purpose	Description
Industry land use						artisan food and drink industry to be used in conjunction with a food production and distribution facility.
	DA201800576	24/12/2018	23-25 Cadogan Street MARRICKVILLE NSW 2204	IN1	Modification of brewery/industrial retail outlet to include restaurant component	To carry out internal alterations and to use the premises as an artisan food and drink premises.
	DA201900038	7/02/2019	1/2C Gladstone Street NEWTOWN NSW 2042	B7	Modification of warehouse for new brewery and ancillary restaurant	To demolish part of the premises and carry out ground and first floor alterations and additions to the building and use the premises as a brewery and restaurant operating 7:00am to 10:00pm daily.
	DA201800544	14/12/2018	5-7 Denby Street MARRICKVILLE NSW 2204	IN1	Modification of warehouse for new coffee roasting, warehousing and espresso bar	To demolish part of the premises and carry out ground and first floor alterations and additions and to use the premises for the purpose of coffee roasting, warehousing, espresso bar, retail coffee sales, and ancillary office space.
	DA201900105	1/04/2019	73 Mary Street ST PETERS NSW 2044	IN2	Modification of winery/industrial retail outlet to brewery with seating (pre-packaged food offered)	To carry out works and use the premises as an artisan food and drink industry (craft brewery).

Based on the review of these applications, it appears that the primary implementation of the land use has been to formalise restaurant/kitchen components of existing microbreweries. In contrast, applications associated with other food industries had markedly smaller retail and restaurant components. It is unclear if this is due to land constraints or the feasibility of the business models.

However, as the complying development pathway is now closed, other food and drink industries premises seeking to sell goods on site will be required to lodge a development application.

Implications

The historic trend of introduction of introducing food and drink manufacturing with retail/on-site consumption into industrial and higher order business zones has had an impact on those zones. This is evidenced by the

introduction of specialised planning definitions and the specialised microbrewery liquor license. These reforms signal substantial demand for these types of businesses in the Inner West LGA. Further, there is an obligation for food to be served, creating a legal, if not market demand for a restaurant component.

This trend has the potential to cause a shift in the character of employment areas as detailed in *A Metropolis that Works*. As detailed in that document, permitting cafes and restaurants, such as those permitted by the land use, can result in recast expectations for industrial and urban services areas. In the longer term, this can result in the areas being not viable for traditional urban services.

As discussed above, the addition of the artisan food and drink industry is less of a new effect, but the formalisation of planning controls. To date, this formalisation in itself has not had a substantial effect on industrial and higher order business zones. It may result in lower impacts than the previous complying/exempt development pathway used to introduce restaurant-style uses. The primary effect of the land use would be formalising permanent kitchen and the serving of food, which would be a less than substantial effect on the surrounding area.

Further, there is no evidence that diversion of household expenditure from centres to industrial precincts is occurring at scale that is likely to undermine the role of the retail and commercial centres in the Inner West LGA.

The new definition allows Council to develop a more tailored planning response to artisan food and drink premises outside the industrial zones. However, it is appropriate that Council continue to monitor artisan food and drink premises and their take up of industrial land. For example, Council can identify areas where artisan food and drink industries are appropriate, in consultation with their community, and consider allowing artisan food and drink industry in zones where 'light industry' is not a mandatory permissible use. This could present an opportunity to leverage the strong popularity of artisan food and drink premises to revitalise areas.

The recent introduction of the new term into the Standard Instrument provides a simpler planning framework that will apply to artisan manufactures across the State (discussed in Section 6.3.3). It is unlikely to lead to a proliferation of artisan food and drink premises throughout the Inner West LGA. This is due to previous planning frameworks that have allowed for establishment of similar facilities which have capitalised on land that satisfies industry requirements, limiting suitable locations for future operations. Artisan producers require areas where they can make and sell their products and offer customers an experience, while tasting or testing the product. The closure of that planning pathway will likely result in more development applications being lodged with Council, but due to the rigours associated with development applications, this is likely to be less than if the complying development pathway that was previously available.

Section 7.3 reviewed the impact of artisan food and drink premises in other locations and found that these developments are typically associated with increases in rents following an increase in the popularity of the surrounding area for similar businesses and associated improvements in amenity. Over time, artisan food and drink premises can contribute to changes in the character and make up of a precinct as higher rents impact on the tenant mix. Any concern at the potential loss of employment land is balanced by the increased range of activities and raised profile they can provide to the employment precinct.

Common concerns with artisan food and drink industry restaurants establishing in employment precincts and potential responses are examined in Table 33.

Table 33: Artisan food and drink industry restaurants - potential issues and responses

Issue	Potential Council response
Floorspace that has been zoned for industrial purposes is being taken up by non-industrial uses	<ul style="list-style-type: none"> Establish assessment and DCP guidelines for: <ul style="list-style-type: none"> Defining 'principal use' to require demonstration that the industrial use is dominant to all other uses (eg employees, floorspace or projected

Issue	Potential Council response
	<p>revenue by use)</p> <ul style="list-style-type: none"> Clearly prohibiting the consideration of restaurants or entertainment areas as ancillary uses in new applications Activities permitted or prohibited in the retail portion of the land use (eg limit to take-away sales) Require any consumption or customer circulation space to be classified as a 'restaurant' or 'café' to aid in determination of principal use.
Industrial rents, which are typically lower than retail rents, will over time, increase to reflect the retail use on the site, encouraging rent increases to neighbouring properties	<ul style="list-style-type: none"> Enforce principal use test to limit intensity of retail uses (eg limit floorspace, seating areas and patron limits), aligning retail potential with industrial retail outlet uses that are permitted with other industrial uses. Limit size of non-industrial uses to ensure industrial uses continue to be prioritised
Noise arising from neighbouring premises can impact on restaurant operations and where uses change over time, land use conflicts can occur	<ul style="list-style-type: none"> Place the onus on the artisan food and drink premises to accept the noise environment currently and in the future Include standard reverse-amenity condition to limiting the ability for non-industrial tenants to lodge complaints about industrial activities Require acoustic impact assessments as part of a development application to demonstrate how noise impacts from surrounding uses can be mitigated within service areas.
Safety concerns arising from unpopulated industrial precincts having poor lighting and natural surveillance can increase costs to Council, the police and the community	<ul style="list-style-type: none"> Require safety assessments to accompany a development application and refer these to the Police for comments Where trading hours are being sought that extend into the evening, require applicants to: <ul style="list-style-type: none"> Contribute to the cost of street lighting if trading hours extend Contribute to the cost of external CCTV cameras Provide guidance in DCP regarding external lighting and orientation of service areas to promote passive surveillance
Increased traffic and pedestrian movement associated with restaurants can create traffic conflicts arising from the movement of large vehicles within industrial areas	<ul style="list-style-type: none"> Require development applications to demonstrate: <ul style="list-style-type: none"> How safe pedestrian access to the venue will be achieved What steps will be taken to minimise risks to pedestrians Require through conditions of consent, measure to ensure safe pedestrian movement
Cumulative impacts arising from restaurants attracting other similar activities to the area	<ul style="list-style-type: none"> Amend DCP to state that ancillary retail uses are prohibited in industrial zones, requiring assessment as industrial retail outlets or artisan food and drink industries.
Potential loss of revenue to restaurants and cafes in zones where those uses are permitted.	<ul style="list-style-type: none"> Maintain retail hierarchy strategy that supports complementary uses and amenities in centres where restaurants are a desired land use. Limit the size of restaurant and café uses Permit artisan food and drink premises in other zones to reduce impact on Industrial zones land

In the current planning provisions, there appears to be no limit on the area that can be used for restaurant/café in the artisan food or drink premises, other than the principle purpose requirement.

Given the constrained supply of employment land in the LGA, Council could consider encouraging artisan food and drink industry in suitable locations outside the industrial zones including in centres and along enterprise corridors. To reduce the impact of artisan food and drink premises on the loss of employment floorspace in industrial areas, Council could consider introducing restrictions on restaurant and café areas to protect the use of employment land from larger scale retail uses. The current trial of limiting licensed venues to 100 patrons

will provide a benchmark for an acceptable size. Based on a review of applications, this number is lower than the requested patron capacity of applications lodged for microbreweries, but larger than those associated with other food and drink industries.

The need to restrict artisan food and drink industry from industrial areas has been considered but the use is considered appropriate as it:

- Includes manufacturing as a principle purpose
- Provides services to employees as well as visitors to the area
- Contributes to improved amenity for workers
- Contributes to the overall vitality of an employment precinct.

Qualifying provisions

The definition of artisan food and drink industry in the Standard Instrument includes qualifications on the size of the retail component in industrial zones but not in business zones. As such, the size of the retail component of artisan food and drink industries in business zones is not restricted.

Table 34 indicates the current provisions applying in Inner West LGA. Notably, Marrickville LEP has the lowest floor area as a percentage of GFA (11 per cent) yet almost all the recent DAs for artisan food and drink premises have been in the former Marrickville LGA. This suggests the control does not have a significant influence on artisan food and drink businesses' choice of location. The availability of suitable floor space, accessibility and local character are likely to have more influence on locational decisions.

Table 34: Current qualification on retail area in artisan food and drink premises

Marrickville LEP	Ashfield LEP	Leichhardt LEP
(10) Artisan food and drink industry exclusion If development for the purposes of an artisan food and drink industry is permitted under this Plan in an industrial or rural zone, the floor area used for retail sales (not including any cafe or restaurant area) must not exceed: (a) 11 per cent of the gross floor area of the industry, or (b) 400 square metres, whichever is the lesser.	(10) Artisan food and drink industry exclusion If development for the purposes of an artisan food and drink industry is permitted under this Plan in an industrial or rural zone, the floor area used for retail sales (not including any cafe or restaurant area) must not exceed: (a) 40 per cent of the gross floor area of the industry, or (b) 400 square metres, whichever is the lesser.	(10) Artisan food and drink industry exclusion If development for the purposes of an artisan food and drink industry is permitted under this Plan in an industrial or rural zone, the floor area used for retail sales (not including any cafe or restaurant area) must not exceed: (a) 20 per cent of the gross floor area of the industry, or (b) 100 square metres, whichever is the lesser.

In consolidating the Inner West LEP, a decision will be required as to the appropriate limit for retail space. There is considerable variation between LGAs. It is suggested that Council adopt the current approach in Leichhardt LEP as this is a mid-point, and monitor development to determine the potential long term impacts once the term has been in operation for a longer period of time. As noted earlier, the controls do not appear to be having a significant influence on locational choices of artisan food and drink industries.

As noted above, the definition does not include restrictions on the size of restaurants or cafes, but the manufacturing component must be the principal purpose of the development. Principal purpose is not defined in legislation but is commonly understood to be a major use, as explained by the planning circular. However, the circular is dated, with limited guidance from on how to identify the principal use (eg revenue, space or occupancy). Case law established prior to the circular provides additional guidance, where the judgement for

Adbooth Pty Limited v Ryde City Council [2006] NSWLEC 783, relied on by the Macquarie Dictionary to define principal as being ‘first or highest in rank, importance, value, et cetera; chief; foremost.’

Based on a review of relevant development applications, there is not a consensus on how to justify the principal use provision. Council could provide information to clarify how it interpret the principal purpose test, as per the definition above to set expectations and increase certainty. Matters for consideration may include:

- Allocation of space between industrial, amenity and other uses
- Projected revenue associated with industrial and other uses
- Employees associated with industrial and other uses
- Hours of operation associated with industrial and other uses
- Comparison of the above with surrounding industry-only uses.

Council could also provide clarity in intent by permitting or prohibiting the use in certain business zones, including encouraging the restaurant/café element land use in more suitable locations via additional local provisions.

Alternatively, Council may prepare a planning proposal that includes a new Clause 5.4 provision that relates to the restaurant/café use, prepared in consultation with the Department of Planning, Industry and Environment.

8.1.2 Neighbourhood shop restrictions

Table 35 indicates the current provisions applying in Inner West LGA. There is little variation across the three instruments. In preparing the new Inner West LEP, a decision will be required as to the appropriate limit for neighbourhood shops. An upper limit of 100sqm would align the LEPs and allow for varied development outcomes.

Table 35: Current qualification on neighbourhood shops

Marrickville LEP	Ashfield LEP	Leichhardt LEP
(7) Neighbourhood shops If development for the purposes of a neighbourhood shop is permitted under this Plan, the retail floor area must not exceed 100 square metres.	(7) Neighbourhood shops If development for the purposes of a neighbourhood shop is permitted under this Plan, the retail floor area must not exceed 100 square metres.	(7) Neighbourhood shops If development for the purposes of a neighbourhood shop is permitted under this Plan, the retail floor area must not exceed 80 square metres.

8.1.3 Industrial retail outlet

Table 36 indicates the current restrictions on the size of industrial retail outlets in Inner West LGA. There is considerable variation between instruments. An upper limit of 20 per cent of GFA or 100sqm, whichever is the lesser, would allow Council to take a conservative position, given the projected future shortfall in employment lands in some precincts.

Table 36: Current qualification on industrial retail outlets

Marrickville LEP	Ashfield LEP	Leichhardt LEP
5.4(4) Industrial retail outlets If development for the purposes of an industrial retail outlet is permitted under this Plan, the retail floor area must not exceed: (a) 11 per cent of the gross floor area of the industry or rural industry located on the same land	5.4 (4) Industrial retail outlets If development for the purposes of an industrial retail outlet is permitted under this Plan, the retail floor area must not exceed: (a) 40 per cent of the gross floor area of the industry or rural industry located on the same land	5.4(4) Industrial retail outlets If development for the purposes of an industrial retail outlet is permitted under this Plan, the retail floor area must not exceed: (a) 20 per cent of the gross floor area of the industry or rural industry located on the same land

as the retail outlet, or (b) 400 square metres, whichever is the lesser.	as the retail outlet, or (b) 400 square metres, whichever is the lesser.	as the retail outlet, or (b) 100 square metres, whichever is the lesser.
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8.1.4 Kiosks

Table 37 indicates the current restrictions on kiosks in the Inner West LGA. There is considerable variation between instruments. The controls in Ashfield are comparable with a neighbourhood shop. In preparing the new Inner West LEP, a decision will be required as to the appropriate limit for neighbourhood shops. A 30 sqm limit would allow for development of a moderately sized kiosk that serves local needs without approaching the size of a full-sized shop.

Table 37: Current qualification on kiosks

Marrickville LEP	Ashfield LEP	Leichhardt LEP
5.4(6) Kiosks If development for the purposes of a kiosk is permitted under this Plan, the gross floor area must not exceed 30 square metres.	5.4(6) Kiosks If development for the purposes of a kiosk is permitted under this Plan, the gross floor area must not exceed 100 square metres.	5.4(6) Kiosks If development for the purposes of a kiosk is permitted under this Plan, the gross floor area must not exceed 20 square metres.

8.1.5 Creative industries

The Inner West LGA is possibly Sydney's leading independent arts quarter hosting one of Australia's most diverse communities. It is home to many artists, studios, commercial art galleries, artist-run initiatives, theatres and festivals. Structurally, this typically comprises old-style residential properties, industrial and semi-industrial areas. Several factors are challenging artists' ability to access affordable spaces in the local area including the undersupply of suitably sized premises and ongoing building compliance issues. The gentrification and a potential for ongoing loss of industrial space are heightened by approved or proposed land zoning changes such as Victoria Road and Carrington Street, Marrickville.

Creative industries include a diverse range of uses that are difficult to define but in general they are uses that deal with art, culture, music and performance and may result in the production of physical or digital items. Creative industries do not fall neatly within definitions in the Standard Instrument. Most commonly, creative industries would apply for development consent as light industry, industrial activity, business premises and office premises.

Defining creative industry

'Creative industry' is often a limiting or confusing term, further complicated by the fact that cultural and creative industries fall across a number of Census data occupation categories. 'Culture'/'cultural industries' is an important addition to the more commonly described 'creative industries.' Culture includes the making, production, distribution and participation in creativity by the community of residents, artists and makers and reflects local heritage and character. The broader scope of creative and cultural occupations include everything from publishing to television and film production, to heritage and libraries, and from artists and musicians to artisan manufacturing (id. Profile, 2018).

It is important that the Inner West Council clarifies its understanding of creative and cultural industries as relevant to land use, as it is often the new technology and design-based creative industries that are most easily planned into new developments and business parks and who are typically able to pay higher rents for their work spaces. However, the outstanding local creative and cultural industries of regional importance are its cultural production activities.

For the purposes of Inner West LGA land uses, the following definitions have been provided by Inner West Council for consideration:

Cultural production is the making of cultural products, from small-scale jewellers and ceramic manufacturers to musicians, and from visual artists and theatre makers, to larger scale prop and set designers. This generally includes direct-to-consumer products and services, whose making is often noisy and messy at occurs at the interface of creative industries and manufacturing. Cultural producers generally need affordable, flexible spaces with long opening hours, loading zones and can require a variety of sizes including smaller studio type spaces and large format warehouses. It is noted that cultural production spaces are often hybrid and can include elements of production, testing and showcasing. In terms of land use planning, cultural production is defined as a type of industry.

Creative services are generally commercial business-to-business services, including advertising, marketing, architecture, design, photography and software and digital content development. These are often technology-based and desk-based and are found more typically in office and retail spaces. In terms of land use planning, creative services may be defined as a type of business or office use.

Cultural presentation is the performing, exhibiting and presenting of culture, often taking place in venues and other creative spaces, such as music and performance venues, community spaces, galleries, libraries and museums.

The following definition is used for the overall provision of creative spaces in the Inner West LGA that enable the above activities:

Cultural infrastructure is creative spaces and venues for the purpose of making, producing and presenting culture, for professional and community-based creativity and also includes mixed-use spaces that house creative uses. Examples include studios, creative manufacturing spaces, co-working spaces, music and performance venues, studio spaces and community spaces for rehearsal and presentation, galleries and museums. These spaces can be provided by both the private and public sector and can incorporate hybrid art forms and activities.

Existing provisions

The existing planning framework includes additional provisions as set out in Table 38, which aims to clarify the planning position for creative industries.

Table 38: Current provisions relating to creative industries

LEP	Clause
MLEP 2011	<p>6.12 Business and office premises in certain zones</p> <p>(1) The objective of this clause is to promote certain types of business and office premises in Zone IN2 Light Industrial and Zone B7 Business Park.</p> <p>(2) This clause applies to land in the following zones:</p> <p>(a) Zone IN2 Light Industrial,</p> <p>(b) Zone B7 Business Park.</p> <p>(3) Development consent must not be granted to development for the purpose of business premises or office premises on land to which this clause applies unless the consent authority is satisfied that the development will be used for a creative purpose such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes.</p>
LLEP 2013	<p>6.9 Business and office premises in Zone IN2</p> <p>(1) The objective of this clause is to promote certain types of business and office premises in Zone IN2 Light Industrial.</p> <p>(2) This clause applies to land in Zone IN2 Light Industrial.</p> <p>(3) Development consent must not be granted to development for the purpose of business</p>

premises or office premises on land to which this clause applies unless the consent authority is satisfied that the development will be used for a creative purpose such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes.

The above clauses make way for creative industries suited to business and office premises to locate in the IN2 Light Industrial zone in the former Marrickville and Leichhardt LGA and B7 Business Park zone in the former Marrickville LGA.

These clauses should be reconsidered for the following reasons:

- Permitting business and office premises in the IN2 zone has the potential to erode the capacity of industrial land for industrial purposes
- Permitting strata titled business and office premises increases fragmentation of land and building holdings, preventing future development for industrial purposes
- The long term use of office and business premises for creative industries cannot be guaranteed, noting that like any other industry, creative industries are vulnerable to market conditions and changes in rents.

Alternative measures to support the establishment of creative industries warrant consideration. This is addressed further below.

Sydenham Station Creative Hub – Amendment 16

In February 2019, Council amended Marrickville LEP 2011 by inserting Schedule 1, Clause 22 to permit restaurants, cafes and small bars with development consent on certain land fronting Marrickville Road and Railway Parade, Marrickville. The amendment is expected to result in some industrial and urban services premises being converted to restaurants and bars, resulting in a loss of important employment land.

The amendment appears to be associated with a desire by Council to establish an innovative mixed use precinct in the Inner West LGA. This type of adaptive reuse of industrial lands for creative industries, bars, restaurants and live entertainment has been successful internationally but initially evolved as a strategy to revitalise declining industrial precincts. Underutilised industrial precincts can provide valuable space for creative industries, restaurants and entertainment uses as the potential for land use conflicts associated with noise impacts are generally limited. The industrial setting promotes a particular vibe and character that is valued for a night-time economy. It is noted that the Sydenham Industrial Precinct is not in a state of decline.

Council's decision to permit cafes, restaurants and small bars in the precinct is anticipated to result in a modest loss of employment land, noting that the area affected is relatively small. Council's intentions may be reinforced by promoting the area as a 24-hour precinct offering live entertainment restaurants, cafes, small bars, industrial and creative industries. The area is well located in terms of proximity to public transport. Any amenity impacts are likely to be limited as the area does not adjoin residential land. Consolidating night-time economy activities in this location may take pressure from other parts of the Inner West LGA while building on Council's original vision.

Sydenham Creative Hub

In addition to the Marrickville Road precinct above, Council has formulated proposals for a larger area referred to as the Sydenham Creative Hub. The proposal involves creating a diverse employment and entertainment focused precinct by retaining the existing IN1 General Industrial zone, while expanding the range of permissible uses to include creative industries (including associated businesses and office premises), small bars, cafes and restaurants to activate a night-time economy within the area.

Figure 15: Sydenham Creative Hub



Source: Proposed Sydenham Creative Hub

This proposal as shown in Figure 15, was subsequently reduced in scale and a revised proposal is under consideration. The top industries located in the original Sydenham Creative Hub precinct include local light manufacturing,³¹ and freight and logistics.³² In 2017 SGS Economics and Planning undertook an economic impact analysis of the proposed Sydenham Creative Hub. The key findings included:

- *Sydenham-Marrickville is the last major mixed industrial precinct in inner Sydney and it is in high demand as reflected by the market data. Pushing more 'low value' uses out to cheaper land in the west may create or even entrench supply-chain inefficiencies resulting in a range of broader economic impacts (higher supply/ production costs, more traffic on the road, even job losses in the extreme case of products/ services being imported).*
- *Future population growth, coupled with major urban renewal projects, will place pressure on remaining industrial lands to turn over to higher value land uses whilst simultaneously increasing demand for population-serving industries.*

³¹ Small scale industrial business such as car services and repair, joinery, construction and building supplies and domestic storage

³² SGS Economics (2017) Sydenham Creative hub Economic Impact assessment, page 16

- *While the SCH planning proposal will not result in a rezoning, if industrial uses were to be pushed out of the precinct by the target industries, these industrial uses will need to find alternative locations. The research undertaken as part of the study highlighted that businesses do not want to relocate and the options are limited. Similarly, there is a lack of supply in the inner city which has led to increasing demand for land in the SCH and broader Sydenham-Marrickville industrial area³³.*

The proximity of the precinct to Sydney Airport, Port Botany and the Sydney CBD suggests that land for industrial uses will continue to be in strong demand. The projected under-supply of employment land in this precinct identified in Section 7 indicates that further consideration should be given to the appropriateness of the planning proposal. Section 7 identifies a substantial shortfall in employment land is imminent. This situation has been exacerbated by the recent loss of employment land through planning proposals (including nearby Victoria Road precinct) and major infrastructure proposals.

Given the shortage of employment land in the Inner West LGA, and the potential impact of the proposals on rents, the appropriateness of the reduced Sydenham Creative Hub is questioned. At the present time, the planning proposal is not supported.

Proposed approach

This report suggests that a comprehensive suite of actions should be considered by Council to manage and support the ongoing opportunity for creative industries, including statutory planning mechanisms and non-statutory mechanisms as indicated below:

- A focus on the previously rezoned Marrickville Road Sydenham precinct as a 24-hour precinct with a mix of uses suited to an industrial setting, including artisan food and drink, entertainment, restaurants and small bars
- Make light industry permissible in the B2, B4, B5 and B6 zones to expand the range of locations where creative industries could locate and consider including creative industries in the objectives of the zones
- Limit creative industries in IN1 and IN2 zones to those industries that 'produce' an item
- Introduce creative industries DCP provisions to:
 - Define creative industries
 - Provide a clear policy position on what is considered a creative industry
 - Set out built form requirements to meet the needs of creative industries including ceiling heights, doorway widths, loading and parking
- Council (or a third party contracted by Council) maintain a register of creative spaces and act as a facilitator in assisting industries to locate suitable space
- Prepare supporting documentation on development application processes / information packs.

³³ SGS Economics (2017) Sydenham Creative hub Economic Impact assessment, page 3-4

Creative Enterprise Zones

The creative industries in London contribute £47 billion a year to the UK economy and provide one in six jobs in London. The creative workforce is growing four times faster than the economy as a whole, and research shows that creative jobs are 87 per cent less likely to become automated. Creative jobs are the jobs of the future.

Artists and creatives can play an important part in incubating good growth, bringing new opportunities to an area and attracting new development. Artists move into cheap areas and help them grow and become desirable. But then they often find themselves priced out by the very success that they have helped create. As the creative economy faces global competition, disrupting this cycle becomes a priority.

Creative Enterprise Zones are a new initiative of the Greater London Authority to designate areas where artists and creative businesses can find permanent affordable space to work. Creative Enterprise Zones will help the capital remain a creative and forward-looking city by securing much-needed affordable workspace, supporting areas to become or remain creative hubs and providing job and training opportunities that will ensure that the local community benefits from creative sector growth. They will ensure that artists and entrepreneurs, regardless of background, will be given the support they need and become our creative leaders of the future.

The Mayor designated the first six Creative Enterprise Zones in December 2018. To qualify as a Mayoral Creative Enterprise Zone, local authorities have demonstrated how they will provide the following:

- **Space:** Permanent, affordable, creative workspace and live-work spaces at below market rents and ensuring no net loss of space
- **Skills and support:** Building entrepreneurial skills and offering business support to artists, start-ups, sole traders, micro-sized and small businesses, developing career pathways and opportunities for progression into the creative industries and supporting sectors
- **Policy:** Local Plans with pro-culture policies in planning, housing, business development, technology and infrastructure, and supportive business rates policies
- **Community:** Embedding creative production in communities, creating socially-inclusive places and strong links with education providers.

London Boroughs are leading consortiums of local creative businesses, artists, local community groups, developers, workspace providers, further and higher education institutions and other stakeholders.

8.1.6 Neighbourhood supermarket

On 22 August 2018, the Standard Instrument was amended to include a new land use definition, neighbourhood supermarkets, as a sub-use of 'shops.' The land use allows for the sale of groceries and foodstuffs to provide for the needs of people who live or work in the local area. The gross floor area of neighbourhood supermarkets is not to exceed 1,000sqm.

Neighbourhood supermarkets are mandated as permissible with consent in the B1 Neighbourhood Centre zone, and any zone where shops, retail premises or commercial premises are mandated as permissible with consent, including the B2 Local Centre and B4 Mixed Use zones as relevant in the Inner West LGA.

Prior to the amendment, the planning pathways for supermarkets was to apply for development consent or a complying development certificate for a shop, either as a new or change of use. This would allow for full service supermarkets (approximately 3,200 sqm) and smaller format supermarkets (approximately 800 – 1,000 sqm) in any zone where shops were permitted. Currently, this includes all B1, B2 and B4 in Inner West LGA, B6 land in the former Ashfield LGA R1 and B7 land in the former Leichhardt LGA.

Major supermarkets, including Woolworths and Coles, have recently expanded into smaller format supermarkets under the brand names Woolworths Metro and Coles Local. This has increased competition in the smaller format supermarket occupied by chains such as IGA and Aldi, as well as independent stores.

The review of centres has identified existing supermarkets across the Inner West LGA that would be best described as a neighbourhood supermarket, including:

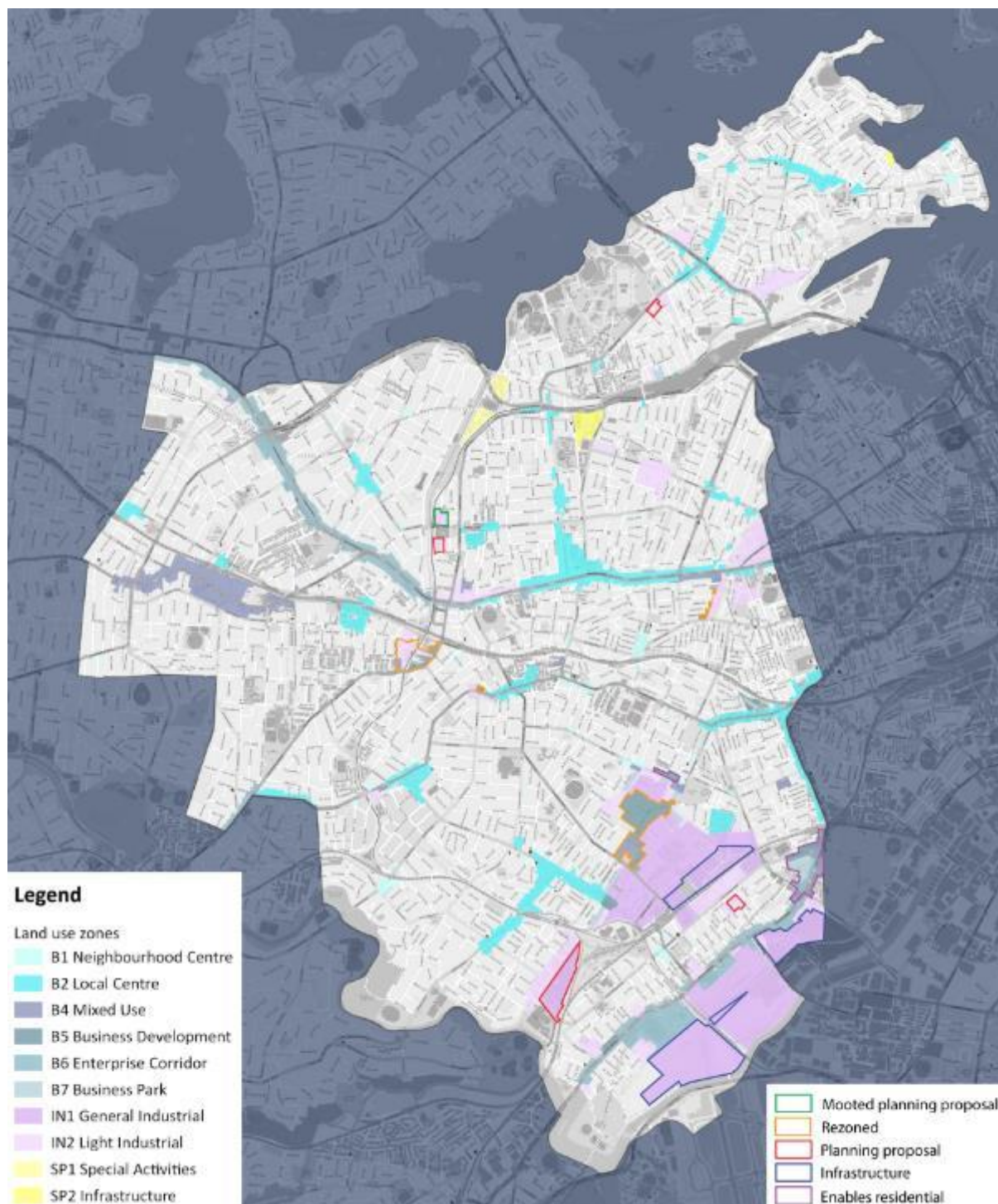
- Aldi Ashfield – 260 A Liverpool Road, Ashfield – B4 zone
- IGA Stanmore plaza – 2 Holt Street, Stanmore – B1 zone
- Woolworths Metro Rozelle (formerly ‘About Life’) – 605 Darling Street, Rozelle – B2 Zone.

As noted above, the neighbourhood supermarket land use currently exists in the zones that are required to allow the use with consent. Notably, only one chain neighbourhood supermarket type business was identified in a B1 Neighbourhood Centre zone, with the remainder clustered in B2 or B4 zones within precincts. This suggests that market conditions have not been suitable for expansion into the more neighbourhood centric shops associated with B1 Neighbourhood Centre zones, or that their small lot size (almost exclusively less than 800 sqm) is not suitable for the format.

8.1.7 Residential development in employment land

The employment lands in Inner West LGA have been under significant pressure from competing land uses. Figure 16 shows employment land that has recently been rezoned or is under-consideration. Aside from the loss of employment land, the introduction of residential development into areas that has historically been industrial has caused land uses conflicts, particularly for industries, businesses and creative industries that operate extended hours.

Figure 16: Recent development pressure to rezone land



Source: HillPDA 2019

8.2 Planning implications

Table 39 summarises the planning implications of the above analysis in the context of the existing employment zones in the LGA.

Table 39: Implications of introducing certain use types into a zone

	Retail centre setting (B1, B2, B4)	Business setting (B5, B6, B7)	Industrial setting (IN1, IN2)
Artisan Food and Drink	<ul style="list-style-type: none"> Artisan food and drink would already be enabled if light industries are permitted. If light industries are not permitted, the inclusion may displace some less viable retail uses. The inclusion may increase the appeal and viability of the overall centre if attracting new customers. The inclusion may assist in reducing vacancy rates in centres and contribute to broader employment opportunities. <p>Recommendation:</p> <ul style="list-style-type: none"> Subject to environmental consideration, permit 'Light industry' with consent in all business zones (as currently the case in the Leichhardt LEP B2 zone), excluding B1 Neighbourhood Centre. This would enable the operation of artisan food and drink. 	<p>Light industries are already enabled in all business settings except B5. Currently only the Marrickville LEP adopts the B5 zone.</p> <p>Adopting the B5 zone in the new LEP would broaden the possibility for light industry uses including artisan food and drink premises that can add to the vibrancy of a business area.</p> <p>Recommendation:</p> <ul style="list-style-type: none"> Enable light industries in B5 zone 	<ul style="list-style-type: none"> Technically can already operate in the zone. Restaurant uses may have greater capacity and potentially displace less viable industrial businesses. Increase generation of vehicles and potential competition for parking. More pedestrians in the area / potentially intoxicated, may lead to greater safety issues. Improves the vibrancy and desirability of a location. Provides opportunity for business meetings and social networking for workers in the area. <p>Recommendation:</p> <ul style="list-style-type: none"> Include in Clause 5.4 maximum land use sizes for artisan food and drink retail sales area: 20 per cent of GFA or 100sqm, whichever is the lesser Consider restricting the size of artisan food and drink restaurant and café portion to 100 patrons as an additional local provision in the LEP (subject to the outcome of the trial).

	Retail centre setting (B1, B2, B4)	Business setting (B5, B6, B7)	Industrial setting (IN1, IN2)
Specialised retail premises	<ul style="list-style-type: none"> Net leasable area rates are higher in areas that permit all retail, therefore specialised retail premises would more likely operate in a lower order centre. Where there are high vacancy rates in centres and rents are reduced, specialised retail premises may seek to capitalise on the opportunity to locate closer to residential markets. The impact on traditional retail is generally not significant as the specialise retail premises can attract greater patronage, benefitting surrounding businesses. Specialised retail premises falls under the 'commercial premises' group term and is already mandated in the B2 Local Centre and B4 Mixed Use zone Do not permit specialised retail premises in the B1 Neighbourhood Centre zone. 	<ul style="list-style-type: none"> Specialised retail premises generally have a greater ability to pay a higher amount for sites than uses traditionally found in Business zones. If there is high demand for specialise retail premises, they can displace office and light industry functions, particularly if they begin to cluster. Specialised retail premises are already mandated in B5 Business Development zone. <p>Recommendation:</p> <ul style="list-style-type: none"> Prohibit specialised retail premises in B7 Business Park Permit specialised retail premises in B6 Enterprise Corridor zones. Develop performance measures for specialised retail premises in the B6 zone 	<ul style="list-style-type: none"> Specialised retail premises can pay twice the land value compared with general industrial uses, crowding out industrial uses. Once clustering occurs, specialised retail premises can inflate land prices up to five times the amount, compromising industrial areas further and stymying traditional industrial activity. <p>Recommendation:</p> <ul style="list-style-type: none"> Prohibit specialised retail premises in industrial zones to reduce competition for industrial land.
Neighbourhood supermarket	N/A already permitted in relevant zones	<ul style="list-style-type: none"> Out of centre neighbourhood supermarkets can compete with other office, business and specialised retail premises. Across the LGA there is generally sufficient supply of B1, B2 and B4 centre zones to accommodate neighbourhood supermarkets in centres. Enabling them in other zones would impact the retail hierarchy. <p>Recommendation:</p> <ul style="list-style-type: none"> Prohibit neighbourhood supermarkets in B5, B6 and B7 zones. 	<ul style="list-style-type: none"> Would potentially displace less viable industrial uses. Would enable greater convenience retailing for local workers. <p>Recommendation:</p> <ul style="list-style-type: none"> Prohibit neighbourhood supermarkets in industrial zones

	Retail centre setting (B1, B2, B4)	Business setting (B5, B6, B7)	Industrial setting (IN1, IN2)
Office and business premises	N/A already permitted in relevant zones	<ul style="list-style-type: none"> Office and business premises already permitted in most relevant zones Business premises is currently prohibited in the B7 zone under Leichhardt LEP 2013. Recommendation: <ul style="list-style-type: none"> Permit 'business premises' in all business zones 	<ul style="list-style-type: none"> Industrial areas provide a more affordable alternative for businesses priced out of traditional centres and office markets. Considering trends in enterprise/small business in the Inner West and the attractiveness of some of the industrial areas due to lower rent, there is potential that this will push up land values and increase competition for land, potentially displacing some less viable uses. Office and business premises have greater ability to locate in centres, whereas some industrial uses cannot. To reduce the demand on valuable industrial land, office and business premises, that are not associated with the industrial use, should be prohibited in industrial settings. Recommendation: <ul style="list-style-type: none"> Prohibit office and business premises in industrial setting.

	Retail centre setting (B1, B2, B4)	Business setting (B5, B6, B7)	Industrial setting (IN1, IN2)
Residential accommodation	<ul style="list-style-type: none"> In the current market, residential accommodation receives a higher and better land value and rent returns than standard retailing, office and business premise. While residential accommodation with lower floor retail, office and business premises is appropriate, enabling residential accommodation without lower floor commercial would erode the intent of the business centre and potentially displace less viable businesses. To maximise the diversity of ground floor uses – consider implementing a higher minimum floor to ceiling height along major road frontages such as Parramatta Road and Victoria Road to encourage other forms of commercial and business premises other than shops. <p>Recommendation:</p> <ul style="list-style-type: none"> Permit residential as shop-top housing and introduce additional local provision (similar in intent to Clause 6.11A of Leichhardt LEP) specifying that residential accommodation is only permissible where non-residential is provided on ground floor. Consider minimum non-residential FSR controls. 	<ul style="list-style-type: none"> In the current market, residential accommodation receives a higher and better land value and rent returns than commercial and industrial uses. Introducing residential accommodation, in any form can cause fragmentation of business areas and can create future reverse amenity effects. <p>Recommendation:</p> <ul style="list-style-type: none"> Undertake review of the B7 zone across the Inner West LGA to determine whether land is more appropriately zoned IN2 Light Industrial Prohibit all forms of residential accommodation and tourist and visitor accommodation, except where it is mandated as a permitted use under the Standard Instrument in the B5 and B6 zones. 	<ul style="list-style-type: none"> Introducing residential accommodation, in any form into industrial settings has an immediate effect on the EPA technical requirements then triggered for new industrial uses as the residential component is a sensitive receiver. Residential accommodation generally has a greater ability to pay, pushing up land values and potentially displacing less viable industrial uses. <p>Recommendation:</p> <ul style="list-style-type: none"> Prohibit all forms of residential accommodation

	Retail centre setting (B1, B2, B4)	Business setting (B5, B6, B7)	Industrial setting (IN1, IN2)
Light industries	<ul style="list-style-type: none"> The definition of light industries is that they do not interfere with amenity of the neighbourhood. The effect on centre function would be minimal. New manufacturing formats based on advanced technologies would be price competitive and appropriate for the business setting and would respond to global trends. Industrial activity formats, that do not have amenity affects, would be compatible with business centres, increasing the space available for these uses outside industrial zones. Enabling light industries in all B zones (excluding B1 Neighbourhood Centre) would increase the flexibility and utilisation of commercial spaces in centres and along enterprise corridors. Consider introducing a local clause that specifies minimum floor to ceiling heights at ground floor to improve opportunity for various uses. Land and rent values in centres are generally higher with some light industries potentially unable to afford the higher rent. Where this is the case there remains opportunity to operate in enterprise corridors and industrial areas. Some light industries may potentially displace less viable retail uses in centres. <p>Recommendation:</p> <ul style="list-style-type: none"> Permit light industry in all B zones. Prohibit in B1 zones. 		Already permitted in setting
Local distribution premises	<ul style="list-style-type: none"> There is increasing demand for local distribution centres due to online retailing and consumer expectation of rapid delivery services. Enabling these distribution centres, where appropriately designed, in local centres, will reduce pressure on industrial land. Consider further design specifications in the DCP to ensure distribution premises do not affect local character. Potential effect on vehicle trip generation and safety issues in local centres. <p>Recommendation:</p> <ul style="list-style-type: none"> Permit Local distribution premises in B2 zones and B4 zones. Require rear delivery vehicle access in B2 zones. 	Already permitted in relevant zones	<ul style="list-style-type: none"> Already allowed in industrial areas. Market demand is increasing for local distribution appropriate spaces. Will be competing for space with more traditional industrial uses, which do not have the ability to locate in centres. This may cause displacement of some less viable businesses. Distribution centres are generally more viable businesses and will likely be able to afford higher land and rent values. <p>Recommendation:</p> <ul style="list-style-type: none"> The use is currently mandated under the standard instrument and therefore is permissible, however encourage the use to locate in business zones

	Retail centre setting (B1, B2, B4)	Business setting (B5, B6, B7)	Industrial setting (IN1, IN2)
Creative industries (non-manufacturing/ not making or crafting a product)	<ul style="list-style-type: none"> Business and office premises are already permitted in these zones. <p>Recommendation:</p> <ul style="list-style-type: none"> Maintain this approach. 	N/A already permitted in relevant zones	<ul style="list-style-type: none"> Under clause 6.9 of the Leichhardt LEP and clause 6.12 of the Marrickville LEP, development consent can be granted for the purpose of business and office premises in the IN2 and B7 (Marrickville only) zones, where the consent authority is satisfied that the development will be used for creative purposes. This additional local provision could undermine the intent of the industrial zone, introducing additional uses that might potentially displace or reduce the supply of land for traditional industrial uses that cannot operate in any other zone. The affordability of industrial land is what attracts these creative businesses to the area, as generally their capacity to pay is lower. However, without assessment of an individual business' ability to pay, it is difficult to ascertain which of these businesses need the subsidised rent, and which of them are just benefitting from the market opportunity. Inner West has very limited land available for traditional industrial uses. Where a business is not required to locate in an industrial area due to amenity reasons, they should not be encouraged, unless they are the type of creative activity that needs large inexpensive accommodation. <p>Recommendation:</p> <ul style="list-style-type: none"> Investigate how the local provision can be adjusted to respond to this issue Investigate incentives for creative office and business premises in business zoned areas to facilitate or support creative industries.

8.3 Proposed zoning framework

The table below provides a suggested framework for applying employment zones throughout the LGA.

Zone	Role (the purpose of it)	Function (where should it apply)	Change	Implication/rationale
B1 Neighbourhood Centre	<ul style="list-style-type: none"> To provide a range of small-scale retail, business and community uses that serve the needs of people who live or work in the surrounding neighbourhood. To enable shop-top housing that is well-integrated with the primary business function of the zone. 	<ul style="list-style-type: none"> Least intensive business zoning Small-scale shops and services that cater to the local community. 	<ul style="list-style-type: none"> Permit residential only as shop-top housing and boarding house Potential to rezone smaller B2 centres in former Leichhardt to B1 Neighbourhood centre Prohibit light industries to protect the function and role of neighbourhood centre. Maintain B1 Neighbourhood zoning, even if on a single site to protect longer term need for local convenience retailing. 	<ul style="list-style-type: none"> Prohibiting other forms of residential maintains the primary role of the centre for local convenience purposes and protects retail uses from potential displacement. Current inconsistency between Leichhardt LEP and Ashfield and Marrickville LEPs. The change would re-align the zone intent providing clarity around intended function and role. Prohibiting light industry would protect small retail and local convenience uses from being displaced by more viable light industry uses (ie advanced manufacturing, artisan food and drink). If adopted, Clause 5.3 in the LEP allows flexibility of uses where a B1 site may be isolated and seeks an alternate use in line with land uses on the adjoining zone. Consider expanding this clause across LGA and included a relevant distance of 25 metres. Under sub-clause (3) add and an (aa) land in IN1 General industrial and IN2 Light industrial zones.
B2 Local Centre	<ul style="list-style-type: none"> To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area. To encourage employment opportunities in accessible locations. To maximise public transport patronage and encourage walking and cycling. To allow appropriate light 	<ul style="list-style-type: none"> Anchored by a supermarket or other major commercial tenant Provide a diversity of local employment opportunity Provide access to goods and services that meet the needs of the local community Provide a collection of shops and health, civic and commercial services. 	<ul style="list-style-type: none"> Permit residential accommodation and introduce additional local provision specifying that residential accommodation is only permissible where a commercial or light industrial premise is enabled on the ground floor. Introduce a minimum non-residential FSR provision in Ashfield town centre. Consider introducing a minimum non-residential FSR provision in higher order centres such as, Marrickville, Norton Street/Parramatta Road, Balmain, Newtown. 	<ul style="list-style-type: none"> Continuing to enable residential accommodation would increase the density of residential in the walkable catchment surrounding centres, making potential business uses more viable. In line with the future retail centre hierarchy, Ashfield is to become the major centre in the LGA with additional commercial floorspace mandated. In higher order centres, where commercial floorspace may currently be, or need to be, on ground and upper levels, a minimum non-residential FSR would prevent the net loss in floor space and assist in securing floorspace to meet future commercial needs.

Zone	Role (the purpose of it)	Function (where should it apply)	Change	Implication/rationale
	<p>industries and local distribution premises that supports the vitality of the centre, while protecting the amenity of surrounding residents.</p> <ul style="list-style-type: none"> To provide more homes closer to jobs. 		<ul style="list-style-type: none"> Consider permitting with consent local distribution premises, and light industries with an additional local provision around maximum floor space. Consider rezoning larger B1 centres in Leichhardt LEP and Marrickville LEP to B2 Local Centre. Apply to Dulwich Hill Station and Stanmore. 	<ul style="list-style-type: none"> Market demand is increasing for local distribution, specialised retail and light industry spaces. Enabling this use type in local centres would reduce the pressure on industrial and other business zones, increasing the diversity of employment opportunities in locations with higher amenity and transport accessibility. These uses would only be enabled where they do not have implications on the amenity and character of a centre and could be controlled through specific floorspace controls. This would align the zoning of centres with the current and intended function.
B4 Mixed Use	<ul style="list-style-type: none"> To provide a mixture of compatible land uses. To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling. Facilitate a broader diversity of industries including creative spaces, warehousing and light industries. 	<ul style="list-style-type: none"> To accommodate a mix of out of centre commercial uses and residential accommodation. Retail is of a size and scale that does not detract from the commercial centre hierarchy. 	<ul style="list-style-type: none"> Minimise the use of B4 Mixed Use zoning unless there is adequate evidence that other land zones are not appropriate. Consider permitting with consent local distribution premises, and light industries with an additional local provision around maximum floor space. Specify provisions in the DCP that encourage a broader diversity of uses at ground floor including: <ul style="list-style-type: none"> minimum ground level floor to ceiling heights delivery of larger floorplates encourage uses other than shops at ground floor. Permit residential accommodation and introduce additional local provision specifying that residential accommodation is only permissible where a commercial or light industrial premise is enabled on the ground 	<ul style="list-style-type: none"> B4 Mixed Use encourages increased residential accommodation encroaching on industrial and business centres. Minimising the use of this zone will assist in protecting employment uses. Increasing the availability of space for local distribution premises and light industries reduces the competition for land in industrial zones. Providing direction in the DCP that facilitates a wider diversity of uses at ground level that would maximise the future reuse of premises and enable light industries and specialised retail premises that have specific space requirements. The current shop-top housing provision (see Leichhardt LEP 6.11A) does not adequately allow for other forms of commercial and light industrial development at ground floor. Amending the provision would facilitate this change.

Zone	Role (the purpose of it)	Function (where should it apply)	Change	Implication/rationale
			floor.	
B5 Business Development	<ul style="list-style-type: none"> To enable a mix of business and warehouse uses, and specialised retail premises that require a large floor area, in locations that are close to, and that support the viability of, centres. To enable a greater diversity and varying scale of employment generating uses To provide for a range of higher order job opportunities including health, cultural and high technology industries. To provide for a range of development that relates to university and hospital activities, creative and cultural industries, and business incubators. 	<ul style="list-style-type: none"> Provides a residential free land zone. Encourages a mix of employment uses including creative business and office spaces. Intended to provide a commercial zone that complements and supports the function of industrial zones and centres. 	<ul style="list-style-type: none"> Retain existing B5 zone and prohibit any further residential accommodation, or tourist and visitor accommodation through additional permitted uses. Investigate bonus floor space provisions which enable affordable creative use spaces. Undertake feasibility assessment to determine specific planning controls that would enable a feasible non-residential development outcome. Review ground level floor to ceiling heights in the DCP to maximise and protect the diversity of uses that can be accommodated in a space. To bring parcels in line with their current uses and the proposed retail hierarchy. Consider expanding the implementation of the B5 zone to other areas in the LGA including: <ul style="list-style-type: none"> Balmain East Waterfront from B2 Lilyfield Road and Gordon Street from B2 Unless mandated, prohibit retail premises residential accommodation and tourist and visitor accommodation. Allow food and drink premises, light industries and markets. 	<ul style="list-style-type: none"> The B5 Zone currently only applies to land in the former Marrickville LEP. Although land use table prohibits residential accommodation, Schedule 1 of the Marrickville LEP 2011 has been used to permit residential flat buildings in the zone. The current function does not match the intent for the zone in the standard instrument. By applying the zone as intended under the standard instrument, it would create additional capacity across the LGA for a diversity of employment uses, without undermining industrial land and business centres. Where residential development is permitted under additional use clauses – they would still be able to operate. To encourage creative uses in new development, bonus floor space is allowed when subsidised (affordable) creative space is provided, similar to affordable housing mechanisms. This would increase the supply of affordable creative space and reduce competition for space in industrial zones. Undertake a study to determine the affordability thresholds for creative uses. Feasibility testing is required to determine the types of uses non-residential uses that are able to be delivered and what planning controls would need to be provided to make development viable. Establishing ground level floor to ceiling heights that facilitate a wider diversity of uses would maximise the future reuse of premises and enable light industries and specialised retail premises that have specific space requirements. There are some existing local centres that do not necessarily operate in line with the intended function. Consider rezoning to B5 to enhance the diversity of employment uses that can be facilitated. Prohibiting tourism and visitor accommodation,

Zone	Role (the purpose of it)	Function (where should it apply)	Change	Implication/rationale
				serviced apartments and retail premises reduces competition from uses that would likely push up rents and land values.
B6 Enterprise Corridor	<ul style="list-style-type: none"> To promote businesses along main roads and to encourage a mix of compatible uses. To provide a range of employment uses (including business, office, retail and light industrial uses). To maintain the economic strength of centres by limiting retailing activity. 	<ul style="list-style-type: none"> Facilitates employment uses along major road corridors Provides an amenity buffer to surrounding residential Prohibits residential accommodation and serviced apartments Creates opportunity for specialised retail premises 	<ul style="list-style-type: none"> Retain existing B6 Enterprise Corridor Consider rezoning B6 Enterprise Corridor to B4 Mixed Use at Taverners Hill on the southern side of Parramatta Road. Enable retail uses with consent including food and drink premises; kiosks; industrial retail outlets; industrial training facilities; neighbourhood shops; vehicle sales or hire premises; wholesale supplies; specialised retail premises; timber yards. Prohibit neighbourhood supermarkets. Enable short term accommodation as hotel and motel accommodation only. 	<ul style="list-style-type: none"> The current zone facilitates a range of employment uses along major road corridors. To encourage redevelopment in line with PRCUTS, where it is consistent with relevant Council and District Plan policies. Identify specific retail uses that are permitted and prohibited in the B6 zone. Where possible, retail should be provided only where it does not impact on the retail hierarchy. Short term accommodation should be allowed to provide temporary accommodation for workers. It should only be provided in the form of hotel and motels. Serviced apartments should not be permissible.
B7 Business Park	<ul style="list-style-type: none"> To provide a range of office and light industrial uses. To encourage employment opportunities. To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area. 	<ul style="list-style-type: none"> Provide opportunity for live/work arrangements Support creative industries Enable a range of employment uses in proximity to residential 	<ul style="list-style-type: none"> Retain the B7 Business Park zone as a live/work zone. Implement a pilot compliance and review process to monitor the use of the zone and if the intent is being achieved. If deemed successful, consider expanding the implementation of the live/work zone. Adopt Clause 6.13 of the Marrickville LEP. 	<ul style="list-style-type: none"> The zone is unique in that it enables a live/work arrangement. The implementation of this zone would need to be closely monitored to ensure it is being utilised in an appropriate way. The zone should not detract from the retail hierarchy and therefore should not enable retail uses.

Zone	Role (the purpose of it)	Function (where should it apply)	Change	Implication/rationale
			<ul style="list-style-type: none"> Unless mandated under the standard instrument, prohibit retail premises. 	
IN1 General Industrial	<ul style="list-style-type: none"> To provide a wide range of industrial and warehouse land uses. To encourage employment opportunities. To minimise any adverse effect of industry on other land uses. To support and protect industrial land for industrial uses. 	<ul style="list-style-type: none"> Serves a local, district and regional purpose Provides essential support services for the airport and port Enables the operation of amenity intrusive and 24/7 operation 	<ul style="list-style-type: none"> Protect remaining industrial zones Prohibit all forms of residential accommodation including dwelling house Incorporate specific additional local provision that specifies the extent of space that can be used for restaurants and cafes in artisan food and drink premises – see table above. 	<ul style="list-style-type: none"> Inner West has reached a critical threshold in that the LGA does not have sufficient land available to accommodate future industrial uses under the worst case scenario. This scenario considers that some industrial uses require land area, rather than floor space to accommodate the business function (eg concrete batching or empty container storage) Residential accommodation introduces reverse amenity impacts. It also triggers additional EPA requirements (eg noise and air quality) to be met by new or change of use developments as it is considered a sensitive receiver in close proximity. Enabling restaurant and cafes in the general industrial area would create enhanced amenity and opportunity for social interaction. It may however increase land and rent values and begin to displace traditional industrial.
IN2 Light Industrial	<ul style="list-style-type: none"> To provide a wide range of light industrial, warehouse and related land uses. To encourage employment opportunities and to support the viability of centres. To minimise any adverse effect of industry on other land uses. To enable other land uses that provides facilities or services to meet the day to day needs of workers in the area. To support and protect industrial land for industrial uses. 	<ul style="list-style-type: none"> Serves a local and district purpose Provides essential urban support services and other industrial activities 	<ul style="list-style-type: none"> Protect remaining industrial zones Prohibit all forms residential accommodation including dwelling house Remove the additional local provision that permits office and business premises for creative uses in industrial zones. Incorporate an additional local provision that specifies the extent of space that can be used for restaurants and cafes in artisan food and drink premises Prohibit specialised retail premises. 	<ul style="list-style-type: none"> As above As above The definition for creative use is hard to specify and is difficult to ensure ongoing compliance. Creative uses (office and business) are enabled in a large proportion of other zones. Other mechanisms can be explored to subsidise rent for applicable uses. Enabling restaurant and cafes, in the form of artisan food and drink, in the general industrial area would create enhanced amenity and opportunity for social interaction. It may however increase land and rent values and begin to displace traditional industrial. Restricting artisan food and drink that caps the size of artisan food and drink would prevent potential displacement issues and protect land for traditional industrial purposes. Specialised retail premises (large format retailing)

Zone	Role (the purpose of it)	Function (where should it apply)	Change	Implication/rationale
				<p>can increase land and rent values and displace traditional industrial uses competing for the same space. This use can also operate in business centres whereas some industrial activities cannot.</p> <p>Considering the need to protect industrial land, reducing competition for supply is recommended.</p>

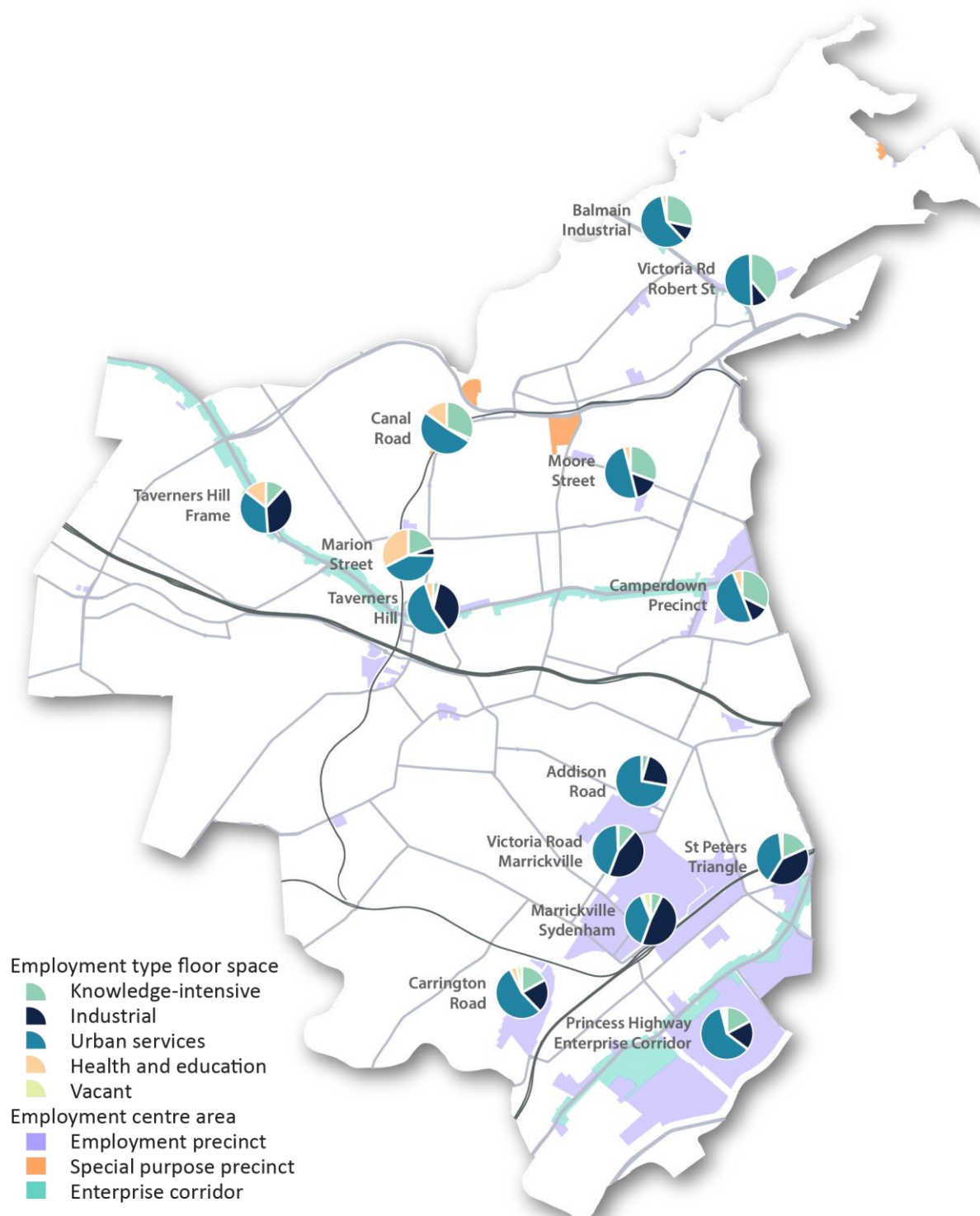
EMPLOYMENT AND RETAIL PRECINCTS

9.0 EMPLOYMENT AND RETAIL PRECINCTS

9.1 Employment precincts

This section provides a profile of significant employment precincts in the LGA. The profiles are intended to provide a summary of the existing uses in the centres and precinct, the development outlook, and key opportunities for the future. The information has been compiled from a variety of sources including previous studies on the centres and precincts, a floorspace audit, development applications registers and the Australian Bureau of Statistics. Figure 17 provides an overview of the employment precincts.

Figure 17: Employment precinct overview



*Australian Bureau of Statistics, Census of Population and Housing 2016, per destination zone (113261414 and 113281420), Economy.id

**Australian Business Register - filtered counts, current at 3rd Dec 2018, per destination zone (113261414 and 113281420), Economy.id

9.1.1 Addison Road Industrial

Role and function

The Addison Road precinct is has a mixed character with traditional industrial activities with an emerging neighbourhood centre in part of the precinct. It is approximately 91,153 sqm in size and forms the northern edge of the larger Marrickville industrial lands. The industrial precinct is located to the south of Addison Road while the majority of the emerging neighbourhood centre is largely to the north of Addison Road. It is serviced by multiple bus services (423, 426, L23, M30) connecting the precinct to the CBD and around the inner south-west. It is five minutes' walk from Marrickville Metro shopping centre. Enmore Park is situated to the east of the precinct. Parking is very limited within the overall precinct.

The industrial precinct to the south of Addison Road has a distinctly different character. Properties zoned IN1 – General Industrial tend to be on substantial landholdings which are rare in the Inner West, supporting large scale industrial activities. The IN1 precinct has a strong industrial role and function and is heavily utilised. Examples of businesses include mechanical repairers, sheet metal and air-conditioning manufacturers. Notably, the zone also hosts the Portugal Madeira Sydney Social & Cultural Sports Club.

Properties on the periphery of the IN1 precinct, zoned B7 and IN2 tend to be on smaller, narrower lots. Most properties to the west of Shepherd Street consist of residential dwellings that are occupied for residential uses. Employment uses within the precinct include art galleries, automobile repairs, light manufacturing, seafood and coffee wholesalers, fashion accessories, butchers, micro-breweries, food manufacturers and studios.

The emerging neighbourhood centre along Addison Road is characterised by a mix of shop-top two storey early 20th Century buildings on narrow lots as well as newer retail spaces, located within new mixed use development on the northern side of the road. The corner of Addison and Enmore Roads is characterised by the Vic on the Park pub as well as a row of compact shopfronts. There is evidence of small bars, cafes, restaurants and business services. There are a limited number of small shops. This centre also has a number of car related urban services.

The Addison Road Community Centre is located 50 metres to the west of the precinct and is home to more than 20 community organisations, artists, galleries, a theatre, radio station, park, and organic gardens. The centre is managed by the Addison Road Community Centre Organisation (ARCCO), which provides affordable spaces for NGOs, community groups and artists and is also used by ARCCO for their own community development programs in arts, culture, environment and social justice as well as a meeting place for the community. Arts and live music uses are likely to be ancillary to the main use of these premises. This community centre forms part of the Inner West's cultural infrastructure.

Precinct map



Planning controls

Industrial Core – south of Addison Road

Marrickville LEP 2011 does not specify a height limit for the IN1, IN2 and B7 zones in the Addison Road Precinct. There is however, an FSR control of 0.95:1 across these zones.

The industrial core of the precinct to the south Addison Road is zoned IN1 General Industrial. The intention of this zone is to accommodate industrial activities more likely to generate amenity impacts. Business premises and office premises are prohibited in the zone. While specialised retail premises are prohibited, garden centres and hardware and building supplies and artisan food and drink industry are permitted.

Surrounding this core of IN1 General Industrial, is a buffer area of land, to separate it from residential areas. This includes land fronting the southern side of Addison Road, the western side of Shepherd Street and eastern side of Cook Road. The land use zones applied within the buffer include IN2 Light Industrial and B7 Business Park.

Part of the IN1 General Industrial buffer comprises land zoned IN2 Light Industrial under Marrickville LEP 2011. The floor space ratio control applying to the precinct is 0.95:1. While business premises and office premises are permitted in the zone, Marrickville LEP (cl. 6.12 and 6.13) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct.

The B7 Business Park zone is also used as a buffer between the industrial and residential areas in some parts of the precinct. Similar to the IN2 Light Industrial zone, while business premises and office premises are permitted in the zone, Marrickville LEP (cl. 6.12 and 6.13) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes.

Clause 6.13 of Marrickville LEP 2011 allows for residential flat buildings in the B7 Business Park zone provided not less than 60% of the total gross floor area of the building will be used for non-residential purposes. Given the FSR controls within this area are 0.95:1, this has not encouraged redevelopment as observed in the St Peters Triangle B7 zone.

Emerging neighbourhood centre – mostly north of Addison Road

Under Marrickville LEP 2011, mix of B5 Business Development, B1 Neighbourhood Centre and B4 Mixed Use zonings are applied to properties along of Addison Road on the fringes of the precinct. While the zonings are different, the resulting built form is consistent with an emerging centre, rather than an employment precinct. 'Light Industry' and 'artisan food and drink industry' are only permitted within the B4 Mixed Use portion of the centre. Local distribution premises are only permitted within the B5 Business Development part of the centre.

Within the parts of the centre that are zoned B1 Neighbourhood Centre, the FSR is 1.2:1, with two isolated lots to the north at 0.85:1 and height controls ranging from 9.5 to 11 metres. Shop top housing is permitted within the zone.

The land zoned B5 Business Development within the Addison Road precinct has additional permitted uses applying under Marrickville LEP 2011. Development for the purpose of residential accommodation is permitted with consent, but only as part of a mixed use development. This has resulted in the redevelopment of the land for mixed use development. Notwithstanding the additional permitted use, the zone also permits serviced apartments. The B5 Business Development zone permits specialised retail premises, food and drink premises, garden centres, hardware and building supplies, landscaping material supplies, office premises, health services facilities, and business premises. It does not however, permit shop. This provides a limit on what the ground floor commercial floor space can be used for within these new developments.

Floorspace – Employment zones

Employment Centre	GFA	Proportion
Industrial	19,072	22%
Manufacturing	8,439	10%
Wholesale trade	10,632	12%
Knowledge intensive	3,714	4%
Professional, Scientific and Technical Services	3,367	4%
Rental, Hiring and Real Estate Services	348	0%
Urban services	58,952	69%
Accommodation and Food Services	9,585	11%
Arts and Recreation Services	3,179	4%
Construction	106	0%
Other Services	23,834	28%
Retail Trade	4,690	5%
Transport, Postal and Warehousing	17,558	21%
Vacant space	3,696	4%
Vacant	3,696	4%
Grand Total	85,434	

Floorspace – Commercial zones

Business centre	GFA	Proportion
Personal services	982	53%
Speciality food	271	15%
Café/restaurant	196	11%
Construction	106	6%
Accommodation and food services	101	6%
Speciality non-food	97	5%
Vacant space	84	5%
Grand Total	1,837	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up, there will be a shortfall of floorspace in the Addison Road industrial precinct of between 8,328sqm 71,014sqm.

Development activity

Addison Road has seen a number of mixed-use developments from 2014-2019. Recently completed projects include:

- 23-29 Addison Road - DA201300025 (numbered 3 on the contextual map below). This 6 storey mixed use project was approved by Council in 2013 and completed in 2017. It consists of a 200sqm ground floor commercial space, which is currently tenanted, and 64 apartments. These replaced a light industrial warehouse and office building.
- 31-33 Addison Road - DA201300345 (numbered 2 on the contextual map below). This 5 storey mixed use project was approved by Council in 2013 and completed in 2018. It consists of an approximately 320sqm ground floor commercial space, that is currently vacant, and 26 apartments. These replaced a warehouse.
- 65 Addison Road - DA201300346 (numbered 1 on the contextual map below). This 4 storey mixed use development was approved by Council in 2013 and completed in 2016. It consists of an approximately 160sqm ground floor commercial space, that is currently tenanted, and 10 apartments. This was a redevelopment and addition to an existing shop top mixed use building.

There is also an approved motel development at 43-51 Addison Road, shown on the contextual map below, which is yet to commence construction.



- Recently completed developments
- Recently approved developments

Previous studies

The *Marrickville Employment Lands Study 2014* was commissioned to peer review a 2008 Employment Lands Study adopted by former Marrickville Council. The peer review provides strategic directions as a guide for employment lands planning.

It identified this land as part of their Marrickville-Sydenham profile and referred to it (Action 1.1) as a “subregionally significant industrial precinct” and that “it provides space for local service/ light industrial operations as well as larger lots for more traditional industrial activity.”

Action 1.2 of the 2014 Study recommended council “*restrict further subdivision and/or strata titling of larger lots in the Marrickville-Sydenham precinct core to prevent fragmentation.*” It identified the larger lots as a feature of the precinct and that “*subdivision and/ or strata titling of lots in the core of the precinct should be resisted.*”

Action 1.3 of the Study argued for the prevention of spreading of retailing and services into the precinct core.

Issues and recommendations

Multiple zones applying along Addison Road

A number of zones including B1 Neighbourhood Shop, B5 Business Development and B4 Mixed Use apply along Addison Road. In this context, all properties along this strip permit residential uses. Properties within the B5 zone have already been redeveloped with mixed use. The large number of zones creates complexity and confusion for businesses that are considering opening within existing commercial or new ground floor commercial spaces as part of mixed use development. For example, a ‘shop’ or ‘neighbourhood shop’ is prohibited within the B5 zone.

The existing B5 zone on Addison Road could be rezoned to B4 Mixed Use to not detract from the hierarchy of centres and more appropriately reflect the current uses on site. The B4 zone would enable more convenience shops and entertainment options to service the adjacent industrial and business area. Addison Road is appropriately located on the fringe of the employment area so a B4 zone would not detract from the existing industrial and business uses

The B4 zone would enable more convenience shops and entertainment options to service the adjacent industrial and business area. Addison Road is appropriately located on the fringe of the employment area so a B4 zone would not detract from the existing industrial and business use.

Recommendation: Investigate rezoning the existing B5 zone on Addison Road to B4 Mixed Use to not detract from the hierarchy of centres and more appropriately reflect the current uses on site.

Pressure for further rezoning for residential uses

The recent rezoning of land to permit residential to the south within the Victoria Road precinct combined with the new mixed use developments to the north of Addison Road, could encourage speculative land acquisition under the expectation that land can be rezoned for mixed use development.

Large infrastructure works such as Westconnex and the Chatswood to Sydenham and Sydenham to Bankstown Metro will make the land in around those projects more sought after, thereby pushing up the value of the land and in turn the land tax levied by the state government and therefore the rents sought by owners. Industrial land values, just like residential land values, have already increased significantly in recent years.

Continued pressure for to rezone land for residential development, if approved, would dramatically change the landscape from single and two storey industrial factories/complexes to multi storey residential flat buildings. Any rezonings would reduce the amount of available industrial land, contributing to a growing shortage in industrial land supply, with the potential to push up rents land values.

Recommendation: Establish a policy position of no rezoning on industrial lands within the Addison Road precinct. This also applies to no inclusion of residential uses as additional permitted uses.

Risk of loss of large parcels

The Addison Road precinct have substantial parcels of land of up to 9,000sqm in size. These landholdings are rare, are primarily in the IN1 General Industrial zone and should be protected from fragmentation so that the Inner West can maintain a diversity of businesses. This zone currently has a good diversity of lot sizes that enable opportunities for various size businesses. Protecting the larger lots from further fragmentation, secures a pipeline of diverse land parcels to cater to changing industry needs.

Recommendation: Establish a minimum subdivision lot size (including restricting strata subdivision) in IN1 General Industrial zone in the order of 10,000sqm to reduce further fragmentation.

9.1.2 Balmain East Working Waterfront

Role and function

This precinct on Mort Bay is a waterfront employment area providing services to harbour-wide maritime businesses. Mort Bay is one of the few remaining working bays in Sydney Harbour.

There are three IN2 Light Industrial sites and one SP2 Infrastructure zoned site in the Balmain East Working Waterfront Precinct.

The SP2 Balmain Shipyard is the anchor land use, is owned by the government and used for maintenance, logistics and to dock ships for Sydney Ferries public transport services. Sydney Ferries services are operated under franchise by Harbour City Ferries, who lease both the Balmain facility and the vessel fleet from Sydney Ferries.

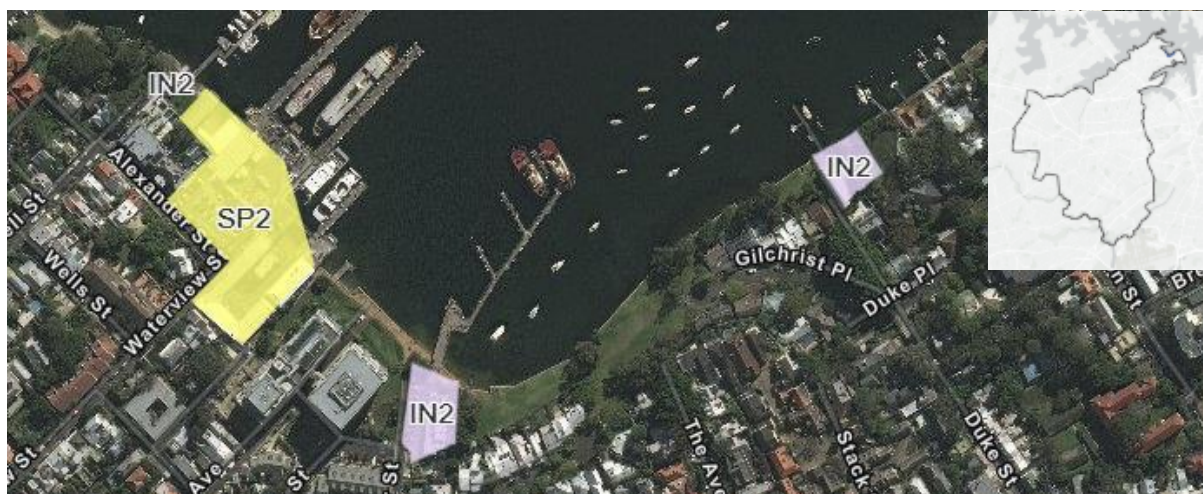
The largest of the three IN2 Light Industrial sites at the intersection of Cooper and Walumil Streets contains a modern two to three storey maritime services office building with a jetty. The smallest IN2 Light industrial site at 57 Campbell Street has a sailing school and associated jetty. The other IN2 site at Duke Street is now used for residential.

The surrounding built form is varied, with a mixture of new waterfront terraces, industrial warehouses converted to residential and original weatherboard and brick workers cottages.

The precinct has strategic transport connections to the Sydney CBD, Parramatta and North Sydney via the ferry from Balmain Wharf 350m to the north-west of the SP2 site, which is 350m to Darling Street with bus services to the Balmain East ferry Wharf, Sydney CBD and Leichhardt. The nearest major arterial road is Victoria Road 2.2km south-west. Heavy vehicle access is constrained by narrow, steep local streets.

The Balmain East Working Waterfront is an important element of the LGA and Sydney Harbour industrial land stock, specializing in maritime services for Greater Sydney.

Precinct map



Planning controls

The precinct employment sites are zoned SP2 Infrastructure or IN2 Light industrial with an FSR of 1:1.

Floorspace

Employment Centre	GFA	Proportion
Transport, Postal and Warehousing	3,477	73%
Administrative and Support Services	1,298	27%
Grand Total	4,775	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Balmain East employment precinct of between 3,496sqm and 16,339sqm.

Development activity

The Duke Street IN2 Light Industrial zoned area has a history of complex development applications, modifications and consents occurring between 2000 and 2006.

The most recent consent for 5 and 7 Duke Place and 41 Duke Street was for demolition of existing buildings, remediation of the site, Torrens title subdivision into four lots, the erection of three dwellings with seven parking spaces and three swimming pools, boundary adjustments, removal of a slipway and provision of foreshore timber decking.

The application was for modifications to the original 2000 consent. The proposed modifications included boundary adjustments between Nos 7 and 41 Duke Street, relocation of land to be dedicated to Council, demolition of existing boardwalk over 5 and 7 Duke Place and construction of a new boardwalk along the north-eastern boundary of No 7 Duke Place, creation of a public right of access connecting the dedicated land to the north-eastern corner of the property, retention of the slipway, removal approved foreshore timber decking and other amendments to or deletion of conditions of consent.

It is unclear to what extent this consent has been fully implemented or whether it was subsequently modified, but three dwellings have been constructed.

Previous studies

In 2016, SGS Economics undertook a *Light Industrial Lands Study* for the former Leichhardt Council which recommended that this precinct should be retained as industrial and protected from rezoning.

Issues and recommendations

This precinct as a whole has limited opportunities for expansion, with relatively poor road access, limited car parking, a substantial heritage legacy and an important section of foreshore. Conversely it also has good access to Sydney Harbour, with highly specialised uses and redevelopment at the Bays Precinct potentially generating demand for waterfront sites with employment land zonings.

The precinct, in its current form, is highly dependent upon existing operations continuing. There is a risk of some objections to operations from neighbouring residential uses on the grounds of noise.

Around 2004/2005, NSW Maritime objected to draft Leichhardt LEP 2000 Amendment 5 that proposed to change the industrial zoning of the Duke Street site to residential. This amendment did not proceed and the industrial zoning was translated into Leichhardt LEP 2013. There may be opportunities to extend public access to the foreshore at Duke Street and Duke Place as evidenced by the 2006 development consent described above under Development activity.

Recommendation:

- Rezone the Mort Bay IN2 Light industrial zones to IN4 Working Waterfront. This would require the addition of the IN4 Working waterfront zone to LEP.
- Consider long term feasibility of industrial uses on land with residential uses, and potential rezoning.
- Develop options for providing pedestrian access to the waterfront.

9.1.3 Canterbury Road Enterprise Corridor

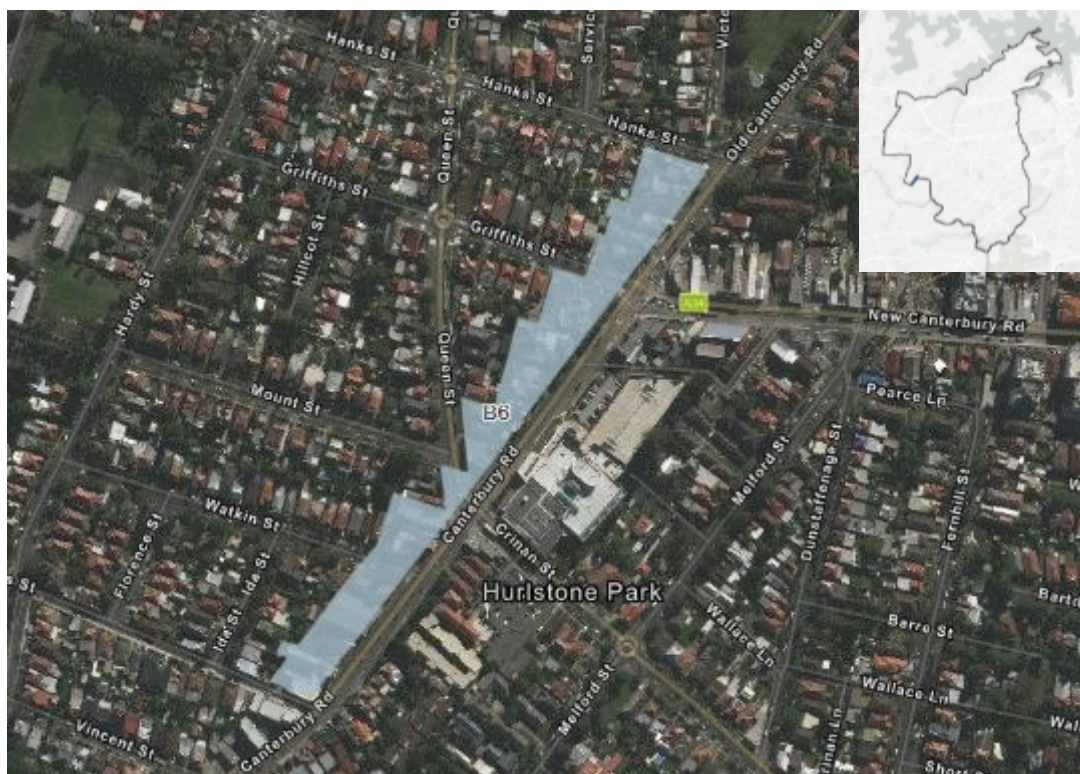
Role and function

Canterbury Road Enterprise Corridor stretches 500m along the northern side of Canterbury Road and Old Canterbury Road between Hanks Street and Princess Street at the south-western edge of the LGA. Directly to the east of the centre is Dulwich Hill West local centre, running along New Canterbury Road. On the southern side of Canterbury Road is Canterbury-Hurlstone Park RSL, which is located within the Canterbury Bankstown Local Government Area. The role and function of the corridor varies considerably due to the wide variety of building typologies, lot sizes and land uses. The strip has adjacent bus routes and is within walking distance of Hurlstone Park and Canterbury Station.

The northern portion of the corridor consists of a large site containing a McDonalds, houses converted to retail including a chemist and a doctors surgery. The remaining narrow strip of land to the south contains houses, older shops, old former industrial buildings. between Watkin Street and Princess street which was formerly a Light Industrial zone in the Ashfield LEP 1985.

The Ashfield LEP 2013 applies a B6 Enterprise Corridor zone but allows shop top housing, within a maximum Floor Space Ratio control of 1.5:1. The DCP requires most of the ground level to be non-residential to achieve the B6 zone objectives. Due to the small size of sites, their site configuration and busy road location most sites have difficulty attracting new non-residential building uses.

Precinct map



Planning Controls

Under Ashfield LEP 2013, the precinct is zoned B6 Enterprise Corridor with a maximum floor space ratio control of 1.5:1 and maximum building height of 13 m.

The development standards for maximum floor space ratio control and maximum building height have been determined to ensure that there is a satisfactory building height relationship with adjacent houses to the west, noting that in many areas the strip street level is substantially lower. Also maximum building height allows tall ground level storeys with remaining floor space ratio consumed by two levels of residential above which is shown in the DCP and which also requires apartments to be oriented to the western quiet side.

Permitted commercial uses include shops, pubs, specialised retail premises. Food and drink premises (other than pub) are prohibited but permissible on one specific site through additional permitted uses. Business premises, health services facilities, garden centres, hardware and building supplies, plant nurseries, landscape material supplies are notable permitted uses in the zone. Permitting these uses accommodates for a range of retail options within the zone but restricts uses such as restaurants and cafes.

An additional permitted use applies to land in this precinct, permitting shop-top housing. The group term, tourist and visitor accommodation and serviced apartments are also permitted in the zone. Permitting these uses increases pressure on the precinct with regard to fragmentation and encroachment of residential and residential type uses.

Floorspace

Employment Centre	GFA	Proportion
Knowledge intensive	232	4%
Professional, Scientific and Technical Services	232	4%

Health and Education	319	6%
Health Care and Social Assistance	260	5%
Education and Training	59	1%
Urban services	4,653	83%
Retail Trade	1,930	35%
Accommodation and Food Services	817	15%
Other Services	1,906	34%
Inadequately described and Not Stated	372	7%
Grand Total	5,576	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The floorspace and employment projections in Section 7 demonstrate that by 2036, depending on how much of the available capacity under current planning controls is taken up, there will be a surplus of industrial and urban services floorspace in the Precinct 75 Industrial precinct of between 4,638sqm and 13,490sqm.

Development activity

Recent development applications in the precinct have sought to utilise shop-top housing provisions and maximise residential floor space. There have not been applications for new buildings for major business uses.

Major development activity from 2014-2019 are listed below:

- 310 Old Canterbury Road - DA2015/119.1 comprised a three storey mixed use development approved by Council in 2015 which is yet to be completed. It consists of a ground floor commercial space and 8 apartments. These will replace a single residential dwelling
- 322 Canterbury Road – Proposed demolition of existing structures and construction of a four storey mixed use development with 28 units and ground floor commercial space
- 354 Canterbury Road - DA2017/144.1 for a four storey shop top housing development with a ground floor commercial space and child care centre. The application was refused by Council in 2017.

Previous Studies

The *Ashfield Urban Planning Strategy 2010* identified land fronting Canterbury Road at Hurlstone Park as an enterprise corridor. The plan suggested Council should encourage to renew this area for primarily business uses, by permitting a wide range of business, retail and employment generating uses and built form controls to ensure new development is compatible with adjoining residential properties.

Issues and Recommendations

Permissibility of shop-top housing

Excessive shop top housing provision, which is not limited by a residential FSR, is counter to the B6 Enterprise zone objectives.

The employment lands objectives of *Directions for a Greater Sydney* (2017), *A Metropolis for Three Cities* (2018), *Eastern City District Plan* (2018) are relevant to this precinct which strongly support the retention of employment lands.

Recommendation: Remove shop-top housing as an additional permitted use.

Site constraints

This precinct's location, small lot size, lot configuration and frontage to a busy main road makes it difficult for some sites to achieve outcomes that cater for substantial new business uses suited to an Enterprise zone.

Recommendation: Undertake a feasibility tipping point analysis for B6 Enterprise Corridor land on Canterbury Road and Parramatta Road, Ashfield to determine planning controls required to incentivise redevelopment for commercial use.

9.1.4 Balmain Road Industrial

Role and function

The Balmain Road Industrial precinct is located between Rozelle and Balmain centres, on Balmain Road opposite Callan Park. It is a predominantly urban services precinct that accommodates industrial trade suppliers, small scale manufacturing, artists, shops and offices.

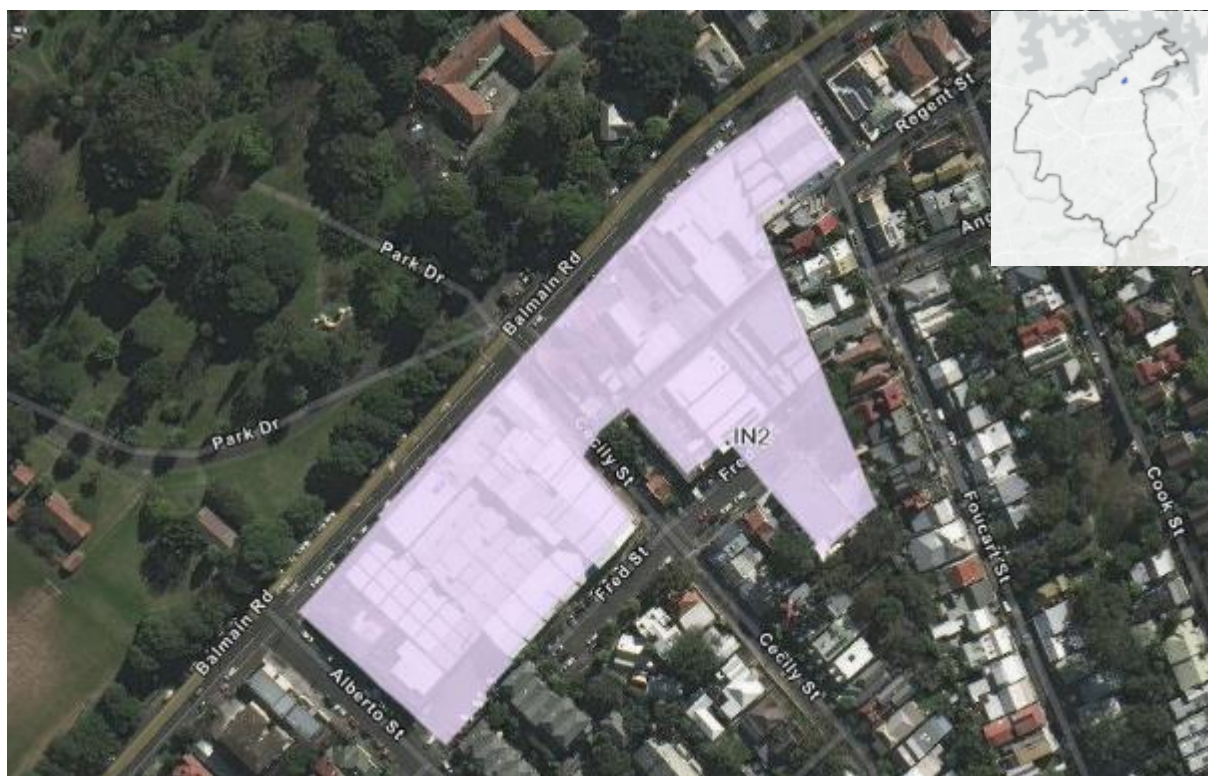
The precinct is performing well with 23 businesses occupying an estimated 18,000sqm of employment floor space. The largest single property in the precinct at 469 - 483 Balmain Road, occupied by several businesses that employ approximately 26 people. The building includes a large first floor shared studio space for approximately 50 artists.

The precinct's built form is a range of older warehouses, modern warehouse/offices and shop top retail premises. Further west, along Balmain Road, single-storey brick buildings present a long blank wall to the street. The frontage to Alberto Street presents an attractive ivy-covered green wall with vehicular access to the industrial buildings. The two to three storey blank brick facades facing Cecily and Fred Streets enable industrial functionality within the building but present a bland street frontage opposite the vernacular working cottages. Additional car parking is located to the rear off Alberto Street.

Many of the older warehouses are well maintained and in very good condition, while the majority of the other buildings are in a poor condition. The area's public domain is poor, with little tree cover and low quality paving.

Despite its relatively small size, the precinct has large floorplates. It also has useful access on three sides, which mean that vehicles do not have to travel along many local roads to access the precinct.

Precinct map



Planning controls

The precinct is zoned IN2 Light Industrial under Leichhardt LEP 2013. The floor space ratio control applying to the precinct is 1:1.

Depots, industrial training facilities, light industry, neighbourhood shops, warehouses are permitted in the zone. In addition clause 6.9 of the Leichhardt Local Environmental Plan 2013 allows business and office premises if the proposed development will be used for a creative purpose such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes.

Floorspace

Employment Centre	GFA	Proportion
Industrial	2,304	13%
Manufacturing	1,307	7%
Construction	293	2%
Wholesale Trade	704	4%
Knowledge intensive	5,679	31%
Professional, Scientific and Technical Services	2,578	14%
Administrative and Support Services	3,101	17%
Health and Education	495	3%
Health Care and Social Assistance	495	3%

Urban services	7,755	43%
Accommodation and Food Services	133	1%
Other Services	293	2%
Retail Trade	1,496	8%
Transport, Postal and Warehousing	5,833	32%
Inadequately described and Not Stated	1,840	10%
Grand Total	18,073	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Balmain Road industrial precinct of between 18,151sqm and 41,089sqm.

Development activity

Following a favourable Gateway Determination in 2017 at August 2018 a Planning Proposal to amend Leichardt LEP 2013 with an additional permitted use for residential accommodation in the IN2 Light Industrial zoning for the large site at 469 – 483 Balmain Road, Lilyfield will be proceeding to public exhibition shortly. The Planning Proposal also seeks to introduce new development standards for building heights up to 23 m (6 storeys) with a Floor Space Ratio of 2.54:1. The Planning Proposal would retain 6,000sqm of light industrial floor space, keep the heritage character buildings and provide 142 apartments (11,325 sqm).

This Proposal to be exhibited is outlined below:

- Rezoning from Industrial IN2 Light Industrial to B4 - Mixed Use
- Increasing in Floor Space Ratio from 1:1 to 2.3:1 (170 residential units)
- Introducing a range of building heights from 15m to 31m in several 1 to 9 storey buildings
- Floor space of 1,200m² for employment, retail (e.g. cafe) and art studios of 160m² and an art gallery of 400sqm
- A new public plaza of 245sqm, a new pedestrian link and widened perimeter footpaths
- Provision of 4% affordable dwellings (approximately 7 units)
- Potential adaptive reuse of two character buildings
- Basement car parking accessed off Alberto Street.

Prior to Council formally considering the 2016 Proposal, the proponent proceeded to a Rezoning Review with the following changed version:

- Retaining the IN2 Light Industry zoning
- 6,000sqm of flexible employment industrial/office floor space including 400sqm for art studios and an 80sqm neighbourhood shop
- Seeking an additional permitted use for residential accommodation through a local provision
- Increasing the building heights up to 6 storeys across the site
- Increasing Floor Space Ratio to 2.54:1
- Residential gross floor area of 11,325sqm for 142 apartments
- 185 car parking spaces

- Provision of 5% affordable housing.

The Rezoning Review was considered by the Sydney Eastern City Planning Panel (the Panel) on the 12 October 2017. It determined that the Planning Proposal should proceed to Gateway subject to a number of concerns being considered, including land use conflicts between industrial and residential uses and the rationale for height. Council's submission to the Panel recommended that should the Proposal proceed to Gateway a favourable Determination should address the following issues:

- A proposal should develop the 469- 483 Balmain Road site in its entirety
- If the purpose is to be for light industry and residential development not less than 6000 sqm of the total gross floor area of the development must be used for light industry as defined by permissible uses in LLEP 2013, in the land use table for Zone IN2 and in Part 6.9
- Protection and conservation of the heritage significant buildings
- A pedestrian through site link between Fred Street and Balmain Road
- The height of the development should be specified in metres and AHD with provision for greater floor to ceiling heights in the light industrial component
- Affordable housing provided to comply with the Inner West Council's Affordable Housing Policy.

Council declined the invitation to be the Planning Proposal Authority (PPA) so that role has been given to the Panel. The Panel will put the Proposal on exhibition and deal with submissions that arise from that process.

However, the Gateway Determination conditions were onerous and the version to be exhibited has responded to these requirements positively.

Previous studies

SGS Economics completed the *Leichhardt Industrial Lands Study* (2014) which includes the following actions and recommendations

- Protect Leichhardt's industrially-zoned precincts for their important employment and service functions
- Ensure adequate provision of industrial land for population-serving industries
- Maintain current provision of IN2-zoned land
- Prohibit large-format retail in industrial zones
- Refuse any proposal to rezone land from Council's small pool of industrial land within any of the industrial precincts.

The report identified Balmain Road Industrial precinct as predominantly a local service industrial trade supplies, with small scale manufacturing, retail and office functions.

A subsequent by SGS in 2016 reaffirmed that this precinct should be retained as industrial and protected from rezoning.

Issues and recommendations

Development pressure to rezone part of the precinct.

The current Planning Proposal to rezone the largest site within the precinct reflects the market pressure to introduce residential development in the precinct. The Proposal has a long history with Council with the version to be exhibited incorporating some of Council's previous recommendations to the Planning Panel.

Nonetheless, the Panel's decision that the Proposal should proceed to the Gateway was prior to the State government adoption of the Greater Sydney Commission's Greater Sydney Region and Eastern City District Plan

in March 2018. Consequently, the first condition of the Gateway Determination's was that Planning Proposal to be exhibited would have to address consistency with these two Plans. That update is not available at the time of this study being completed, but it is likely be difficult to reconcile introducing residential uses in an IN2 zone within the context of the Greater Sydney Commission's plans.

In addition, the Commissions policy paper entitled *A Metropolis that Works* and the related draft *Employment and Retail Lands Strategy* also point to the need to protect industrial zones from residential development.

Introduction of residential uses on this site at 469 - 483 Balmain Road, even if within an IN2 Light Industry zoning, would increase the risk of those residential uses eroding the industrial and urban services nature of both the Proposal site and the rest of the industrial precinct.

Recommendation: Protect the precinct from proposals to introduce residential and other uses, in order to maintain the supply of industrial and urban services activities.

9.1.5 Canal Road Arts Precinct

Role and function

The precinct is a creative arts cluster that provides an estimated 33,943sqm of employment floor space. The businesses and activity mix includes film studios, theatre companies, art gallery support facilities, prop suppliers, film services, wig making and a costume rental service. The precinct services a wide catchment offering specialist services to Greater Sydney and supporting the NSW film and production industry and major art gallery storage facilities.

Access to the precinct is via Canal Road and Lilyfield Road. The precinct has relatively direct connections to the City-West Link Road and the Leichhardt North light rail station. The connections to the active transport network and particularly to the Greenway and Bay Run are strong.

The precinct has a variety of old and new industrial warehouses, between one and three storeys high. The built form is suitable for the types of uses that are currently present in the precinct, providing opportunities for employment space at varying price points. Most buildings are in reasonable condition and well maintained.

The core elements include:

- Canal Road Film Centre (CRFC) which houses 75 film production related businesses and is leased from the State government through the NSW Department of Property and Finance. An initial 5+5+5 year lease expired in 2016. It is understood that, at this stage, the State Government has declined to offer a new 5+5 year lease. The current agreement is for a 5 year lease, which expires in 2021.
- 91 Canal Rd, Lilyfield is an arts complex with various arts and theatre companies based there, including Legs on the Wall, Art Gallery of NSW, Museum of Contemporary Art, Sydney Theatre Company and Bangarra Dance Company. The site is owned and run by NSW Ministry of the Arts through Create NSW. This area promotes the clustering of cultural uses. It can provide arts and live music spaces without the need for development consent, as such uses are considered as incidental or ancillary to these approved arts-related uses.

The mini case study below explains how important the Legs on the Wall Theatre company and its Red Box building at 91 Canal Road are to the Sydney, NSW and Australian economy.

Established in 1984 by a group of young artists busking on the streets of Sydney, the company was incorporated as an association in 1992. In 2004 the NSW Government leased the company their own purpose-built home in the Red Box at Canal Road.

Legs on the Wall are head tenants in the building, which has become home to four other companies and 7,000 artists who use the Red Box and Warehouse Studios each year. This hub has become a stable, creative professional environment where experimentation is encouraged and celebrated.

Legs on the Wall is a mature global cultural ambassador for Australia. It performs around the world to outdoor audiences in their thousands and to millions of television viewers for events such as the opening night of the London Cultural Olympiad in 2012 (The Voyage), Homelands in the Sydney CBD, and the Commonwealth Games in Glasgow (Perch). It also reaches thousands of others through theatre work such as All of Me, Bubble and Puncture.

It is estimated that over its lifetime 680,000 people have attended a Legs on the Wall show.

In a broad sense Legs on the Wall is representative of how important the Canal Road Precinct is to the Sydney metropolitan region. The arts and genuinely important, substantial creative operations such as Legs on the Wall and the CRFC film studios are influencers on behalf of Sydney that help put projects like the Camperdown Biotechnology Precinct on the world map in terms of attracting high –flying young scientists to live and work here. The success of Legs on the Wall in this respect has been defined by persistence, change, reinvention and achievement. Their local, national and international success has made them a leader in physical theatre delivering a powerful Australian exuberant synergy of circus, theatre and dance.

Precinct map



Planning controls

The area is zoned SP1 Special Activities - Canal Road Arts Precinct in the Leichhardt LEP 2013, which allows development for the purpose shown on the land zoning map with consent, including any development that is ordinarily incidental or ancillary to development for that purpose. It has a floor space ratio control of 1:1.

Floorspace

Employment Centre	GFA	Proportion
Industrial	1,806	5%
Manufacturing	516	2%
Construction	1,161	3%
Wholesale Trade	129	0%
Knowledge intensive	10,805	32%
Information Media and Telecommunications	1,935	6%
Financial and Insurance Services	129	0%
Rental, Hiring and Real Estate Services	387	1%
Professional, Scientific and Technical Services	8,354	25%
Health and Education	5,000	15%
Education and Training	5,000	15%
Urban services	16,332	48%
Accommodation and Food Services	1,003	3%
Arts and Recreation Services	15,329	45%
Grand Total	33,943	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The floorspace and employment projections in section 7 demonstrate that there is likely to be a shortfall in industrial and urban services floorspace by 2036 of up to 12,126sqm.

Development activity

No recent development activity identified.

Previous studies

The *Leichhardt Employment and Economic Development Plan 2014* identifies the CRFC as an innovative concept initiated by a group of tenants making use of a former public works depot located in Canal Road, Leichhardt. This existing creative cluster combined with the major infrastructure investment in the light rail extension was highlighted as a significant opportunity for further growth of the creative industry sector within the Leichhardt area.

Issues and recommendations

There are two particular issues for the precinct:

- The State government's reluctance to enter a long term lease agreement for the CRFC premises runs the risk of undermining confidence in the long term future of the site as a special activities hub.
- The need for the businesses to apply for development consent for live performances and arts events.

Recommendations:

Council should actively pursue the following policies and actions:

- Ensure the SP1 Special Activities zoning is retained for specialist film and arts uses

- Encourage the State government to agree long term leases and consider affordable rents and rent controls to protect creative businesses
- In collaboration with the existing businesses in the precinct investigate the possibility of a wider range of live audience performances
- Work with the CRFC to boost the marketing, branding and investment in the area as a specialist film service precinct.

9.1.6 Carrington Road Industrial

Role and function

The Carrington Road industrial is a long, linear area situated around Carrington Road, abutting the railway tracks between Marrickville and Tempe stations. The precinct identifies as a creative enterprises and small goods manufacturing area.

Land on the eastern side of Carrington Road is zoned IN1 General Industrial and is characterised by large and old two-storey warehouses. Businesses in this section of the precinct include smash repairs, prop warehouse, furniture warehouse and clothes manufacturing, providing unique services to the local area and broader region. Several offices are located in the precinct as well as food outlets.

The precinct contains a mix of pre and post-World War II industrial buildings. The principal industry on Carrington Road in the 1930's was the General Motors-Holden Ltd Marrickville Plant. The façade of this building remains at 10 Carrington Road. Another interesting industrial building is located at 47 Carrington Road. The majority of the remaining buildings are two storey industrial buildings built to the boundary, some with associated car parking areas. The condition of the industrial buildings is varied, ranging from modern developments in good condition to former converted manufacturing or warehousing properties. This spectrum of properties provides a choice of property types, sizes and prices for the varied businesses that have chosen to operate from the precinct.

The western side of Carrington Road is zoned IN2 Light Industry and is characterised by older, smaller industrial buildings interspersed with modern developments. These buildings contain a range of creative uses, food manufacturing, cosmetic manufacturing and some household and specialty retail. Low density residential housing borders this area to the west.

The most southern property is 350m from Tempe Station. The northern-most property is 500m from Marrickville station. There are several on-site car parks within the precinct plus on-street car parking. Carrington Road has a dedicated north-south cycle path.

The audit undertaken to inform *Made in Marrickville*, found that the precinct accommodates 223 businesses and approximately 1,800 full-time equivalent jobs. The three most prevalent categories of enterprises in the precinct were manufacturing (27%), creative (17%) and creative/manufacturing (17%). *“The precinct is overwhelmingly home to micro- (less than four employees) and small-businesses (between 5-19 employees), as defined by the Australian Bureau of Statistics. Micro- and small enterprises constitute 92 percent of the precinct”*. Notwithstanding, there are a smaller number of major anchor tenants including Choice, New Directions, Lush Cosmetics, Double Roasters, and Vital Strength/Power Foods International. The audit also found that the precinct hosts a distinctive interface between creative industries and manufacturing, not replicated elsewhere in Sydney, and its significance as a creative industries-manufacturing hub has increased as other industrial sites have been lost. Carrington Road features a mix of affordable and practical workspaces, smaller studio suites and larger production facilities – all in a small number of co-located complexes.

Made in Marrickville documented 15 discrete functional clusters in the Carrington Road precinct. These clusters have formed as a result of relationships and dependencies, both formal and informal, between businesses. It is

noted that interaction across cluster types within Carrington Road enhances and deepens the embeddedness of the precinct's cluster diversity. "Beyond the precinct's numbers of enterprises and jobs, this means there is a very strong local multiplier effect - amplifying the precinct's overall economic contribution to Sydney". Businesses within clusters are sensitive to mobility: they are not easily moved, and relocation threatens their local job creation potential, and ability to recuperate lost local relationships and interdependencies.

The precinct's proximity to the CBD, airport, and Port Botany relative to other similarly sized industrial estates, makes it particularly valuable.

There are a small number of local heritage items within the Carrington Road industrial precinct. These include select industrial façades (10, 16 and 47 Carrington Road) and the Canary Island date palms.

The precinct is located on land that comprised a former swamp, and is flood affected.

The precinct was within the area earmarked for redevelopment by the draft Sydenham to Bankstown Urban Renewal Corridor Strategy.

Previous research found that any loss of industrial floor space in this area would mean that many existing businesses would be unable to find suitable alternative spaces in the Inner West, and most would find it impractical to relocate to western Sydney. Most businesses indicated that they would cease trading or leave the Sydney region altogether. This would result in significant losses of industrial jobs, unique award winning businesses, specialist experience, world class creative enterprises and talent that cannot be offset by short term jobs in construction or longer term low value retail and leisure employment.

Creative Industries

This complex comprises a creative industrial hub and houses more than 200 diverse micro-enterprises and small manufacturers. These industrial uses include theatre production, performing arts, puppet and prop-making, furniture restoration, fashion and textiles. Myrtle Street Studios is located within this area. Arts and live music uses could be undertaken in this area without the need for development consent, on the basis that the premises have relevant development consent for the use of the premises for creative uses and that arts/live music uses are likely to be ancillary to the main use of these premises.

Numbers 20-28 Carrington Road house the following creative practitioners:

- Hayden Youlley (ceramics)
- Dezion Studio (lighting)
- Think Negative (art photography)
- Louise M Studio (ceramics)
- A Silver Circle Design (jewellers)
- Feloffa Designs (independent textiles)
- The Raisin Did It (independent textiles)
- Liz Shreeve (fine artist)
- Jane Pollard (jewellers)
- Eva Cassis (independent textiles)

Precinct map



Planning controls

Land on the western side of Carrington Road is zoned IN2 Light Industry under Marrickville LEP 2011. The floor space ratio control applying to this land is 0.95:1. While business premises and office premises are permitted in the zone, Marrickville LEP (cl. 6.12 and 6.13) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct. While specialised retail premises are prohibited, garden centres and hardware and building sites are permitted.

Land on the eastern side of Carrington Road is zoned IN1 General Industrial under Marrickville LEP 2011. Business premises and office premises are prohibited in the zone. Artisan food and drink industry is also permitted. While specialised retail premises are prohibited, garden centres and hardware and building sites are permitted.

Floorspace

Employment Centre	GFA	Proportion
Industrial	24,000	23%
Manufacturing	17,438	16%
Construction	2,473	2%
Wholesale Trade	4,089	4%
Knowledge intensive	17,289	16%
Rental, Hiring and Real Estate Services	1,389	1%
Professional, Scientific and Technical Services	2,319	2%

Employment Centre	GFA	Proportion
Administrative and Support Services	13,581	13%
Health and Education	4,295	4%
Health Care and Social Assistance	4,295	4%
Urban services	53,207	50%
Retail Trade	271	0%
Accommodation and Food Services	255	0%
Transport, Postal and Warehousing	41,576	39%
Arts and Recreation Services	1,408	1%
Other Services	9,697	9%
Inadequately described and Not Stated	4,202	4%
Vacant	3,225	3%
Grand Total	106,218	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The floorspace and employment projections in Section 7 demonstrate by 2036, that depending on how much of the available capacity under current planning controls is taken up, there will be a shortfall of industrial and urban services floorspace in the Carrington Road Industrial precinct of between 14,420sqm and 124,672sqm.

Development activity

In May 2017, a planning proposal was lodged for the larger part of the precinct at 4-38 Carrington Road. The planning proposal sought to:

- Rezone the site from IN1 General Residential to B2 Local Centre and part R4 High Density Residential
- Impose a varied maximum building height controls for the site of 25m, 50m up to a maximum of 105m
- Increase the FSR controls for the site from the current 0.95:1 to 3.15:1.

The changes to the planning framework were intended to facilitate redevelopment of the site comprising 20 buildings up to 35 storeys, 2,616 units and 17,300sqm of retail and commercial space and no industrial floorspace.

In September 2017, Council officers advised that additional information and justification was required to enable a thorough assessment of the planning proposal to be undertaken. In August 2018, the Proponent (Mirvac) provided an update on a revised planning proposal for the site and acknowledged the position of the Eastern City District Plan in relation to industrial land. Council's response of September 2018 referred to the announcement of 27 July 2018 by the Minister for Planning that Council would coordinate and lead the planning for its part of the Sydenham to Bankstown Corridor. The letter advised that the planning proposal was deemed to have lapsed and that any changes to the planning framework for this land should be considered as part of the new comprehensive LEP.

Previous studies

A Marrickville Employment Lands Study 2014 was commissioned to peer review a 2008 Employment Lands Study adopted by former Marrickville Council. The peer review put forward several possible strategic directions for employment lands planning .as discussed below.

Issues and recommendations

The 2014 study identified the overall precinct as an area that could be considered for rezoning to a combination of light industrial and residential. That consideration did not take place. It is clear, however, that as the eastern section of the precinct, largely composed of the large site at 4 - 38 Carrington Road, is the lowest lying part of the precinct and most severely affected by flooding and closest to the Sydney Airport Obstacle Limitation Surface (OLS), it was always going to be the least suitable area for any residential rezoning. Land on the western side of Carrington Road, which is further way from the OLS and partly less exposed to flood risk, borders an existing residential area so might once have been considered for a mix of light industrial and residential.

In practice, the possibility of Council investigating the scope for some residential at Carrington Road was overtaken by ongoing loss of industrial land elsewhere in the LGA and the Eastern City. By the advent of the draft Eastern City District Plan in October 2017 it had become clear that this loss had become critical and that "existing industrial and urban services land needs to be protected from conversion to residential and mixed use development."

This situation was echoed in a Economic Impact Study undertaken by SGS Economics in 2014, for Council, that reviewed the industrial land implications of a rezoning proposal at Lewisham in the former Marrickville LGA.

That study estimated that the employment forecast for the Inner West LGA would create demand for an additional 431,700 sqm of industrial zoned floorspace. Given the current supply at 2017, SGS concluded that this would result in a floorspace deficit of approximately 375,900 sqm - 666,600 sqm.

This analysis and the draft ECDP policy position was then reinforced in the March 2018 adopted ECDP with it's "retain and manage" priority for industrial and urban services land.

The Greater Sydney Commission's *A Metropolis that Works* again emphasised the importance of retaining industrial and urban services land, stressing the need to have a "no regrets" approach to any decision affecting such land. This paper picks out the Carrington Road precinct as an exemplar of the "crucial nexus between creativity and the new maker economy richly embedded within its local and regional context".

This paper also warned against the Trojan Horse of seemingly minor changes to industrial zonings such as adding artisan premises, rezoning to B4 Mixed Use and allowing cafes and restaurants because these types of change "are not in the best interest of maintaining a productive industrial and urban services area".

Recommendation: Council should adopt the "no regrets" approach to the planning of this precinct by:

- Retaining the industrial zoning of the entire precinct,
- Protecting it from encroachment by residential and unrelated commercial uses
- Considering increasing the FSR to encourage appropriate enlargement of the industrial floorspace in the precinct, as long as the affordability of such development is incorporated in the relevant decisions.

9.1.7 Dulwich Hill Industrial

Role and function

The Dulwich Hill Industrial precinct is a small local population serving precinct comprising an estimated 4,500 sqm of land zoned IN2 Light Industrial. The precinct is located adjacent to Dulwich Grove light rail station, which provides connections between Dulwich Hill railway station and Central The precinct is serviced by bus connections and fronts New Canterbury Road, which is a state classified road. The proposed Greenway corridor

runs along the light rail corridor and will provide an active transport connection between the Cooks River and Iron Cove.

The precinct primarily contains light industry activities, with low levels of retail, and provides essential urban services for the growing population of Dulwich Hill. The precinct is isolated from the major strategic industrial precinct of Sydenham-Marrickville, however, is well located to provide for essential urban services into the future, for an area undergoing considerable population growth. Its proximity to the Dulwich Hill centre provides employees of the precinct with close access to services and amenities.

Buildings within the precinct are primarily two storey warehouses with several terrace shops. An existing residential dwelling house and a Greek Orthodox church are located on the south east corner of the precinct. Dulwich Hill Public School is located to the south on the opposite side of Hercules Street.

Precinct map



Planning controls

The precinct is zoned IN2 Light Industrial under Marrickville LEP 2011. The floor space ratio control applying to the precinct is 0.95:1.

While business premises and office premises are permitted in the zone, Marrickville LEP (cl. 6.12 and 6.13) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct.

While specialised retail premises are prohibited, garden centres and hardware and building sites are permitted.

Floorspace

Employment Centre	GFA	Proportion
Industrial	1033	23%

Employment Centre	GFA	Proportion
Manufacturing	677	15%
Construction	356	8%
Knowledge intensive	873	19%
Professional, Scientific and Technical Services	311	7%
Administrative and Support Services	562	13%
Urban services	2,580	58%
Accommodation and Food Services	125	3%
Transport, Postal and Warehousing	1,594	36%
Arts and Recreation Services	125	3%
Other Services	736	16%
Grand Total	4486	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Section 7 floorspace and employment projections to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Dulwich Hill industrial precinct of between 1,195sqm and 5,225sqm.

Development activity

The precinct is subject to a planning proposal to rezone industrial land on 466-480 New Canterbury Road and 26-38 Hercules Street, Dulwich Hill. The proposed planning controls aims to redevelop the precinct for a mixed use development containing residential apartment dwellings, with retail and commercial spaces below, and private open space; and dedication of land to Council for an expanded public domain along the light rail corridor.

On 2 November 2018, a Gateway Determination was issued for this planning proposal. The planning proposal is currently awaiting public exhibition. Outcomes of the public exhibition are yet to be considered in which the gazettal of the plan remains uncertain. The timeframe imposed for completion of the plan is 24 months.

Previous studies

A Marrickville Employment Lands Study 2014 was commissioned to peer review a 2008 Employment Lands Study adopted by former Marrickville Council. The peer review provides strategic directions as a guide for employment lands planning.

The 2014 Study categorises Dulwich Hill Industrial Precinct as a 'small population serving industrial precinct'. An action to protect population-serving industrial land is identified in the Study to ensure there is adequate capacity to meet 'local service industry' need. The 2014 Study outlines that the population in the former Marrickville LGA is expected to rise considerably and that demand for population serving industrial activity will be closely linked to this increase.

Issues and recommendations

Dulwich Hill Industrial Precinct is located in a highly accessible area. However, issues below require investigation to develop actions to determine the future role of this precinct.

Development pressure to rezone site to accommodate residential

A Gateway Determination has been issued for a planning proposal to rezone the site to accommodate mixed use activities including residential apartment dwellings, retail and business uses, and open space. This proposal may result in the permanent loss of industrial land in this precinct if the proposed planning control changes proceed for finalisation by the Department.

Recommendation: Protect the precinct from proposals to introduce residential and other uses, in order to maintain the supply of industrial and urban services activities.

9.1.8 Gladstone Street Business Precinct

Role and function

Gladstone Street Business Precinct is a tract of land typically running along Gladstone Street, Enmore, between Enmore Road and Inner West railway corridor. Notable landmarks in the area include a former grain silo that has been converted into residential apartments and the flour mill studios commercial building. The precinct provides an estimated 9,774sqm of employment floor space.

The precinct incorporates a mix of land uses including residential, commercial and industrial uses. Residential land uses are spread out through the centre in both the forms of single dwellings and apartments within mixed use buildings. Commercial uses are contained to the ground floor of these new mixed use developments as well as within solely commercial buildings like the Flour Mill Studios on Gladstone Street. Industrial uses are becoming increasingly limited due to the redevelopment of the area, however there is a significant industrial site remaining at the bend in Wilford Street. A notable tenant within this site is the Young Henry's Brewery. Two other industrial sites also remain on Gladstone Street.

The built form is a mix of warehouses and a redeveloped heritage flour mill, interspersed with medium to high density live/work and residential development. Most of the warehouses are in a reasonable condition, while the flour mill site is in a very good condition. The public domain ranges from poor to high quality, with a high degree of street art located on the areas walls.

The precinct is well tenanted with few lease or sale signs posted on buildings. On online search of commercial properties shows only one tenancy for sale and one tenancy for lease.

The precinct is well serviced by public transport. Newtown train station is located 400m to the west of the site. It provides frequent train services to the CBD and Parramatta. Enmore Road, which is directly to the south of the precinct, is a major bus corridor providing frequent services to a number of local destinations.

Precinct map



Planning controls

Gladstone Street Business precinct is zoned B5 Business Development and B7 Business Park under Marrickville LEP 2011.

The B5 Business Development zone permits serviced apartments, specialised retail premises, food and drink premises, garden centres, hardware and building supplies, landscaping material supplies, office premises, health services facilities, and business premises. It does not however, permit shops. This limits use of ground floor commercial tenancies which are appropriately designed for shops.

Land zoned B5 Business Development at 76 Wilford Street is specifically identified in Clause 6.16 of the Marrickville LEP 2011. The clause requires that any development on that site must have a non-residential component of at least 30% of the developments gross floor area.

Land zoned B7 Business Park zoned by Marrickville LEP 2011, are affected by clause 6.13 which restricts residential development to 40% of any sites GFA. This clause also encourages the development of live-work units. These units are commonly seen in the St Peters Triangle, which is governed by similar controls.

FSR controls in the precinct are consistently 1.5:1 for the B5 and B7 sites. The height control varies slightly from 14m along Gladstone Street to 17m for the 76 Wilford Street site. The FSR and height limits are considered appropriate for the precinct.

Floorspace

Employment Centre	GFA	Proportion
Industrial	2,880	29%
Electricity, Gas, Water and Waste Services	456	5%
Construction	129	1%
Wholesale Trade	2,295	23%
Knowledge intensive	4762	49%
Information Media and Telecommunications	393	4%
Financial and Insurance Services	653	7%
Rental, Hiring and Real Estate Services	1,044	11%
Professional, Scientific and Technical Services	2,541	26%
Administrative and Support Services	131	1%
Health and Education	758	8%
Education and Training	393	4%
Health Care and Social Assistance	365	4%
Urban services	1374	14%
Retail Trade	258	3%
Accommodation and Food Services	131	1%
Arts and Recreation Services	236	2%
Other Services	105	1%
Vacant	644	7%
Grand Total	9,774	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Gladstone Street precinct of between 261sqm and 4,543sqm.

In reality, given its current zoning, patterns of recent development and proposed developments, the precinct is not capable of accommodating industrial or urban services floor space. A limitation of the methodology is that it is unable to factor in these realities.

Development activity

■ 2 – 2A Gladstone Street - DA201600060

In January 2017, Council approved the demolition of existing improvements on site and the construction of a four storey mixed use development including up to 10 commercial tenancies and 18 residential apartments, three of which are live-work units. It also includes a level of basement car parking and a through site link.

The FSR control on site is 1.5:1. The approved FSR is 1.64:1. This exceeds the control by 9.49%.

Being zoned B7, there is a required non-commercial GFA provision of at least 60%. At the time of assessment however, the control was contained in the DCP and not the LEP as it is currently. The

development achieves a 51% non-residential floor space allocation, 9% below what was and is currently required.

- 2C Gladstone Street - DA201600628

In May 2017, Council refused the demolition of existing improvements on site and the construction of 16 individual subdivided shop-top housing units with basement car parking. It was refused for, among other things, an FSR breach, not meeting the objectives of the B7 zone and not complying with the minimum non-residential GFA mix.

This was subsequently appealed through the Land and Environment Court with the refusal upheld due to the breach in FSR causing unreasonable bulk on the streetscape.

- 1/2C Gladstone Street - DA201900038

The application was lodged with Council in February 2019 and is currently under assessment. It proposes alterations and additions to an existing warehouse and use as a brewery and ancillary restaurant/taproom with tasting facilities. No residential uses are proposed.

- 39 Phillip Street - DA201400388

In May 2015, the Land and Environment Court through a Section 34 agreement approved demolition of existing improvements on site and the construction of a four storey mixed use building comprising of a ground floor commercial tenancy and 11 apartments, of which five are live-work units. It also includes a level of basement car parking. This building recently finished construction and is currently operational.

Previous studies

The precinct was not covered in the recent studies.

Issues and recommendations

There has been a significant encroachment of residential uses in the precinct. This re-development has lessened the availability of affordable, versatile and all round desirable tenancies for industrial and creative uses.

It is recommended that the remaining B5 sites, not affected by additional LEP clauses, are retained for solely employment uses.

9.1.9 Lewisham Industrial

Role and function

The Lewisham Industrial precinct is a small local population serving precinct on the western edge of the Petersham town centre. The precinct is approximately 14,500sqm in size and centred on the corner of New Canterbury and Wardell Road. New Canterbury Road is a state classified road with high volumes of traffic being funnelled from the west from two directions at the corner of Wardell Road. Petersham station is within walking distance and there are bus routes travelling to the city along New Canterbury Road. There is a shortage of on-street parking, however this does not significantly impact the operation of a light industrial zone.

The precinct primarily contains light industry activities that provide essential urban services, with low levels of retail. Existing businesses within the IN2 Light Industrial zone include stonemasons and supply check, office and stationary retail, tile retail, car mechanics, businesses occupying small/narrow lot shop types. Businesses within the B5 Business Development zone include storage buildings supplying retail outlets and retail selling rugs.

The precinct is isolated from the major strategic industrial precinct of Sydenham-Marrickville. However, it is well located to provide for essential urban services into the future. The adjacent Petersham centre precinct is having significant additional apartments constructed and so increased population will assist in contributing to demand for more local services and required building space. Its proximity to Petersham centre provides employees of the precinct with close access to services and amenities.

Most sites have rear lane access, except for 183 Old Canterbury Road, which facilitates the ability to function and deal with serving, deliveries and transfer of goods not being overly hindered by considerable road traffic.

Retail trade total floorspace (45.1%) is the dominant land use category in the precinct by a significant margin. None of the properties in the precinct on the northern side of New Canterbury Road are used for purposes permitted in the IN2 Light Industrial zone applying to the land under Marrickville LEP 2011.

This precinct is identified within the strategy as having an urban services role and function.

Precinct map



Planning controls

The precinct is zoned IN2 – Light Industrial under Marrickville LEP 2011. The floor space ratio control applying to the precinct is 0.95:1. While business premises and office premises are permitted in the zone, Marrickville LEP (cl. 6.12 and 6.13) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct. While specialised retail premises are prohibited, garden centres and hardware and building sites are permitted.

Marrickville LEP 2001 (Amendment No. 2) gazetted on 17 August 2001 broadened the range of uses permitted on the property 163A-181 New Canterbury Road to permit "development for the purposes of the retailing of office furniture and stationery". (That property now contains an Officeworks).

Land at 141-161 New Canterbury Road, Lewisham was rezoned from IN2 Light Industrial to B5 Business Development in January 2016 with an additional permitted use of residential flat building as part of a mixed use development. This site has an FSR of 1.5:1 and height limit of 14 metres.

Floorspace

Employment Centre	GFA	Proportion
Industrial	200	3%
Construction	100	1%
Wholesale Trade	100	1%
Health and Education	400	5%
Education and Training	200	3%
Health Care and Social Assistance	200	3%
Urban services	6,900	87%
Retail Trade	3,700	47%
Transport, Postal and Warehousing	1,600	20%
Arts and Recreation Services	200	3%
Other Services	1,400	18%
Vacant	400	5%
Grand Total	7,900	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Lewisham Industrial precinct of up to 2,962sqm.

Development activity

In 2016 a Planning Proposal for 183- 205 New Canterbury Road was lodged initially seeking an amendment to change the land use zoning to permit residential. A Gateway Determination in 2017 from the Department of Planning reduced the applicable site to 183 New Canterbury Road, required site specific economic impact study which was subsequently produced. As at July 2019 the Department have not agreed to progress the Planning Proposal and are awaiting amendments.

Previous studies

Whilst the report by SGS Economics, *Rezoning Lewisham*, states that the precinct should “remain light industrial considering future demand for industrial floor space in the LGA.” Council has questioned whether that is appropriate, especially for the properties on the northern side of New Canterbury Road, considering the rezonings that have occurred (and been proposed) in recent years.

Issues and recommendations

Development pressure to rezone site to accommodate residential

A Gateway Determination was recently issued for a planning proposal (Classic Tiles site) to rezone the site to accommodate mixed use activities including residential apartment dwellings, retail and business uses, and

open space. Any proposal to rezone this site for residential uses is in conflict with the need to preserve industrial land.

Recommendation: Protect the precinct from proposals to introduce residential and other uses, in order to maintain the supply of industrial and urban services activities.

Maintain potential for manufacturing associated with Light Industry

While the northern side of New Canterbury Road is currently dominated by retail uses, the existing IN2 Light Industrial zone should be retained to allow for these sites to accommodate industrial and urban services in the future.

Any proposal to rezone the land to align with existing retail uses would reduce the chance of these sites being used for industrial and urban services.

Recommendation: Retain the IN2 Light Industrial zone applying in the precinct.

9.1.10 Lilyfield Industrial

Role and function

This precinct contains two separate live-work developments and light industry, providing an estimated 8,794sqm of employment floorspace. The precinct is serviced by light rail and is close to the City West Link road.

The industrial portion of the precinct consists of one substantial warehouse property of approximately 2000sqm as well as smaller lots housing office/warehouse developments and a limited number of dwellings. The precinct specialises in fashion with a wholesale distributor of textiles as well as an embroidery business both located within this small industrial area.

The recently built two-three storey terraces in the areas zoned B7 Business Park and part of the B2 Local centre zones are live-work dwellings. They usually have ground floor office space and upper level/s dedicated to residential use. A majority of these terraces appear to only operate as residential premises, with limited evidence of commercial operations occurring.

A single property at 60-62 Justin Street, immediately to the north of the live-work precinct is zoned B2 Local Centre. It contains a number of business premises including psychology, counselling and photography.

Precinct map



Planning controls

The precinct is zoned part B2 Local Centre, part B7 Business Park and part IN2 Light Industrial. It has a floor space ratio control of 1:1.

That part of the precinct zoned IN2 Light Industrial under Leichhardt LEP 2013 has a FSR control of 1:1. While business premises and office premises are permitted in the zone, Leichhardt LEP 2013 (cl. 6.9) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted. Notably, Leichhardt LEP 2013 permits specialised retail premises, small bars, timber yards, vehicle sale or hire premises, amusements centres, function centres and general industries. Hence the IN2 Light Industry zone in Leichhardt LEP 2013 is quite broad in its range of permitted uses.

That part of the precinct zoned B7 Business Park under Leichhardt LEP 2013 benefit from Clause 6.12 (which is similar in its intent to Clause 6.13 of Marrickville LEP 2011), by enabling live-work arrangements. The objective of Clause 6.12 in Leichhardt LEP 2013 is to, *“provide for ancillary residential accommodation for small-scale live-work enterprises, to assist in the revitalisation of employment areas and to provide a transition between adjoining land use zones.”* This clause enables dwellings to be built if: *the dwelling is part of a mixed use development that includes office premises or light industries on the ground floor, and (b) the dwelling and ground floor premises will be occupied by the same person or persons.* All other forms of residential accommodation and business premises are prohibited in the zone. Office premises, shops, garden centres, hardware and building supplies, and light industries are permitted in the zone. Notably, business premises are prohibited in the zone. There are some distinct differences regarding how the B7 Business Park zone in Leichhardt operates compared with Marrickville. This includes the permissibility of shop, residential flat buildings and the restriction of business/office premises to creative uses.

A small portion of the precinct is zoned B2 Local Centre. A maximum floor space ratio of 1.5:1 can be achieved, subject to a number of considerations including that all floor space on the ground floor of the building facing the street is used for a purpose other than residential accommodation. ‘Light Industry’ and ‘artisan food and drink industry’ are permitted within the zone. Local distribution premises are prohibited within the zone.

Floorspace

Employment Centre	GFA	Proportion
Industrial	871	12%
Manufacturing	538	7%
Wholesale Trade	333	5%
Knowledge intensive	3,063	42%
Rental, Hiring and Real Estate Services	325	4%
Professional, Scientific and Technical Services	944	13%
Administrative and Support Services	1,794	25%
Urban services	3,222	44%
Transport, Postal and Warehousing	1,079	15%
Other Services	2,143	30%
Vacant	100	1%
Grand Total	7,256	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The floorspace and employment projections to 2036 (see Section 7) demonstrate that depending on how much of the available capacity under current planning controls is taken up, there will be a shortfall of industrial and urban services floorspace in the Lilyfield Industrial precinct of up to 3,713sqm.

Development activity

- 55 Justin Street Lilyfield - D/2014/574
A development application was approved by the Land and Environment Court on 8 September 2015 for the demolition of an existing dwelling house on land zoned B7 Business Park for the construction of three live-work terraces. Construction is yet to commence. The property is located adjacent to the existing live-work development on Justin Street.

Previous studies

SGS Economics completed the *Leichhardt Industrial Lands Study* in December 2014. Its recommendations included:

- Protect Leichhardt's industrially-zoned precincts for their important employment and service functions
- Ensure adequate provision of industrial land for population-serving industries
- Maintain current provision of IN2 Light Industrial zoned land
- Prohibit large-format retail in industrial zones
- Refuse any proposal to rezone land from Council's small pool of industrial land within any of the industrial precincts

In its specific assessment of the Lilyfield precinct, SGS Economics identified it as a small population-serving light industrial precinct.

In 2016, a subsequent Study by SGS Economic reaffirmed that this precinct should be retained as industrial and protected from rezoning.

Issues and recommendations

Appropriateness of B2 Local Centre zone for 77-79 Lilyfield Road

Land known as 77-79 Lilyfield Road consists of Torrens title live-work dwellings yet is zoned B2 Local Centre.

Recommendation: Rezone 77-79 Lilyfield Road from B2 Local Centre to B7 Business Park to reflect its existing use.

Appropriateness of B2 Local Centre for 60-62 Justin Street

Land known as 62 Justin Street comprising a dwelling house is currently zoned B2 Local Centre. It would be more appropriate for this site to be zoned B7 Business Park, consistent with the zoning of adjoining land, to apply an employment zone that is more suited to its context.

Recommendation: Rezone 60-62 Justin Street from B2 Local Centre to B7 Business Park to enable redevelopment of existing dwelling house for live-work.

9.1.11 Marrickville - Sydenham Employment Precinct

Role and function

The Marrickville-Sydenham precinct is one of the most significant employment and industrial precincts in the Inner West LGA and Greater Sydney. It contains a wide diversity of businesses and industries which are accommodated in a range of premises types and sizes. The precinct covers an area of approximately 876,567sqm and provides approximately 598,314sqm of employment floor space.

The site is located within the suburbs of Marrickville, Sydenham and St Peters. Sydenham Station is located on the southern edge of the site, with the precinct extending to Edgeware Road at the north, Victoria Road to the west and Unwins Bridge Road to the east. There are two distinct areas within the precinct. These are the St Peters area along Unwins Bridge Road which includes the island site on Mary Street, an isolated site on the northern end adjacent Marrickville Metro and then the main precinct area, extending from Marrickville Metro shopping centre in the north to the freight line at the southern edge.

Uses within the centre vary widely. No single use dominates the land use make up. The most common land uses are manufacturing, wholesale trade and transport, postal and warehousing services. Within these uses, specifically manufacturing, there are a significant number of creative enterprises that flourish in the area. These uses are able to exist in the area due to the ample supply of premises in poor condition and appropriate sizes which demand lower rents. This is unique to the area and is largely due to factors that limit development pressure on the precinct including the low flying flight path overhead and the flood prone nature of the area.

A number of sites within the precinct fronting Marrickville Road are subject to an “additional permitted uses” clause that permits bars, restaurants, cafes and small bars. This was made as part of a compromised planning approach to *Sydenham Creative Hub* precinct. To date, there is no evidence of sites having taken advantage of these additional permitted uses.

In certain areas, the precinct was previously a residential area prior to converting to industrial. A legacy of this is that there are still a number of residential dwellings located throughout the precinct. These typically include single and double storey federation and Victoria terraces and semi-detached dwellings. Some significant pockets of this include 37-43 Marrickville Road, Marrickville, Shirlow Street, Marrickville, 62-88 Fitzroy Street, Marrickville and Meeks Road, Marrickville.

The area is serviced by multiple public transport links. Sydenham Station is located within the precinct and provides rail connections to the CBD and throughout Sydney via the T3, T4 and T8 rail services. Frequencies of service can be up to every 2-3 minutes in peak hour and 15 minutes in non-peak and on weekends. There are also multiple bus services in the area including the 418, M30, 425, 426, 423, L23 and 308 bus lines. The precinct is also in proximity to multiple other bus lines and St Peters station.

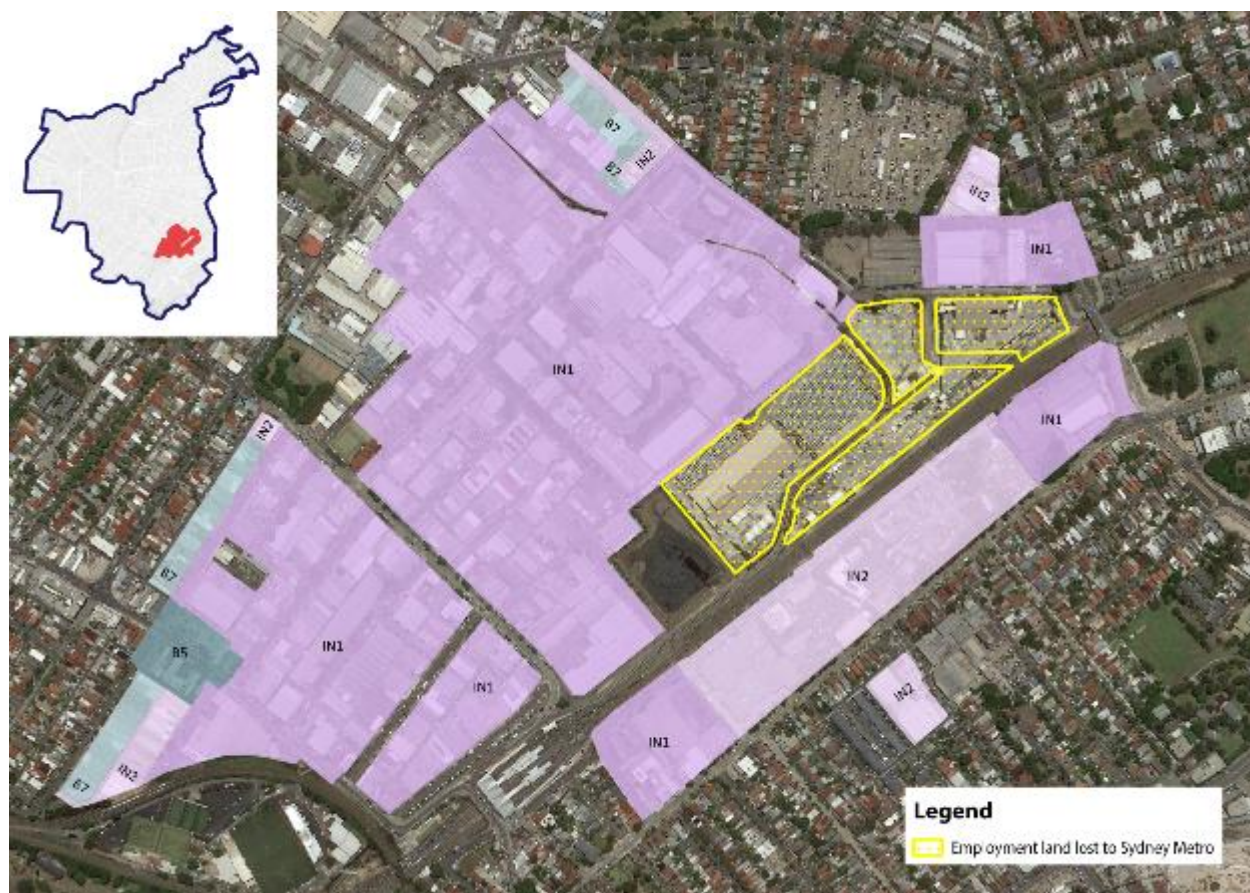
Significant infrastructure works are underway in the vicinity of precinct including the Westconnex motorway interchange at St Peters and the South West Metro. The Westconnex project will establish motorway connections to and from the area from Northern, Southern and Western Sydney, as well as providing local road upgrades for better access to the Eastern suburbs, as well as Sydney Airport and Port Botany. The South West Metro project will upgrade the T3 line at Sydenham Station, providing more frequent and reliable passenger rail services to the CBD and greater Sydney Trains network.

Development of the Sydney Metro project has however meant the State Government has acquired a large portion of the precinct, approximately 78,300 sqm, to build the infrastructure. This site is currently being used as a dive site to commence and build a tunnel for the metro, as well as manufacturing the tunnel pre-castings. Once construction phase is complete, this site will become a stabling yard for the Sydney Metro trains.

Further losses to the precinct include the conversion of a site to retail for the Marrickville Metro shopping centre expansion on the northern end of the precinct and re-zoning of sites adjacent Victoria Road for mixed use and high density residential.

The Strategy identifies this precinct as having a specialised retail, creative industries, food production and urban services role and function.

Precinct map



Planning controls

The precinct is made up of a range of industrial and business zones, including B5 Business Development, B7 Business Park, IN1 General Industrial, and IN2 Light Industrial. Each zone in the precinct serves a distinctive strategic purpose and caters for a range of different uses.

There are also a number of key sites and additional permitted uses throughout the precinct.

The IN1 General Industrial zone permits a wide range of industrial uses, including uses that could cause amenity impacts to nearby sensitive land uses. Because of this, other zones including IN2 Light Industrial, B7 Business Park and B5 Business Development are utilised in the precinct to act as buffers, allowing lower impact industrial and businesses uses closer to residential uses. On some occasions, main roads like Unwins Bridge Road are also used to separate the IN1 zone from residential zones.

There is no height limit applying to the majority of this precinct, including the B7, IN1 and IN2 zoned areas. Therefore the FSR control is the only development standard restricting the built form. An FSR of 0.95:1 applies to the entire precinct, apart from a small portion of land zoned B5 Business Development which has a 1.75:1 FSR control and limit.

St Peters area

Land within the St Peters area is predominantly bounded by Unwins Bridge Road to the east and the railway to the west. It is zoned IN1 General Industrial at the northern and southern extents, with an IN1 light industrial zone in the centre. There is also an island site zoned IN2 Light Industrial on Mary Street, approximately 50m east of the main industrial area.

The IN1 General Industrial zone in the area permits a wide range of uses including those that could pose amenity impacts. This buffers the area from residential uses over busy roads.

The northern site of this area is an art deco commercial building that is heritage listed under the Marrickville LEP 2011 as a locally significant item.

Marrickville area

The Marrickville area is a large tract of employment lands including the IN1 General Industrial, IN2 Light Industrial, B5 Business Development and B7 Business Park zones. The land zoned B5 Business Development zone is the only part of the precinct that is subject to both a height limit (14m) and an FSR control (1.75:1), with the remainder of the precinct unaffected by a height limit and with an FSR of 0.95:1.

The IN1 General Industrial zone permits a wide range of uses that may cause amenity impacts to surrounding uses. Due to this, the IN2 Light Industrial, B7 Business Park and B5 Business Development zones have been utilised to buffer between these high impact uses from sensitive uses like residential.

There are three tracts of B7 Business Park zoned land within the precinct. These three tracts are typically made up of residential dwellings, with the occasional site being converted to an industrial style building. Viewing these sites from the street, many appear to be residential dwellings, with some being used for business purposes.

The B7 Business Park zone is relatively flexible and the zoning table in the Marrickville LEP 2011, permits residential flat buildings with consent. However, there is a limit on the amount of floor space that can be allocated to residential purposes. Clause 6.13 of the Marrickville LEP 2011 dictates that no part of the ground floor can be a residential use, and at least 60% of the GFA must be for non-residential uses. Due to the highly fragmented land ownership, the relatively low and likely already realised FSR provision and the limit on residential uses, there has been no take-up of the permitted residential flat building. No take-up is expected under the current controls.

The Marrickville LEP 2011 also permits the use of purpose built dwellings within business and industrial zones to be utilised for residential purposes, so long as they were designed specifically as a dwelling, were constructed prior to commencement of the plan and provide an acceptable level of amenity.

Part of the precinct fronting Marrickville Road and zoned IN1 General Industrial is identified as key site 'L' under the Marrickville LEP 2011. These additional permitted uses are discussed under the relevant heading below.

Floor Space Ratios

As the precinct is without a height limit, the only development standard regulating the intensity and scale of development throughout the precinct (apart from the few B5 zoned sites on Marrickville Road) is the FSR control of 0.95:1.

In looking into a number of applications in the area, very few breach the FSR control applying to the area. This could reflect a lack of appetite for additional floor space above the single or two storey buildings, or the planning controls being too onerous to allow take up in the current market.

Increasing the FSRs in the area may provide additional floor space, especially with loss of a significant amount of land due to the Sydney Metro infrastructure project and the Victoria Road rezoning.

Additional permitted uses

Number 74 Edinburgh Road, Marrickville is zoned IN1 General Industrial. Additional permitted uses on the site under schedule 1 of the Marrickville LEP 2011 include garden centres and hardware and building supplies. The current uses on site are warehousing, storage premises and light industry.

Part of the precinct fronting Marrickville Road and zoned IN1 General Industrial is identified as key site 'L' under the Marrickville LEP 2011. In accordance with Schedule 1, Clause 22 of the Marrickville LEP 2011, additional permitted uses apply to this land, including restaurants, cafes and small bars. This key site was gazetted on 22 February 2019 as part of the *Sydenham Creative Hub* project. It sought to foster the creative nature of the area by establishing companion uses throughout the precinct. A report by SGS Economics dated June 2017 assessed the impact of the original Sydenham Creative Hub proposal, which was to introduce the additional permitted uses to the whole precinct and recommended that the additional uses should not be permitted as the precinct was already functioning well, was in high demand, there was no strong reason to introduce such uses and the additional uses were not compatible with the precinct. For this reason, the additional permitted uses were only introduced along Marrickville Road, forming as an extension to the existing Marrickville Road commercial area. At present, there is no on-ground evidence of these additional permitted uses.

Artisan food and drink premises and industrial retail outlets

Industrial retail outlets and artisan food and drink premises associated with the manufacturing of goods on site are a notable land use within the precinct. There has been a particular increase in the number of breweries and distilleries in the precinct with industrial retail outlets attached to them.

Increasing retail land uses is not a strategic intent of this employment precinct as the land is supposed to be protected for industrial uses that rely on the specific building typologies in the area and cannot easily co-exist with other sensitive uses, which can include retail.

In order to control the proliferation of such uses, industrial retail outlets are the only form of retail (apart from take-away food and drink premises) permitted within the IN1 General Industrial and IN2 Light Industrial zones. They are also restricted to selling only goods that are produced on site and the retailing area can be no larger than 11% of the GFA.

Artisan food and drink industry is a recently introduced land use definition. It's a mandated use under the standard instrument within the IN1 and IN2 zones. Additional to industrial retail outlets, this land use definition also permits a café or restaurant to operate on site in conjunction with the industrial use. However the café or restaurant is not restricted on size alike the retail area.

They may increase the land value pressures on industrial areas and potentially push out other uses which are more aligned with the strategic intent of the land.

Floorspace

Employment Centre	GFA	Proportion
Industrial	308,103	54%
Manufacturing	120,975	21%
Electricity, Gas, Water and Waste Services	24,521	4%
Construction	35,085	6%
Wholesale Trade	127,522	23%
Knowledge intensive	41,217	7%
Financial and Insurance Services	3,054	1%
Administrative and Support Services	148	0%

Employment Centre	GFA	Proportion
Information Media and Telecommunications	9,910	2%
Professional, Scientific and Technical Services	21,473	4%
Rental, Hiring and Real Estate Services	6,632	1%
Health and Education	8,959	2%
Education and Training	5,627	1%
Health Care and Social Assistance	3,332	1%
Urban services	179,971	32%
Transport, Postal and Warehousing	53,281	9%
Accommodation and Food Services	18,096	3%
Arts and Recreation Services	13,849	2%
Other Services	52,958	9%
Retail Trade	41,787	7%
Unknown	25,268	4%
Vacant space	2,356	0%
Grand Total	565,874	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The floorspace and employment projections to 2036 in Section 7 demonstrate that unless current planning controls are fully utilised, especially FSR, there will be a shortfall of industrial and urban services floorspace in the Marrickville-Sydenham employment precinct of up to 311,789sqm.

Development activity

- 97 Marrickville Road, Marrickville – DA201400212
In December 2014, Council approved the demolition of existing improvements on site and the construction of a part four, part five storey mixed use development comprising of three ground floor commercial tenancies and 38 serviced apartments throughout the levels above. Basement and ground floor rear car parking is also approved.
- 76 Edinburgh Road, Marrickville – DA201500093
In October 2015, Council approved the demolition of existing improvements on site and subdivision of the site into two Torrens title allotments. Lot A is approved for a high technology space, takeaway food and drink premises, basement car parking and a four storey building. Lot B is approved for a two storey building containing 57 strata titled industrial units with car parking. So far, only lot B at the rear has been constructed.
- 23-25 Cadogan Street, Marrickville – DA201800576
In July 2019, Council approved internal alterations and use of an existing premises as an artisan food and drink premises. This includes a kitchen, beer brewing area, car parking for four cars, an industrial retail outlet, indoor dining area and outdoor dining area. Hours of operation a restricted to between 10am and 10pm, Mondays to Sundays with a 12 month trial between 10pm and midnight on Fridays and Saturdays only. Live music is also permitted on site until 8pm Sunday through Thursday and till 10pm Friday and Saturday
- 21 Unwins Bridge Road, St Peters – DA201800039

In April 2018, Council approved alterations and additions too and change use of premises to a timber yard. Approved hours are between 6am and 9pm, Monday to Fridays and 7am till 7pm Saturdays. Also included modifications to the parking layout, new signage and landscaping

■ 1-7 Unwins Bridge Road, St Peters – DA201600590

In June 2019, Council approved a modification to a DA, permitting alterations and additions to a warehouse including construction of a new floor within the building to create nine new tenancies on the new first floor and reconfiguring the ground floor to provide a new tenancy.

Previous Studies

The *Marrickville Employment Lands Study 2014* was commissioned to peer review a 2008 Employment Lands Study adopted by former Marrickville Council. The peer review focuses provides strategic directions as a guide for employment lands planning.

It identified this land as part of their Marrickville-Sydenham profile and referred to it (Action 1.1) as a “sub regionally significant industrial precinct” and that “it provides space for local service/ light industrial operations as well as larger lots for more traditional industrial activity.”

Action 1.2 of the SGS 2014 Study stated to “*restrict further subdivision and/or strata titling of larger lots in the Marrickville-Sydenham precinct core to prevent fragmentation.*” It identified the larger lots as a feature of the precinct and that “*subdivision and/ or strata titling of lots in the core of the precinct should be resisted.*”

Action 1.3 of the Study argued for the prevention of spreading of retailing and services into the precinct core. Action 5.1 expanded on this, ‘Prohibit large format retail from locating in the Marrickville-Sydenham precinct.’

Issues and recommendations

Floor space ratios

The precinct functions remarkably well. It has a low vacancy rate, a high level of business diversity and a high level of creative enterprises. This is likely due to the older building stocks which are high clearance warehouses and industrial premises that are conducive to these uses. The older building stock also keeps the rent prices down.

One strategy to increase the supply of available floor space in the area would be to increase the blanket 0.95:1 FSR. This could have a number of regrettable outcomes though. Firstly it could significantly raise land values, pushing out uses that rely on the lower rents. Secondly it could cause further fragmentation of the land, specifically through strata subdivisions into smaller industrial units. It could also cause the development of premises which are not in keeping with the unique demands of multiple industries and suit more profitable smaller office based industries.

Even with this risk present, the increased level of flexibility and unlocking of additional floor space is considered beneficial and is likely to lower rents with an increase in supply.

Recommendation: Review the FSR development standard for sites zoned IN1 and IN2 and consider the potential for its increase.

Loss of industrial land

There has been an exceptionally large loss of industrial land in this precinct to State infrastructure projects and residential development. The Sydney Metro project has overtaken a considerable land holding for the purposes of constructing the infrastructure and in the future will be utilised for rail stabling. Additionally, the Victoria Road planning proposal has converted a portion of the precinct into R4 High Density Residential and B4 Mixed

Use. Not only are these zones reducing the availability of employment land, they create interface issues between the amenity requirements of residential versus industrial land uses.

Recommendation: Adopt a strong policy position that there is to be no further industrial and employment land lost to competing land uses, particularly residential.

Recommendation: Advocate for excess land at the end of the Sydney metro project to be made available for industrial uses after public domain considerations are made.

Industrial retail outlets and artisan food and drink premises

The proliferation of breweries and distilleries with retail outlets and artisan food and drink premises is a recent phenomenon of the precinct. These uses are essentially bars and restaurants within the centre and place significant pressure on the low vacancy rate in the precinct and this pushes up land values and rents. The ideal industrial retail outlet floor space allocation should be identified and written into the LEP.

Recommendation: Pursue compliance action on premises violating their development consent in terms of floor space allocation for industrial retail outlets.

Dwelling houses

Recommendation: Remove dwelling house permissibility within the area.

9.1.12 Milton Street

Role and function

Milton Street is a small industrial precinct with an urban services role and function, providing an estimated 2800sqm of employment space in Ashfield towards the western edge of the LGA. It is served by buses along Liverpool Road and is walking distance from Ashfield Town Centre.

The precinct specialises in automotive repair, an essential urban service supporting the growing population of the inner west. The precinct has shrunk in size, due to the rezoning of 17 Wetherill Street from IN2 Light Industrial to B4 Mixed Use. This displaced a major motor mechanics and repairs business.

The stock consists of lower-scale buildings, with open paved areas, suitable for the businesses that operate at this location.

Precinct map



Planning controls

Milton Street North Precinct is zoned IN2 – Light Industrial under Ashfield Local Environmental Plan 2010. The floor space ratio control applying to the precinct is 1:1. A wide range of employment uses are permitted in the zone including business premises, office premises, specialised retail premises, wholesale supplies, entertainment facilities, garden centres, hardware and building supplies, kiosks and landscaping material supplies, light industries and warehousing or distribution centres.

Floor space

Not available for this centre.

Employment floorspace demand

Not available for this centre.

Development activity

No recent development activity identified.

Previous studies

Ashfield Urban Planning Strategy 2010.

This acknowledged the State Government policy at the time to retain Light Industry zonings.

Issues and recommendations

Milton Street north is the last remaining area of industrial land on the western edge of Inner West Local Government Area. A number of urban services have been displaced from the Liverpool Road corridor Between Thomas Street and Milton Street, through rezoning over the past 10-15 years.

This remaining industrial land is well placed to serve the needs of a growing population and is well located near Ashfield and Burwood town centres. Current building areas accommodate for motor vehicle repairs and maintenance.

Protection of land for urban services formed a key part of the Directions for a Greater Sydney (2017), A Metropolis for Three Cities (2018) and Eastern City District Plan (2018).

Recommendation: Establish a policy position of no rezoning of employment lands within the Milton Street North precinct. This includes no inclusion of residential uses as additional permitted uses.

9.1.13 Moore Street Industrial

Role and function

The Moore Street precinct is located in between Leichhardt and Annandale centres and provides an estimated 61,462sqm of employment floorspace. Primarily characterised by local-servicing industrial uses, the precinct also includes manufacturing. The precinct's size and mix of uses identifies it as one of the key industrial precincts in the northern part of the LGA. The precinct has good vehicular access from Catherine Street and Booth Street. The precinct is close to the City West Link. The precinct is surrounded by residential uses, which is important given its predominantly local-light industry mix that often services local catchments. It is also close walking distance from retail and amenities in both Annandale and Leichhardt.

The larger eastern precinct is bound by Catherine Street, Moore Lane, Hill Street and Whites Creek Lane. The key site within the precinct is a substantial council owned depot on 7,000sqm of land. A number of sites in the precinct range in size from 2,000 to 5,000sqm. Properties fronting Moore Street are on smaller landholdings which reflect former residential subdivision. A substantial amount of floorspace is occupied by freight and logistics. Office uses and some detached residential are located on Moore Street. The built form varies from large open warehouse structures and smaller brick industrial buildings along Moore Street. The built form is predominately two to three storey unit heights. A number of auction houses exist within the precinct as well as building material suppliers, food wholesalers, automotive repairs and appliance wholesalers.

The western portion is located along Moore Street, west of Mackenzie Street. It consists of three substantial landholdings between 2000 and 5000sqm. While two properties are strata subdivided for warehouse space, the third is in single ownership. There are two large modern industrial office and warehouse complexes, one with 10 and the other with 6 strata titled warehouse spaces. The individual units in the strata properties still offer larger floor plates (300-500sqm) This area includes creative uses including two recording studios, namely Love HZ Studio and Linear Recording. Other uses in the precinct include car repairers and food manufacturers and wholesalers.

Precinct map



Planning controls

The precinct is zoned IN2 Light Industrial under Leichhardt Local Environmental Plan 2013. The floor space ratio control applying to the precinct is 1:1. While business premises and office premises are permitted in the zone, Leichhardt LEP 2013 (cl. 6.9) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct.

Notably, Leichhardt LEP 2013 permits specialised retail premises, small bars, timber yards, vehicle sale or hire premises, amusements centres, function centres and general industries. These uses make the Leichhardt IN2 Light Industrial zone quite broad in its range of permitted uses.

Floorspace

Employment Centre	GFA	Proportion
Industrial	13,505	22%
Manufacturing	8,682	14%
Construction	4,413	7%
Wholesale Trade	410	1%
Knowledge intensive	17,901	30%
Financial and Insurance Services	440	1%
Administrative and Support Services	10,165	17%
Information Media and Telecommunications	1,230	2%
Professional, Scientific and Technical Services	5,632	9%

Public Administration and Safety	434	1%
Health and Education	2,404	4%
Health Care and Social Assistance	2,404	4%
Urban services	24,560	41%
Transport, Postal and Warehousing	17,208	29%
Accommodation and Food Services	117	0%
Other Services	2,419	4%
Retail Trade	4,816	8%
Inadequately described and Not Stated	1,985	3%
Grand Total	60,355	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The floorspace and employment projections to 2036 (see Section 7) demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Moore Street industrial precinct of between 7,844sqm and 60,113sqm.

Development activity

- 5-7 White Street D/2017/250
A development at 5-7 White Street has recently been completed, containing an affordable housing development of 22 units. The redevelopment represents a loss of employment lands.
While not permissible under Leichhardt LEP 2013, the proponent was able to obtain a site compatibility certificate under Division 5 of State Environmental Planning Policy (Affordable Rental Housing) 2009
- 42-48 John Street D/2018/657
A development application was received by Inner West Council on 17 December 2018, for the demolition of existing structures on a 2800sqm block of land and the construction of a mixed use development comprising 18 light industrial units, 28 self-storage units, one take away food and drink premises and six business/office premises for creative purposes.

Previous studies

SGS Economics completed the *Leichhardt Industrial Lands Study* in December 2014. Its overall actions and recommendations included:

- Protect Leichhardt's industrially-zoned precincts for their important employment and service functions
- Ensure adequate provision of industrial land for population-serving industries
- Maintain current provision of IN2-zoned land
- Prohibit large-format retail in industrial zones
- Refuse any proposal to rezone land from Council's small pool of industrial land within any of the industrial precincts.

The Study identified this precinct as the former Leichhardt LGA's most significant industrial precinct. In its specific assessment of the Moore Street precinct, actions included:

- Rezone the key industrial precinct of Moore Street South (eastern precinct within this Precinct Profile) from IN2 Light Industrial to IN1 General Industrial to maximise its industrial potential.

In 2016, a subsequent study by SGS Economics reaffirmed this recommendation to retain both precincts as industrial. It also reiterated that, *"Moore Street South is Leichhardt's largest 'traditional' industrial precinct with regards to role and function. A re-zoning to IN1 would signal that this precinct is not one to consider peripheral industrial uses and will not be a location for alternative uses such as commercial or residential. Although feasibility testing suggested that in some instances, the introduction of commercial and/or residential could deliver an increase in floorspace, the possible loss of this precinct due to land-use conflicts is too great to contemplate seeking a marginal increase in floorspace."*

Issues and recommendations

Risk of rezoning for residential use

The Moore Street Industrial precinct is the largest industrial area in the former Leichhardt Local Government Area. It must be protected and well managed into the future to accommodate for a diverse range of industrial and urban services. Residential uses should not be allowed in within the precinct.

Recommendation: Establish a position of no additional permitted residential uses. Extension of existing residential uses in employment lands should be discouraged.

Potential rezoning of land from IN2 Light Industrial to IN1 General Industrial

The former Leichhardt LGA currently has no industrial land zoned IN1 General Industrial. The current zoning means that the land is open to redevelopment for the purpose of business and office premises under clause 6.9 of Leichhardt LEP 2013. In order to protect large landholdings from fragmentation and to maintain availability of land for general industrial type uses, a rezoning of land could be considered for this precinct, where there is potential for a buffer of IN2 Light Industrial to apply.

The potential to rezone of land from IN2 Light Industrial to IN1 General Industrial was flagged in past studies by SGS Economics. There is an opportunity incorporate this zoning amendment into the preparation of a single Local Environmental Plan for the Inner West LGA. The merging of the IN2 Light Industrial zone creates the risk of losing 'general industrial' as a permitted use, affecting all industrial lands in the former Leichhardt LGA.

Recommendation: Rezone land in the core of the Moore Street Industrial precinct from IN2 Light Industrial to IN1 General Industrial

Risk of subdivision of lots

The precinct comprises primarily of large, relatively unfragmented sites. Development proposals, such as the subdivision of a large landholding at 42-48 John Street Leichhardt, if approved would result in the fragmentation of these sites. Even if the sites retain an employment function after fragmentation, it further erodes the availability of large landholdings within the Local Government Area.

This zone currently has a good diversity of lot sizes that enable opportunities for various size businesses. Protecting the larger lots from further fragmentation, secures a pipeline of diverse land parcels to cater to changing industry needs.

Recommendation: Establish a minimum subdivision lot size (including restricting strata subdivision) in the Moore Street Industrial precinct (particularly to the area recommended for rezoning to IN1 General Industrial) in the order of 10,000sqm to reduce further fragmentation.

Site compatibility certificates

The issuing of a site compatibility certificate for industrial land for residential uses is concerning. The ability to effectively reduce supply of industrial land through the use of a site compatibility certificate is inconsistent with the direction of the Greater Sydney Commission for the retention of industrial lands.

Recommendation: Advocate for the Department of Planning, Industry, and Environment to amend the criteria for Site Compatibility Certificates to exclude industrial land.

Future of Council Depot

The Council owned depot is on a substantial landholding. This has the potential to house industrial uses that require large landholdings if the land is repurposed or sold. Landholdings of this size are rare. The site is also able to house general industrial uses as there is the ability to implement buffer zoning around it.

Recommendation: Council owned depot remain industrial in use and not be subdivided.

9.1.14 Marion Street Industrial

Role and function

The Marion Street industrial area in west Leichhardt provides an estimated 24,199sqm of employment floor space. It is adjacent to the Marion Street light rail stop and numerous bus routes. There is on-site parking in the precinct, with limited on-street parking.

The precinct has two properties. One is a modern aged care facility and the other a substantial, single storey warehouse currently housing a car servicing and parts centre. The latter has a large area of hard standing to the rear and accessed from Walter Street.

Future expansion of commercial and residential development at Market Place block would reinforce need for urban services land at 245 Marion Street.

Precinct map



Planning controls

The precinct is zoned IN2 Light Industrial under Leichhardt LEP 2013. The floor space ratio control applying to the precinct is 1:1. While business premises and office premises are permitted in the zone, Leichhardt LEP (cl. 6.9) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct.

Notably, Leichhardt LEP 2013 permits specialised retail premises, small bars, timber yards, vehicle sale or hire premises, amusements centres, function centres and general industries. These uses make the Leichhardt IN2 zone quite broad in its range of permitted uses.

An additional permitted use for the larger second site in this precinct under Leichhardt LEP 2013 Schedule 1 enabled the construction of an aged care facility at 237 Marion Street.

Floorspace

Employment Centre	GFA	Proportion
Urban services	4,064	100%
Arts and Recreation Services	346	9%
Other Services	3,718	91%
Grand Total	4,064	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Marion Street industrial precinct of between 25,095sqm and 36,612sqm.

Development activity

In August 2014 a Planning Proposal seeking to rezone the site from IN2 Light Industrial to R1 General Residential with a maximum Floor Space Ratio of 3.3:1 and a maximum height of 50m was lodged with Leichhardt Council. Council declined to support the Proposal because in the context of persistent demand and a low and decreasing supply of industrial land, a rezoning would dilute Council's ability to provide sufficient industrial land to accommodate demand. The other main reason for Council's decision was that the proposed residential Floor Space Ratio and building heights would result in unacceptable amenity impacts on the local area.

The proponent submitted a pre-Gateway review request to the then NSW Department of Planning and Environment in 2015. The Department determined that the Proposal did not have sufficient merit to proceed to Gateway. The decision letter did suggest that "The site could be appropriate for renewal and the proposed development should be reconsidered in the context of adjoining uses. A broader mix of uses on the site which include employment generating uses should also be considered as part of any future planning proposal for the site."

Council expects to receive a new Planning Proposal for the site in the future.

Previous Studies

SGS Economics completed the *Leichhardt Industrial Lands Study* in December 2014. Its overall actions and recommendations included:

- Protect Leichhardt’s industrially-zoned precincts for their important employment and service functions
- Ensure adequate provision of industrial land for population-serving industries
- Maintain current provision of IN2-zoned land
- Prohibit large-format retail in industrial zones
- Refuse any proposal to rezone land from Council’s small pool of industrial land within any of the industrial precincts

In its specific assessment of the Marion Street precinct, the study identified it as a mixed commercial-industrial precinct.

In its subsequent report in 2016, SGS Economics reaffirmed the need to retain IN2 Light Industrial zoning in the precinct and protect from rezoning.

Issues and recommendations

Appropriateness of zoning – Uniting Care Aged Care Site

An additional permitted use applies via Leichhardt LEP 2013, enabling aged care facilities at 237 Marion Street. This does not align with the objectives of the IN2 Light Industrial zone.

Recommendation: Rezone 237 Marion Street from IN2 Light Industrial to R1 General Residential to reflect its use as an aged care facility.

Existing industrial land at 245 Marion Street

Land known as 245 Marion Street is well located to serve an urban services role and function into the future, to support a growing population in the area.

Recommendation: Retain 245 Marion Street as IN2 Light Industrial. Establish a position of no additional permitted residential uses on this site.)

9.1.15 Precinct 75

Role and function

“Precinct 75” is a 13,375sqm site located between Mary Street and Edith Street in St Peters. It is located 800m from Sydenham Station or 300m from bus services on Princes Highway.

Precinct 75 was originally a paint manufacturer’s site. It currently contains numerous older buildings ranging from one to three storeys, a carpark area and on grade servicing area. The precinct has approximately 13, 300 sqm of lettable space. Currently, the buildings are occupied by over 70 small businesses (according to Planning Proposal Town Planners report- October 2015). This includes unique or innovative start-up businesses (creatives industries), offices, urban services, shops, brewery, hairs studios and cafes in suites range from 50 sqm to 740 sqm in 2019. Some building spaces also have capacity for creative arts such as performance spaces or studios.

The site’s uses contend with the surrounding operational constraints which are impacted by road conditions. This includes bounding Mary Street which is a major west bound high volume one way traffic route from Princess Highway and which will have in the future more westbound traffic from the nearby Westconnex motorway. Also bounding the site is Edith Street which is narrow and leads to the south to a neighbourhood. Currently, the non-residential uses on the site are naturally of a type that can contend with very high noise levels generated by the directly overhead Sydney Airport flight path.

The site is a premier example of Light Industrial zone which has buildings adapted with ancillary permitted uses to maintain economic viability and provide substantial business opportunities in line with previous former Marrickville Council planning strategies. The site also has capacity for future expansion of these business activities by better utilising underdeveloped parts of the site, capitalising on the historic character and environment of existing buildings, feeding in to the established Sydenham- Marrickville economy agglomeration.

It is evident that any loss of employment floor space on Precinct 75 would mean that numerous existing businesses would find it impractical to locate to Western Sydney and will cease trading or leave the region.

Precinct map



Planning controls

The precinct is zoned IN2 Light Industrial under Marrickville LEP 2011. The floor space ratio control applying to the precinct is 0.95:1. While business premises and office premises are permitted in the zone, Marrickville LEP (cl. 6.12 and 6.13) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct.

Floorspace

Use	GFA	Proportion
Education and health	75	2%
Education and training	75	2%

Use	GFA	Proportion
Industrial	854	28%
Manufacturing	665	22%
Wholesale trade	188	6%
Knowledge intensive	416	14%
Financial and Insurance Services	92	3%
Information media and telecommunications	57	2%
Professional, scientific and technical services	268	9%
Urban services	1,154	38%
Accommodation and food services	144	5%
Arts and recreation services	175	6%
Other services	772	25%
Retail trade	34	1%
Transport, postal and warehousing	29	1%
Vacant	563	18%
Grand Total	3,062	100%

Source: HillPDAs Desktop Audit, 2019

Employment floorspace demand

The floorspace and employment projections to 2036 (see Section 7) demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a surplus of industrial and urban services floorspace in the Precinct 75 Industrial precinct of between 3,862 and 8,981 sqm.

Development activity

A planning proposal for the precinct is currently under consideration. It includes the following:

- Rezone the site from IN2 Light Industrial and R2 Low Density Residential, to B4 Mixed Use
- A Maximum Floor Space Ratio (FSR) of 2.20:1
- A range of Maximum Building Heights, varying from 3 metres, 17 metres, 20 metres and 23 metres to 29 metres.

Previous studies

Previous studies include:

- Marrickville Urban Strategy 2007.
- Marrickville Employment Lands Study 2008
- Marrickville Employment Lands Study 2014

In the Marrickville Urban Strategy 2007, Precinct 75 was not identified as one of the sites to be converted to a residential use. These studies confirmed and provided evidence for the need to retain Industrial zoned land, including to cater for the space needs of related subregional activities, urban services, local services and to sustainably maintain employment levels and their further opportunities.

Various studies associated with a 2016 Planning Proposal indicated that the site is contaminated and within an ANEF area prohibiting residential and a Heritage Conservation study identified various parts of site and buildings as culturally significant.

Issues and Recommendations

Maintain potential for manufacturing associated with Light Industry

A Metropolis of Three Cities and Greater Sydney Eastern District Plan 2018, by the Greater Sydney Commission establish objectives for retaining and managing industrial zoned land. Corresponding greater detail provided by Greater Sydney Commission, Information Note- SP2018-1 classifies this precinct as important industrial and urban services land which is to be retained and managed.

Recommendation: Retain the IN2 Light Industrial Zzone and provide for the continuation of land uses that reflect the current uses on the site. Encourage the space needed by various contemporary business uses associated within a Light Industry zone and providing urban services.

Increase maximum FSR

Increase the maximum FSR to 1.25: 1. Apply site specific DCP provisions addressing road conditions and site access, site servicing, streetscape/verge improvements and locations for new infill buildings to better utilise areas on the site.

The current FSR is 0.95:1, equating to 12, 700 sqm (aprox). A Planning Proposal stated the site has 13, 300 sqm of lettable floor space yielding a FSR of almost 1.0:1 while a FSR of 1.25:1 would accommodate a conservative 25 percent increase in current lettable area by having new buildings placed over the existing exposed and ground level carpark which has poor amenity or adding a light weight storey to existing single storey buildings adjacent the carpark.

Recommendation: Consider increasing the maximum floor space ratio for this precinct to 1.25:1.

Vehicular movement/pedestrian safety

The adjacent narrow side street (Allen street) has two way movements, connects to a residential neighbourhood and is used for vehicular access to the site. The frontage of the site and public footpaths require substantial improvements for public safety and streetscape amenity which can be facilitated by additional development on the site.

Recommendation: Prepare site specific provisions that require improvements to vehicle/pedestrian access as part of any intensification of development on the site.

9.1.16 Princes Highway and Airport Enterprise Corridor

Role and function

The Princes Highway and airport enterprise corridor stretches 2.5 kilometres from the WestConnex interchange at Campbell Road to Holbeach Avenue at the southern edge of the Inner West LGA. The corridor is well served by buses. Tempe, Sydenham and St Peters railway stations also service the precinct. The role and function of the corridor varies considerably due to the wide variety of building typologies, lot sizes and land use zones that apply. This is shaped further by the range of additional permitted uses that apply throughout the precinct via Schedule 1 of Marrickville LEP 2011.

Princes Highway is an enterprise corridor providing a mix of speciality retailing, take-away food services, pubs, suppliers and wholesale traders. The precinct provides an estimated 147,814sqm of employment floorspace and is operating in line with the B6 - Enterprise Corridor zone intent. Built form is varied, with new stock generally containing showrooms and older stock containing a mix of automotive repair and wholesale trade businesses. Building height is generally between one and two storeys with higher floor to ceiling clearances.

The industrial land adjoining and to the south of Princes Highway has been compromised by the WestConnex St Peters Interchange and the proposal for Sydney Gateway. This includes potential effects on the shipping

container and construction material recycling areas that serve a regional and state function. These transport projects have resulted in a loss of strategically important industrial land in close proximity to the airport, port and rail line.

The precinct is strategically located close to Sydney Airport, Port Botany and Sydney's motorway network. It serves a critical role as a trade gateway for Port Botany and the wider NSW freight network. Objective 16 of the Greater Sydney Commission Eastern City District Plan states 'freight and logistics network is competitive and efficient.'

The section of the corridor between Campbell and Canal Roads is highly fragmented, which is exacerbated by the recent construction of the Westconnex St Peters Interchange. On the eastern side of the Princes Highway, properties fronting the main road have a retail function including garden centres and hardware/building suppliers. There are also a number of fast food outlets and a budget motel. A large modern industrial office and warehouse complex is located on a large irregular block of land. It contains approximately 35 strata titled warehouse/office spaces, each containing approximately 200sqm of employment space. They each have parking provisions and attract a diversity of businesses including a range of urban services and creative uses (including a recording studio). The western side of the Princes Highway at this location is dominated by urban services such as automotive repairers and bulky goods retailers. There is also a pub, known as the White Horse Hotel.

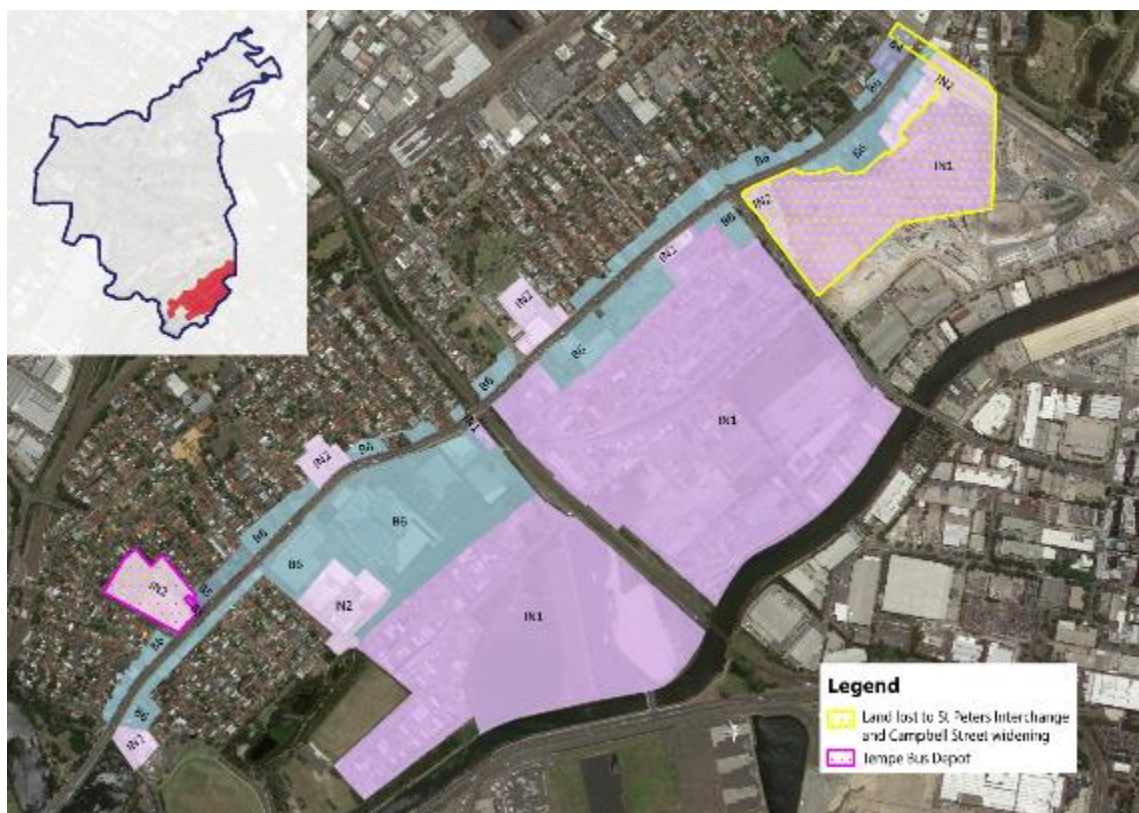
The middle section of the corridor between Canal Road and the main freight railway line contains substantial landholdings of IN1 General Industrial land to the east of the Princes Highway. This land extends to the Alexandria Canal. The majority of this land currently contains a large freight container terminal and a Boral concrete facility. A large portion of this land is at risk of acquisition for the construction of the Sydney Gateway motorway. Closer to the canal are a number of industrial and urban services uses. There is a large modern industrial office and warehouse complex along Burrows Road South, with approximately 30 strata titled warehouse/office spaces. Properties closer to the Princes Highway comprise a mix of IN1 General Industrial, IN2 Light Industrial and B6 Enterprise Corridor. Businesses range from recording studios, to storage premises, retail, fast food and other urban services. The Southern Cross Hotel is located within this section of the precinct. To the west of the Princes Highway are a number of residential dwellings, petrol stations, automotive repairers and wholesalers.

The southern end of the precinct, to the south of the main freight line has four distinct components:

- A container terminal, zoned IN1 – General Industrial. This is at risk of acquisition as part of the Sydney Gateway project.
- Sydney Airport owned land zoned IN1 – General Industrial. This land is directly under the flight path and currently contains a large car park and secured land which supports the function of the airport.
- Retail precinct fronting Princes Highway, zoned B6 – Enterprise Corridor. This precinct consists of an Ikea, Decathlon, Good Guys and a Bunnings has been recently approved at this location.
- Remaining lands within the precinct primarily front Princes Highway and have a primarily automotive and urban services function. There is a presence of residential dwellings and a retail strip exists adjacent to the bus depot.

Notably a significant proportion of the southern end of the precinct does not serve an industrial function. It serves a transport infrastructure function, whether that is the Tempe Bus Depot or Sydney Airport. As a result, the amount of land available for employment purposes is overrepresented based on current zonings.

Precinct map



Planning controls

The Princes Highway and Airport Enterprise Corridor consists of B4 Mixed Use, B5 Business Development, B6 Enterprise Corridor, IN1 General Industrial, and IN2 Light Industrial zones.

Schedule 1 of Marrickville LEP 2011 contains a number of additional permitted uses for specific sites, which shapes the role and function of this precinct considerably. The figure below identifies sites within the precinct profile with additional permitted uses.



The majority of the precinct is zoned IN1 General Industrial. The intention of this zone is to accommodate for industrial activities more likely to generate amenity impacts. Business premises and office premises are prohibited in the zone. While specialised retail premises are prohibited, garden centres and hardware and building supplies and artisan food and drink industry are permitted. No additional permitted uses apply to IN1 – General Industrial land within this precinct.

Parts of the precincts are zoned IN2 Light Industrial under Marrickville LEP 2011. The floor space ratio control applying to the precinct is 0.95:1. While business premises and office premises are permitted in the zone, Marrickville LEP (cl. 6.12 and 6.13) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct. The historic Tempe Bus Depot owned by Transport for NSW is located at 745 Princes Highway, is zoned IN2 Light Industrial and has ‘passenger transport facility’ as an additional permitted use under Marrickville LEP 2011.

There is a narrow strip of land zoned B5 Business Development in the precinct. These properties are located between the St Peters Bus Depot and Union Street. Notably the strip of properties resembles a typology similar to a main street retail strip. The B5 Business Development zone permits specialised retail premises, food and drink premises, garden centres, hardware and building supplies, landscaping material supplies, office premises, health services facilities, business premises, light industry and local distribution premises. Retail premises are permitted as an additional permitted use. The zone permits serviced apartments.

The B6 – Enterprise Corridor zone refers to residential accommodation in its objectives and permits both ‘hotel or motel accommodation’ (mandated under the Standard Instrument LEP) and ‘serviced apartments.’ Business premises, health services facilities, garden centres, hardware and building supplies, plant nurseries, landscape material supplies and food and drink premises are notable permitted uses in the zone. Specialised retail premises and shops are prohibited in the zone however there are exceptions to this as a result of additional permitted uses applying to a number of sites under Marrickville LEP 2011. In terms of industry, the B6 Enterprise Corridor permits light industry including artisan food and drink industry. It also permits ‘warehouse or distribution centres.’

Specialised retail premises are permitted as an additional permitted use for the majority of land between Bellevue and Smith Streets Tempe, fronting the Princes Highway on land zoned B6 Enterprise Corridor. The additional permitted use is well utilised with The Good Guys, Salvos Store, Decathlon, Ikea operating at this location and a Bunnings has recently been approved to operate within this precinct. Specialised retail premises and retail premises (only in relation to engineering supplies or tools or vehicle parts and accessories) are permitted as additional permitted uses at 500 Princes Highway, St Peters. A retail centre currently exists at this location.

There is a small strip of land at the northernmost corner of the precinct zoned B4 Mixed Use. This permits mixed use development and the entire commercial premises group term.

Floorspace

Category	GFA	Proportion
Industrial	49,281	18%
Mining	1,119	0%
Manufacturing	17,119	6%
Electricity, Gas, Water and Waste Services	3,208	1%
Wholesale Trade	27,835	10%
Urban services	152,819	55%
Accommodation and Food Services	9,060	3%
Arts and Recreation Services	3,171	1%
Construction	8,647	3%
Retail Trade	75,105	27%
Transport, Postal and Warehousing	56,836	20%
Other Services	11,738	4%
Knowledge intensive	46,963	17%
Financial and Insurance Services	372	0%
Rental, Hiring and Real Estate Services	4,521	2%
Professional, Scientific and Technical Services	3,613	1%
Administrative and Support Services	32,647	12%
Public Administration and Safety	5,810	2%
Education and health care	16,666	6%
Education and Training	2,935	1%
Health Care and Social Assistance	1,993	1%
Inadequately described and Not Stated	5,193	2%
Vacant	7,264	3%
Total	278,186	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a surplus of industrial and urban services floorspace in the Princes Highway and Airport Enterprise Corridor of between 173,662 sqm and 644,979sqm.

The projections above however, overstate the availability of employment land in this precinct for a number of reasons:

- The Tempe Bus Depot, currently zoned industrial is recommended to be rezoned to SP2 Infrastructure, to better reflect its role as state government owned transport infrastructure.
- Sydney Airport land, which currently forms the end of the runway is also recommended to be rezoned to SP2 Infrastructure, to better reflect its role and align with the zoning of the rest of the airport.
- A large proportion of the precinct will be removed from use due to the construction of the Sydney Gateway motorway project currently proposed.

When all of the above are taken into consideration, the realistic capacity of the precinct to accommodate for future employment floorspace demand is reduced. The land not available due to infrastructure use includes 175,000sqm for the airport and 18,000sqm for the depot.

The precinct is crucial in its role as an Enterprise Corridor and a location to support freight related uses, with two large freight container transfer facilities currently in operation. Other key sites such as bulky goods retail are reliant on large carpark areas. This means types of businesses that operate in this precinct are not reliant on FSR utilisation and instead are more likely to have low amounts of GFA. This results in a misrepresentation of these sites as having capacity for employment floorspace. This further constraints the capacity figure presented above.

Floor space projections also do not consider the employment lands lost through the recent rezoning of the Victoria Road precinct for mixed use and residential which will further displace a large number of employment uses once developed.

Development activity

- Recording Studio Development Application
A recording studio recently submitted a development application (DA201800238 - 32/2 Bishop Street St Peters) for 'alterations and additions and use as a creative media production studio.' The site was a strata office/warehouse space in an industrial complex in the IN2 – Light Industrial zone. The Statement of Environmental Effects considered a recording studio as aligning with the 'office premises' term.
Notably, a recording studio located within the IN1 – General Industrial zone, at another location along the corridor (DA201000245) was approved in 2010
- Boral
In January 2019, The NSW State Government approved modification number 11 to the Boral concrete batching plant and materials handling facility at St Peters. This modification permits a significantly increased level of concrete production, from 280,000m³ to 750,000m³. It also approved changes to the layout of the materials and handling facility to enable an increase in throughput from 760,000 tonnes per annum to one million tonnes per annum
- Approved Serviced Apartment Development in B6 zone
In January 2019, a three storey serviced apartment development was approved through the Land and Environment Court, on land zoned B6 – Enterprise Corridor at 826-836 Princes Highway Tempe. The

development consists of four commercial tenancies ranging from 40sqm to 131sqm and seventeen serviced apartments.

Under Marrickville LEP, serviced apartments are permissible in the B6 – Enterprise Corridor zone. It also has an objective, ‘To provide for residential uses, but only as part of a mixed development.’ This contradicts the role and function of this precinct. In order to protect the role and function of this precinct, revisions to permissible uses within the zone need to be undertaken.

Previous studies

A *Marrickville Employment Lands Study* 2014 was commissioned to peer review a 2008 *Employment Lands Study* adopted by former Marrickville Council. It provides strategic directions as a guide for employment lands planning.

Strategy 5 related specifically to the Princes Highway corridor. Key actions from the strategy included:

- Promoting the corridor as the preferred location for large format retail to reduce pressure on the Marrickville-Sydenham industrial area (Action 5.1)
- Retain IN1 and IN2 zones for remnant industrial operations in the Princes Highway corridor (Action 5.2)

Issues and recommendations

Permitting ‘specialised retail premises’ in B6 – Enterprise Corridor zone

All the land zoned B6 under Marrickville LEP 2011 fronts the Princes Highway. Historically, RMS has not supported specialised retail premises being permitted on such zoned land except for some selected Key Sites. There are a number of sites which have this use permitted under Schedule 1 of Marrickville LEP 2011.

With WestConnex taking vehicular traffic off the Princes Highway it might be an opportunity to try to reactivate development along the road, particularly the larger sites on the southern side of highway to permit specialised retail premises where appropriate vehicular access can be provided to and from such properties.

Recommendation: Explore expanding permissibility of ‘specialised retail premises’ in the B6 Enterprise Corridor zone.

Tempe Bus Depot

Currently, Tempe Bus Depot is zoned IN2Light Industrial. ‘Passenger transport facilities’ are prohibited in the zone. As a result, the LEP currently has this use as an additional permitted use. Given the facility is state government owned and has a transport infrastructure role, it would be more appropriate to zone the site SP2 Infrastructure, in line with the zoning for the Leichhardt Bus Depot.

Recommendation: Rezone 745 Princes Highway to SP2 Infrastructure

Sydney Airport Land

The lands owned by Sydney Airport within this precinct are currently zoned IN1 General Industrial. This conflicts with the purpose of the zone which is to serve as infrastructure. The rest of Sydney Airport is zoned SP2 Infrastructure in the neighbouring Bayside LGA.

Recommendation: Land that forms part of Sydney Airport should be rezoned to SP2 Infrastructure

Strategic role of the corridor supporting Sydney’s trade gateway

Actions 30, 31 and 32 of the Eastern City District Plan provide direction on how employment lands within this precinct should be managed given its role in the freight and logistics network as well as the proximity to trade gateways.

Two substantial sites within the precinct support the function of Port Botany. Some of this land may be at risk of acquisition as part of the Gateway proposal. If these container facilities were to be displaced, it would be highly challenging to relocate close to the port and it would be likely that these services would have to move to Western Sydney.

Recommendation: Implement minimum subdivision lot size requirement as identified in the Strategy and retain IN1 General Industrial zone for these two sites, to protect their current role in supporting Sydney's Trade Gateway.

Encroachment of residential type uses

While residential uses are prohibited from the B6 Enterprise Corridor zone, 'serviced apartments' are permitted. As shown in the above recent development, this has been taken up. Continued take-up of these controls risks the erosion of the corridor as an urban services corridor.

Under Marrickville LEP 2011, one of the objectives of the B6 Enterprise Corridor zone is *"To provide for residential uses, but only as part of a mixed use development."* It is also noted that despite residential accommodation being permitted in similar circumstances on land zoned B5 Business Development, no similar objective applies in the B5 zone. It is considered that the objective should be deleted from the zone. Similarly, 'serviced apartments' should be made a prohibited use in the B6 Enterprise Corridor zone.

Ground floor retail spaces are not an appropriate substitute for the types of uses that operate in this corridor, and further redevelopment for serviced apartments with ground floor commercial will result in further displacement. The Princes Highway is one of the closest enterprise corridors to the Sydney CBD and it is crucial that this is protected from development that does not align.

Recommendation: Remove objective relating to 'allowing for residential uses' from the B6 Enterprise Corridor zone, remove 'serviced apartments' as a permitted use.

9.1.17 St Peters Triangle

Role and function.

Commonly referred to as the St Peters triangle, due to its triangular street formation, this area is a mixed use industrial, commercial and residential area providing approximately 87,279sqm of employment floor space. It is located on the southern approach to King Street, Newtown, bounded by the Princes Hwy to the east, Campbell Street to the South and the T4/T3 railway lines to the north-west.

The centre incorporates a unique mix of land uses which differ throughout the centre. Sites fronting the Princes Highway are a mix of commercial terraces, warehouses and mixed use residential flat buildings. There are a number of sites currently under redevelopment along the Princes Hwy from warehouses and commercial premises into mixed use commercial/residential buildings.

Sites fronting May Street provide another mix of uses, including light industrial, manufacturing, warehousing, retail, food and drink as well residential dwellings and a mixed use shop top housing development known as Rinato.

The character of the area is again different within the triangle on sites fronting Hutchinson and Applebee Streets. There is a significant amount of redevelopment underway on these streets, especially to the rear of sites fronting the Princes Hwy. Uses include light industry, commercial premises and residential. Of particular note is a site currently under construction on the apex corner of Applebee and Hutchinson Street which is a new mixed use commercial and residential building, with commercial tenancies throughout the ground, first and second floors and residential on the second and third floors.

Multiple new developments in this area feature live-work apartments whereby a residential unit has a purpose built commercial or industrial component. This is a unique feature to the centre and is discussed further under the *Planning Controls* heading below.

The area is well serviced by public transport, including St Peters railway station which is directly adjacent to the precinct at the north as well as bus services along the Princes Hwy and King Street including the 422, 348, 370, 308 and the N10 and N11 night ride services. Provision of night ride services gives the area 24/7 public transport services.

Strategically, the centre is well placed adjacent to major infrastructure including the Sydney Trains network and the St Peters Westconnex interchange. When the Westconnex project is complete, this will offer motorway connections to the north, south and west from the St Peters interchange. The centre also benefits from upgrade road connections to the airport and port botany as part of the Westconnex project.

The centre underwent a master planning process by Council in 2009. It identified a vision that includes realising a mixed use precinct that could provide urban support services, light industry, service industry and creative industries.

Precinct map



Planning Controls

Planning controls throughout the precinct are highly varied. This is to fulfil the intentions of the St Peters Triangle master plan adopted in 2009. Zones in the precinct include B7 in the centre, B6 along the Princes Hwy, B4 in a specific and already developed site on the Princes Hwy and B5 along May Street and the northern section of the Princes Highway near King Street.

The zones permit a wide range of uses including residential, limited commercial and light industrial. The B7 and parts of the B6 zone permit residential uses, but only to a certain threshold of a development's GFA, being a max of 40% in the B7 and 60% in the B6.

The St Peters triangle has become somewhat of test case in the concept of live-work units. This is due to the extensive use of the B7 zone in a developable area and the minimum commercial thresholds required in this zone, as well as the part of the B6 zone along the Princes Highway. This has been discussed further below.

Non-residential floor space requirement in the B7 zone (live-work)

Under the Marrickville Local Environmental Plan 2011 (MLEP 2011), specific clauses are in place to limit residential land uses to ensure commercial uses are the predominant land use. The objective of this is to revitalise employment areas, include small scale live-work enterprises and provide transitions between adjoining land uses.

St Peters triangle is largely zoned B7 Business Park within the centre of the triangle along Applebee and Hutchinson Streets. Development standards within the B7 zone range from 14m to 23m height limits and FSR limits between 1.3:1 and 2.2:1. These standards are typically above the existing improvements on site which has triggered development throughout the zone.

Much of this development is underway or has been completed, with many sites incorporating live-work units to fulfil the 60% commercial floor space quota made under Clause 6.13 of the MLEP 2011. Two notable finished examples are discussed below.

19 Hutchinson Street, St Peters, also known as *Rinato* is a five storey building approved in 2014 (DA201300249). It comprises 9 commercial spaces on the ground floors and 32 apartments above, seven of which are live-work dwellings. The development was approved through a Section 34 agreement through the L&EC, so analysis of the gross floor area share between residential and commercial is not readily available. There are no recent sales or listing of properties available to see whether the live-work dwellings are being advertised and marketed as such.

7-9 Hutchinson Street, St Peters, also known as *Art House*, is a four storey building approved by Council in February 2016 (DA201500373). It comprises of one commercial tenancy on the ground floor and seven live-work dwellings above. The Planning Officers report to Council recommended refusal of the application due to, amongst other issues, non-compliance with the 60% minimum non-residential GFA requirement not being met. 47.3% of the GFA is dedicated for non-residential purposes. Multiple previous real estate leasing advertisements online refer to the studio space provided as a bedroom/studio space. One ad stipulated it was for work-related purposes only.

In order to determine the operational success of the non-residential GFA quota and specifically the live-work component, a compliance and review process to monitor the use and ensure the intent of the zone is being achieved should be implemented. Expansion of the clause across the LGA could be considered if the clause is deemed successful.

Other live-work developments in planning or under construction are described below.

- **47-61 Princes Highway, St Peters**, also known as *Brick Lane*, is a part three, part seven storey mixed use building approved by the Land & Environment Court through a Section 34 Agreement in February 2017. It contains four commercial tenancies, 12 live-work dwellings and 46 dwellings. Due to the Section 34 approval, there is little to no assessment of compliance with the required 60% non-residential GFA requirement on the B7 zoned land.
- **63-81 Princes Highway, St Peters** also known as *Orico*, is a part 3, part 6 storey mixed use building approved by the Land & Environment Court on 2 March 2018. It contains 12 commercial tenancies, five live-work units and 81 residential units and two levels of basement car parking. Calculations provided on the approved set of plans indicate that non-residential GFA on the B7 zoned part of the site makes up 62% of the floor space, achieving the minimum 60%. They also indicate that only 15% of the B6 zoned portion of the sites GFA is for non-residential purposes, below the 40% required.
- **2-22 Hutchinson Street, St Peters** is another development currently under construction in the B7 zone. It was approved by the Court through a Section 34 agreement on 7 March 2018. It contains one industrial premise, 21 commercial tenancies and 19 apartments. It achieves the 60% non-commercial

GFA share required under the MLEP 2011 through the provision of commercial and industrial floor space not tied to individual dwellings.

Floor space

Category	GFA	Proportion
Industrial	21,524	35%
Manufacturing	12,044	20%
Wholesale Trade	8,650	14%
Electricity, Gas, Water and Waste Services	830	1%
Urban services	21,107	34%
Accommodation and Food Services	1,304	2%
Arts and Recreation Services	2,332	4%
Construction	1,790	3%
Rental, Hiring and Real Estate Services	352	1%
Retail Trade	5,857	10%
Transport, Postal and Warehousing	1,732	3%
Other Services	7,740	13%
Knowledge intensive	9,428	15%
Information Media and Telecommunications	3,800	6%
Financial and Insurance Services	52	0%
Professional, Scientific and Technical Services	4,740	8%
Administrative and Support Services	596	1%
Public Administration and Safety	240	0%
Health care and education	870	1%
Education and Training	394	1%
Health Care and Social Assistance	476	1%
Unknown	136	0%
Vacant	8,237	13%
Total	61,302	

Source: HillIPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that unless current planning controls are fully utilised, especially FSR, there will be a shortfall of industrial and urban services floorspace in the St Peters Triangle precinct of up to 25,398sqm.

In reality, given its current zoning, patterns of recent development and proposed developments, the precinct is not capable of accommodating industrial or urban services floor space. A limitation of the methodology is that it is unable to factor in these realities.

Development activity

St Peters Triangle has experienced significant development activity from 2014-2019. Numerous large developments have been completed or are currently under construction. These are made up of a range different types of land use, with commercial, live/work, mixed-use and residential developments all contained in the precinct. Recently completed projects include:

- 7-9 Hutchinson St (numbered on the 3 contextual map below)
- 60-68 Hutchinson St (numbered 1 on the contextual map below)
- 44-56 May Street & 19 Hutchinson St (numbered 2 on the contextual map below)
- 38-42 Princes Hwy (numbered 4 on the contextual map below)
- 84-88 Princes Hwy (numbered 5 on the contextual map below).

Recently approved developments include:

- 2-22 Hutchinson St & 27-33 Applebee St (numbered 1 on the contextual map below)
- 641-657 King St (numbered 2 on the contextual map below)
- 44-46 Princes Hwy & 3 Barwon Park Rd (numbered 5 on the contextual map below)
- 47-61 Princes Hwy & 36-44 Applebee St (numbered 3 on the contextual map below)
- 63-81 Princes Hwy (numbered 4 on the contextual map below)

Contextual map



Non-residential floor space requirements for key sites

Part of the centre zoned B6 Enterprise Corridor which fronts the Princes Highway is identified as key site “F” under the MLEP 2011. This key site requires that in accordance with Clause 6.16 of the MLEP 2011, 40% of the total GFA of the building must be used for non-residential purposes. This clause was gazetted on 2 June 2017. Two developments are currently under construction within this key sites area, they are those discussed above with addresses to the Princes Highway. Please note that only the latter site, 63-81 Princes Highway was assessed against this LEP clause. The other site, 47-61 Princes Highway, was assessed against a similar control, however it was a DCP clause. The remaining two sites, 41-45 Princes Highway and 31 Princes Highway are yet to be redeveloped and no DAs have been submitted.

Whilst analysis is limited as both applications were approved by the L&EC under Section 34 agreements, the non-residential GFA minimums of both approved sites do not appear to have been achieved. Further analysis should be completed along with the analysis of the B7 zone requirements detailed above to ensure the policy is executed to its intent over the remaining sites.

Previous studies

A *Marrickville Employment Lands Study* 2014 was commissioned to peer review a 2008 Employment Lands Study adopted by former Marrickville Council. The peer review focuses provides strategic directions as a guide for employment lands planning.

The 2014 study discusses live work as part of Action 3.1, *“The introduction of a zone allowing residential activity within the industrial precinct needs to be carefully managed so that encroachment of straight residential activity does not jeopardise the role and function of the industrial precinct.”*

Issues and recommendations

Future rezoning of employment land for live-work

Redevelopment of the St Peters Triangle for mixed use and live-work development has compromised the industrial role and function of the precinct. Most industrial uses have been displaced as a result of redevelopment of land for mixed-use. Remaining industrial uses in undeveloped properties have lost local suppliers and have uncertainty around tenure due to the risk of future redevelopment of sites by landowners.

Live-work as a concept is incompatible with an industrial precinct as they are sensitive to amenity impacts from nearby industrial uses. Permitting them in an employment zone also creates the risk of industrial sites being redeveloped for non-industrial uses. This can quickly compromise the industrial role and function of a precinct.

The live-work concept should however, be explored for lands that already permit residential such as residential zones at the periphery of centres and land zoned B1, B2 and B4 that may be suitable for live-work type development.

Recommendation: Do not permit live-work within employment zones such as B5, B6, IN1 and IN2, due to the risk of compromising the industrial and urban services role and function of remaining employment lands in the Inner West.

9.1.18 Stanmore Bridge Road West

Role and Function

The Stanmore Bridge Road West has an Urban Services role and function with 3,799sqm of gross floor area. It is served by frequent buses on Parramatta Road and a wide range of retail and services at Stanmore Centre and Parramatta Road. Car parking is limited in the area but properties do have side and rear lane access. The precinct consists of five key sites:

- strata residential mixed use development with two retail tenants
- standalone head office of a building and facility services company
- building supply retailer
- large standalone child care centre
- packaging business run by St Vincent De Paul

The built form varies from older warehouse stock to recent, purpose built multi-storey buildings. Businesses benefit from exposure to high vehicle volumes around Bridge Road.

The precinct is well located, close to the Parramatta Road Corridor and the Camperdown Industrial precinct, areas on increasing strategic importance. The businesses along Bridge Road provide essential, nearby services for the operation of nearby employment areas. This includes the child care centre, building supplies and packaging services.

Centre map



Planning controls

Under Marrickville LEP 2011, a mix of B5 Business Development and B4 Mixed Use zonings are applied to properties along Bridge Road. 'Light Industry' and 'artisan food and drink industry' are only permitted within the B4 Mixed Use portion of the centre. Local distribution premises are only permitted within the B5 Business Development part of the centre.

The B5 Business Development permits serviced apartments, specialised retail premises, food and drink premises, garden centres, hardware and building supplies, landscaping material supplies, office premises, health services facilities, and business premises. It does not however, permit shop. No additional permitted uses apply to these properties.

Floorspace – B5 Business Development

Employment Centre	GFA	Proportion
Urban Services	3,799	100%
Construction	1,535	40%
Retail trade	302	8%
Transport, Postal and Warehousing	1,961	52%
Total	3,799	

Source: HillPDA Desktop Audit, 2019

Floorspace – B4 Mixed Use

Business Centre	GFA	Proportion
Occupied Retail Floorspace	1,056	15%
Food retailing	528	7%
Convenience store	264	4%
Speciality food	264	4%
Occupied Non-retail Floorspace	6,126	85%
Non-food retailing	3,063	43%
Carpark	1,231	17%
Commercial general	1,832	26%
Total	7,182	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Section 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Stanmore Bridge Road West precinct of up to 6,000sqm.

Development activity

■ 1-7 Albany Road Stanmore

On 21 December 2016 the New South Wales Land and Environment Court (NSW LEC) granted approval for a proposed development subject to a number of Conditions of Consent (Case Number 2016/00250036).

Development consent was granted to DA201600306 to demolish the existing improvements and construct a 3 part 4 storey long day care centre for 103 children aged from 0 to 5 years at 1-7 Albany Road, Stanmore.

This centre has now been built and is operational.

Issues and recommendations

Permissibility of serviced apartments in B5 Business Development

Permitting serviced apartments in zones where residential accommodation is generally prohibited creates a risk that employment land could be lost to residential type uses. Serviced apartments are not a mandated permitted with consent use in the B5 Business Development zone, and removing this as a permitted use would secure the land for employment uses.

Recommendation:

Prohibit 'serviced apartments' in the B5 Business Development zone

9.1.19 Summer Hill Industrial (Lewisham West Precinct)

Summer Hill Industrial – Lewisham West is located on either side of the Inner West light rail line, between the centres of Lewisham and Summer Hill. The area is serviced by Lewisham West light rail stop, while both Summer Hill and Lewisham railway stations are less than 500m away. The area is planned to be served by the proposed Greenway active transport link extension that will link Iron Cove to the Cooks River. This industrial

precinct has undergone high density residential and mixed use development in the past ten years which has resulted in fragmentation. It effectively consists of three distinct precincts:

- Land to the north of Smith Street is zoned IN2 – Light Industrial and serves an urban services role
- Land on the corner of Edward Street and Old Canterbury Road is zoned B4 – Mixed Use but currently consists of employment uses and single storey residential dwellings
- The remainder of the precinct has either been redeveloped, or has approved applications, for high density residential or mixed use development. Many of these developments contain, or are planned to contain, ground floor commercial spaces.

The Strategy has not provided this area with a role and function.

Precinct map



Floorspace

Employment centre	GFA	Proportion
Health and education	500	5%
Health Care and Social Assistance	500	5%
Knowledge intensive	2,023	20%
Professional, Scientific and Technical Services	2,023	20%
Urban Services	5,798	59%
Arts and Recreation Services	2,192	22%
Accommodation and food services	150	2%
Retail Trade	1237	12%
Transport, Postal and Warehousing	2022	20%
Other Services	197	2%
Industrial	1,090	11%
Wholesale Trade	1,090	11%
Vacant	500	5%
Total	9,911	

Source: HillPDA Desktop Audit, 2019

Edward Street Mixed Use Precinct

Role and function

Edward Street Mixed Use precinct is a small precinct located to the south-west of Lewisham West light rail stop that provides an estimated 5215sqm of employment floorspace. It contains a number of offices and light industrial premises, as well as single storey residential dwellings.

Centre map



Planning controls

Edward Street Mixed Use precinct is zoned B4 Mixed Use under Ashfield Local Environmental Plan 2010. Under this zone, residential accommodation is permitted as well as retail premises, business premises and office premises. While storage premises are permitted, light industries are prohibited in the zone. The floor space ratio control applying to the precinct is 1.5:1 and the height control is 13 metres.

Development activity

Edward Street Mixed Use precinct has seen modest development activity. The Development Application below is currently being assessed by Council (August 2019).

- 46 Edward Street - Use and fitout the lower ground floor of a building as an educational establishment.

Issues and recommendations

The precinct is currently zoned B4 Mixed Use, this could lead to the loss of the current non-residential uses that occupy most of the area through redevelopment. This risk however, is lessened by the relatively low floor space ratio provisions applicable to the site.

Recommendation: Consider rezoning properties along Edward Street currently zoned B4 Mixed Use to B5 – Business Development

Lewisham West Renewal Precinct

Role and Function

Lewisham West Renewal Precinct is located on either side of the Inner West light rail line, between Lewisham and Summer Hill centres, and provides an estimated 6292sqm of employment floorspace. The Lewisham West Renewal Precinct was rezoned from IN2 Light Industrial to B4 – Mixed Use and B5 – Business Development. Most sites have since been redeveloped, primarily with residential apartment buildings, some with ground

floor commercial uses. These new commercial spaces are located approximately 300m from the under-performing centre at Lewisham railway station.

The precinct contains general retail, services, commercial offices, a gym, and cafes. The still to be fitted out Mungo Scott commercial office building is planned to be a hub for creative industries.

The large redevelopment on the western side of the light rail line includes the former Allied Flour Mill site for which development consent required a minimum amount of business floor space, a large forecourt open space area, and a publicly accessible park. Nearly 85% of the business floor space of this site is located in the recently refurbished, heritage listed, Mungo Scott 5 storey commercial office building, which will also contain ground floor retail and restaurant spaces.

The precinct has a generally high quality public domain.

Precinct map



Planning controls

Lewisham West is zoned B4 Mixed Use, B5 Business Development, and IN2 Light Industrial. The floor space ratio control applying to the precinct ranges from 1:1 – 3:1.

Development activity

The 5 storey heritage building located at 2 – 32 Smith Street – is undergoing a large scale fit out for retail and commercial use (August 2019).

Issues and recommendations

The Lewisham West precinct contains significant amount of commercial floor-space as part of the mixed-use developments that have been completed, approved or under construction. This includes the multi-storey heritage listed commercial building located on the western side of the light rail line as well as a number of ground floor commercial spaces.

The total estimated newly created floor space within the mixed-use precinct alone amounts to approximately 8,000sqm which is of a similar size to Annandale.

Recommendation: Elevate Lewisham West to a Local Centre in the Hierarchy of centres.

Recommendation: Explore rezoning land zoned IN2 Light Industrial, B5 Business Development B4 Mixed Use and R4 High Density Residential to B2 Local Centre to reflect the role of Lewisham West in the retail hierarchy.

Recommendation: Explore rezoning the adaptively reused Mungo Scott building to B5 – Business Development to reflect its employment role and prevent conversion to residential.

Smith Street Industrial Precinct

Role and function

Smith Street Industrial precinct is located north-west of Lewisham West light rail stop and provides an estimated 7,211sqm of employment floorspace. It is a small local population serving area that mostly performs an urban services role and contains a mix of warehouses, residential dwellings, and a petrol station.

Precinct map



Planning controls

Smith Street Industrial is zoned IN2 Light Industrial. The floor space ratio control applying to the precinct is 1:1. A wide range of employment uses are permitted in the zone including business premises, office premises, specialised retail premises, wholesale supplies, entertainment facilities, garden centres, hardware and building supplies, kiosks and landscaping material supplies, light industries and warehousing or distribution centres.

Development activity

No recent development activity identified.

Issues and recommendations

Smith Street Industrial is performing well. The area is likely to feel pressure related to future residential development, this should be discouraged by retaining the current IN2 zone of the precinct.

Recommendation: Retain the IN2 – Light Industrial zoning of Smith Street Industrial.

9.1.20 Terry Street Industrial

Role and function

Terry Street precinct is an isolated employment precinct located on the northern side of Victoria Road in Rozelle and fronting Wellington and Crystal Streets. It provides approximately 11,000sqm of employment floorspace. The precinct has good access to major arterial roads and Sydney's motorway network. It is near the Bays Precinct, which is expected to undergo major redevelopment in the near future, with a possible metro station at this location. Currently, it is also well serviced by buses, providing rapid CBD access. The precinct is in close walking distance to Rozelle Centre.

The built form is varied, with the major industrial site being a two-storey brick storage facility. The industrial functions are interspersed with several residential dwellings which appear to be original building stock (consisting of workers cottages and terraces). The more modern light industrial site on Terry Street is the largest in scale with three storeys. Most lots are 100sqm to 500sqm. The large lots located along Victoria Road, and their proximity to port and arterial road infrastructure mean that the precinct is appropriately located to continue to accommodate for industrial uses.

Properties fronting Victoria Road and a number of properties along Wellington Street perform an urban services role and function. They are on large landholdings, which accommodate for urban services uses. Key businesses include auto repairs, auto parts, trade supplies, car sales and household storage. While zoned differently to properties in the B2 Local Centre zone along Victoria Road and the properties in Robert Street Industrial, these properties together form an effective enterprise corridor. The IN2 Light Industrial zone protects these properties from conversion to retail and residential uses.

A proportion of the precinct contains residential dwellings on small blocks of land. They front Wellington Street and Crystal Street. They lack the ability to perform an industrial or urban services role without site amalgamation and redevelopment.

The precinct is in close proximity to surrounding residential areas to the north, east and west. While proximity creates risk of amenity impacts, the precinct fronts a major arterial road and creates a buffer between surrounding residential areas and Victoria Road.

Centre map



Planning controls

The precinct is zoned IN2 Light Industrial under Leichhardt LEP 2013. The floor space ratio control applying to the precinct is 1:1. While business premises and office premises are permitted in the zone, Leichhardt LEP (cl. 6.9) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct.

Notably, Leichhardt LEP 2013 permits specialised retail premises, small bars, timber yards, vehicle sale or hire premises, amusements centres, function centres and general industries. These uses make the Leichhardt IN2 zone quite broad in its range of permitted uses.

Floorspace

Employment Centre	GFA	Proportion
Industrial	1,989	13%
Manufacturing	1,937	13%
Electricity, Gas, Water and Waste Services	52	0%
Knowledge intensive	3,863	25%
Administrative and Support Services	3,863	25%
Urban services	8,843	37%
Accommodation and Food Services	77	1%
Arts and Recreation Services	314	2%
Construction	203	1%
Other Services	1,629	11%
Retail Trade	1,122	7%
Transport, Postal and Warehousing	5,498	36%
Inadequately described or not stated	464	3%
Grand Total	11,185	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Section 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the Terry Street Industrial precinct of between 3,280sqm and 18,465sqm.

Development activity

Development site for sale

Two properties (consisting of two houses) were listed for sale in early 2019, comprising a total of 508sqm. It was advertised as having development potential for commercial/light industrial uses.

Previous studies

SGS Economics and Planning completed the *Leichhardt Industrial Lands Study* in December 2014. Its overall actions and recommendations included:

- Protect Leichhardt's industrially-zoned precincts for their important employment and service functions.
- Ensure adequate provision of industrial land for population-serving industries
- Maintain current provision of IN2-zoned land
- Prohibit large-format retail in industrial zones
- Refuse any proposal to rezone land from Council's small pool of industrial land within any of the industrial precincts

In its specific assessment of the Terry Street precinct, it identified it as a small population-serving light industrial precinct.

In 2016, a subsequent SGS Study reaffirmed that this precinct should be retained as industrial and protected from rezoning. It flagged its strategic location, *“Given the road’s arterial nature and location at the edge of the predominantly residential area, it is an important precinct as it has good transport access and the ability to operate with minimal direct contact with residential uses.”*

Issues and recommendations

Risk of further loss of industrial zoned land

The recent rezoning of land for residential uses at 120-122 Terry Street effectively halved the size of this industrial precinct, leaving it fragmented and exacerbating the risk of further speculation. While there are a number of dwelling houses within the precinct on small lots, there are also a number of sites that currently perform a crucial urban services role. These must be protected from encroachment of residential or office based uses.

Recommendation:

Establish a position of no rezoning on industrial lands within the Terry Street Industrial precinct. This also applies to no inclusion of residential uses as additional permitted uses.

Constrained development potential

A number of properties within the precinct fronting Crystal and Wellington Streets are residential dwellings on very small blocks of land that operate under existing use rights. Given the fragmented ownership, low Floor Space Ratio control, existing use rights and location constraints (eg narrow streets) there is currently limited potential for intensification for employment purpose without site amalgamation.

Recommendation:

Undertake a feasibility tipping point analysis for land in Terry Street Industrial (fronting Crystal and Wellington Streets) to determine controls required to incentivise redevelopment for employment use.

9.1.21 Victoria Road, Marrickville

Role and function

The Victoria Road precinct is an industrial area currently undergoing a transition to a mixed use residential and employment precinct, including creative industries. It was recently rezoned from industrial to a mix of B4 Mixed Use and B5 Business Development. Part of the existing industrial area, located to the west of the precinct has been rezoned to R4 High Density Residential and R3 Medium Density Residential. Some parts of the precinct are walking distance to centres such as Addison Road, Marrickville Metro, Marrickville Centre but the precinct generally is more than 800m from train stations in the area.

This precinct is typified by one to two storey warehouses currently home to light industrial uses. There is a variety of lot sizes in this precinct with some smaller row shops as well as large warehouses with stock yards. There are many creative manufacturing businesses in the area which capitalise on cheaper land and proximity to the CBD. A range of population servicing industries also operate here including logistics, gyms, automobile repair and tile shops.

Precinct map



Planning controls

This precinct is part of a recent rezoning of Marrickville LEP 2011 (precinct 47). The precinct is subject to its own development control plan. Key extracts from the existing DCP are shown below, demonstrating the desired transition from industrial to mixed use:

- To create an active commercial corridor along Victoria Road by encouraging active ground floor commercial uses such as cafes, small retail opportunities, boutique retail showrooms and professional business space.
- To foster the transition of industrial uses to cleaner and modern, light and creative industries to improve the amenity of the precinct, while retaining employment opportunities.
- To encourage the conversion of existing warehouses to support the creation of a hub within the Chapel Street Sub-precinct for home renovation and food production businesses, that promotes active or display ground floor uses such as ancillary showrooms and cafes.

A draft amendment to this site specific DCP is currently being considered for adoption. The draft amendments do not change the intent relating to land uses shown above.

A large proportion of the precinct is zoned B5 Business Development. The zone permits specialised retail premises, food and drink premises, garden centres, hardware and building supplies, landscaping material supplies, office premises, health services facilities, business premises, light industry and local distribution premises. Notably it also permits serviced apartments. The floor space ratio controls within the B5 zoned

portion of the precinct range from 0.95:1 to 2:1. Height limits are between 20 and 23 metres. A portion of this land is currently subject to a development application which is discussed in the section below.

The southern end of the precinct is primarily B4 Mixed Use. Permitted uses in this zone are wide ranging allowing residential accommodation, office, business and retail premises. The height and FSR controls within this area are significant, with 50m height limits and floor space ratio controls of 3:1 to 3.5:1. There is currently a development application for high density mixed use development, primarily residential on a portion of this precinct, to the north of Wicks Park, which is discussed in the section below.

Floorspace

Employment Centre	GFA	Proportion
Health and education	251	0%
Health Care and Social Assistance	251	0%
Industrial	37,865	43%
Manufacturing	27,576	32%
Wholesale trade	10,289	12%
Knowledge intensive	9,608	11%
Professional, Scientific and Technical Services	6,766	8%
Rental, Hiring and Real Estate Services	2,842	3%
Urban services	37,088	43%
Accommodation and Food Services	999	1%
Arts and Recreation Services	9,259	11%
Construction	800	1%
Other Services	9,474	11%
Retail Trade	1,571	2%
Transport, Postal and Warehousing	14,984	17%
Vacant space	2,425	3%
Total	87,237	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The floorspace and employment projections to 2036 (see Section 7) demonstrate that unless current planning controls are fully utilised, especially FSR, there will be a shortfall of industrial and urban services floorspace in the Victoria Road employment precinct of up to 34,611sqm.

Development activity

- 1-9 Rich Street, Marrickville – DA201700558
In July 2019, the Sydney Eastern City Planning Panel approved the demolition of existing improvements and the construction of a staged commercial development. Stage one comprises site preparation works, construction of two new buildings incorporating ground level food and drink tenancies, studio spaces, upper level offices and car parking. This will be across two buildings, the three storey north hub and four storey south hub. It will also involve public domain works and subdivision of the site into three allotments. Stage two comprises the construction of a five storey Marker building with a ground floor food and drink tenancy, upper level offices and a roof terrace. Stage one is currently under construction

- 182 Victoria Road, Marrickville – DA201900096
In April 2019, a development application was lodged with Council to demolish the existing improvements on site and construct a mixed use development ranging from six storeys to 14 storeys in height, comprising 2,351sqm of ground floor retail floor space, 270 residential apartments, two levels of associated basement car parking and the provision of public domain and landscaping works. This application was under assessment at the time of writing
- 105A Victoria Road, Marrickville – DA201600518
In August 2018, Council approved alterations and additions to an existing venue (the factory theatre). This included partial roof enclosure, new bar, new café, amplified music, signage and public art. It also approved an increase in hours of operation and patron capacity.

Previous studies

A Marrickville Employment Lands Study 2014 was commissioned to peer review a 2008 Employment Lands Study adopted by former Marrickville Council. The peer review focuses provides strategic directions as a guide for employment lands planning.

It identified this land as part of their Marrickville-Sydenham profile and referred to it (Action 1.1) as a “subregionally significant industrial precinct” and that “it provides space for local service/ light industrial operations as well as larger lots for more traditional industrial activity.”

Action 1.2 of the SGS 2014 Study stated to “restrict further subdivision and/or strata titling of larger lots in the Marrickville-Sydenham precinct core to prevent fragmentation.” It identified the larger lots as a feature of the precinct and that “subdivision and/ or strata titling of lots in the core of the precinct should be resisted.”

Action 1.3 of the Study argued for the prevention of spreading of retailing and services into the precinct core.

Issues and recommendations

Permissibility of serviced apartments in the B5 zone

The permissibility of serviced apartments in the B5 – Business Development zone places a large proportion of this precinct at risk of redevelopment for non-employment uses. Given the substantial loss of industrial and urban services uses that will result in the event of the two current development applications, it is imperative that further loss of land is minimised.

A removal of ‘serviced apartments’ from the B5 zone does not contradict the intent of the recent rezoning of the Victoria Road precinct. The precinct specific DCP contains sub-precinct profiles which outline the intent of the future land uses in these precincts and they do not envision residential forming part of this.

Recommendation: Remove ‘serviced apartments’ as a permitted use from the B5Business Development zone.

9.1.22 White Bay Industrial

Role and function

White Bay industrial is primarily located along Victoria Road and Robert Street in Rozelle and provides an estimated 60,074sqm of employment floorspace. The precinct has a strong urban service function. Access is from Mullens and Robert Streets although some lots have frontage to Victoria Road. The precinct has good access to major arterial roads and Sydney’s motorway network. It is adjacent to the Bays Precinct, which is expected to undergo major redevelopment in the near future, with a possible metro station at this location. Currently, it is also well serviced by buses, providing rapid CBD access. The precinct is in close walking distance to Rozelle Centre.

The large warehouse buildings vary in age but are consistent in their form – brick and three to four storeys, some with very high ceilings. Surrounds include low-density residential suburb of Balmain. The precinct adjoins maritime-servicing land. The large lots and proximity to port and arterial road infrastructure mean that the precinct is appropriately located to continue to accommodate for industrial uses.

A key sub-area of the precinct fronts Victoria Road between Prosper Street and Crescent Street and has a distinct urban services function similar to an enterprise corridor. Lots are smaller, more fragmented and vehicular access challenging due to the narrowness of side streets. Key land uses include numerous automotive repairers, Council owned carpark, funeral home, veterinary hospital, equipment hire and a gym. There is a vacant block of land located at 75 Victoria Road, Rozelle. A number of residential dwellings, including recently built live-work units also exist. A large proportion of properties in this area are not covered by heritage conservation area.

The second sub area within this profile is located to the east of Crescent Street and largely fronts Robert Street. This precinct has a mix of historic warehouse buildings on large parcels of land. There are also newer office/warehouse developments. Most of the precinct is strata titled however there are some landholdings in single ownership remaining mainly south of Parsons Street. There is also a row of terraces converted for office use. The area is within a heritage conservation area. Light industry and essential urban services are the primary functions of this precinct. Uses include storage premises, heritage restoration services, automotive repairers and retailers, fitness, churches, building repairers and a number of smaller businesses.

The precinct is in close proximity to surrounding residential areas to the north. While proximity creates risk of amenity impacts, the precinct fronts a major arterial road and creates a buffer between surrounding residential areas and Victoria Road.

Precinct map



Planning controls

The precinct is zoned IN2 Light Industrial under Leichhardt Local Environmental Plan 2013. The floor space ratio control applying to the precinct is 1:1. While business premises and office premises are permitted in the zone, Leichhardt LEP 2013(cl. 6.9) restricts business and office premises to those that serve creative purposes such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts, cultural heritage institutions or other related purposes. Light industry and artisan food and drink industries are also permitted within the precinct.

Notably, Leichhardt LEP 2013 permits specialised retail premises, small bars, timber yards, vehicle sale or hire premises, amusements centres, function centres and general industries. These uses make the Leichhardt IN2 zone quite broad in its range of permitted uses.

Floorspace

Broad land use category	Total floorspace (sqm)	%
Industrial	21,407	29%
Manufacturing	6,372	9%
Construction	181	0%
Wholesale Trade	1,052	1%
Arts and Recreation Services	4,237	6%
Other Services	9,565	13%
Urban Services	21,212	29%
Retail Trade	919	1%
Accommodation and Food Services	192	0%
Transport, Postal and Warehousing	20,101	28%

Broad land use category	Total floorspace (sqm)	%
Knowledge Intensive	27,413	38%
Information Media and Telecommunications	22,183	31%
Rental, Hiring and Real Estate Services	388	1%
Professional, Scientific and Technical Services	1,716	2%
Administrative and Support Services	3,126	4%
Health and Education	288	0%
Health Care and Social Assistance	288	0%
Unknown	2,384	3%
Total	72,704	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 floorspace and employment projections up to 2036 demonstrate that depending on how much of the available capacity under current planning controls, especially FSR, is taken up there will be a shortfall of industrial and urban services floorspace in the White Bay industrial precinct of between 35,241sqm and 85,536sqm.

Development activity

■ 2-8A Parsons Street Rozelle – Bunnings Proposal

Demolition of existing structures and improvements, consolidation of lots into Torrens Title Lots with existing legal rights/easements retained, and the construction of a hardware and building supplies store with associated car parking, landscaping and signage. Currently in the Land and Environment Court, a decision is expected later in 2019.

Previous studies

SGS Economics completed the Leichhardt Industrial Lands Study in December 2014. Its overall actions and recommendations included:

- Protect Leichhardt's industrially-zoned precincts for their important employment and service functions
- Ensure adequate provision of industrial land for population-serving industries
- Maintain current provision of IN2-zoned land
- Prohibit large-format retail in industrial zones
- Refuse any proposal to rezone land from Council's small pool of industrial land within any of the industrial precincts

In its specific assessment of the White Bay Industrial, it identified it as a large mixed industrial precinct of subregional importance. It has also identified it as having a wide reach, given its road accessibility, larger precinct size and larger lot sizes. Each of these characteristics is desirable for industries seeking to serve a larger consumer base across a wider area. It states that, "the importance of the White Bay industrial precinct's current functions should not be underestimated". Key actions include:

- Protect the industrial nature of the precinct from rezoning and non-industrial redevelopment that may be a permitted use within IN2 zoning.

- Maintain industrial zoning of White Bay industrial precinct

In 2016, a subsequent SGS Study reaffirmed that this precinct should be retained as industrial and protected from rezoning.

Issues and recommendations

Protect white bay precinct for industrial uses

SGS flagged in its report in 2014 that, *“the redevelopment of the Bays Precinct is likely to place pressure on the adjacent industrial-zoned land through increases to property values. Maintaining current zoning will protect these lands, however in light of these anticipated pressures, establishing multi-stakeholder engagement at the commencement of the Bays precinct project will make clear the importance of this precinct, anticipate the effects it will have and aid the redistribution of local services, where required, throughout the rest of the LGA.”*

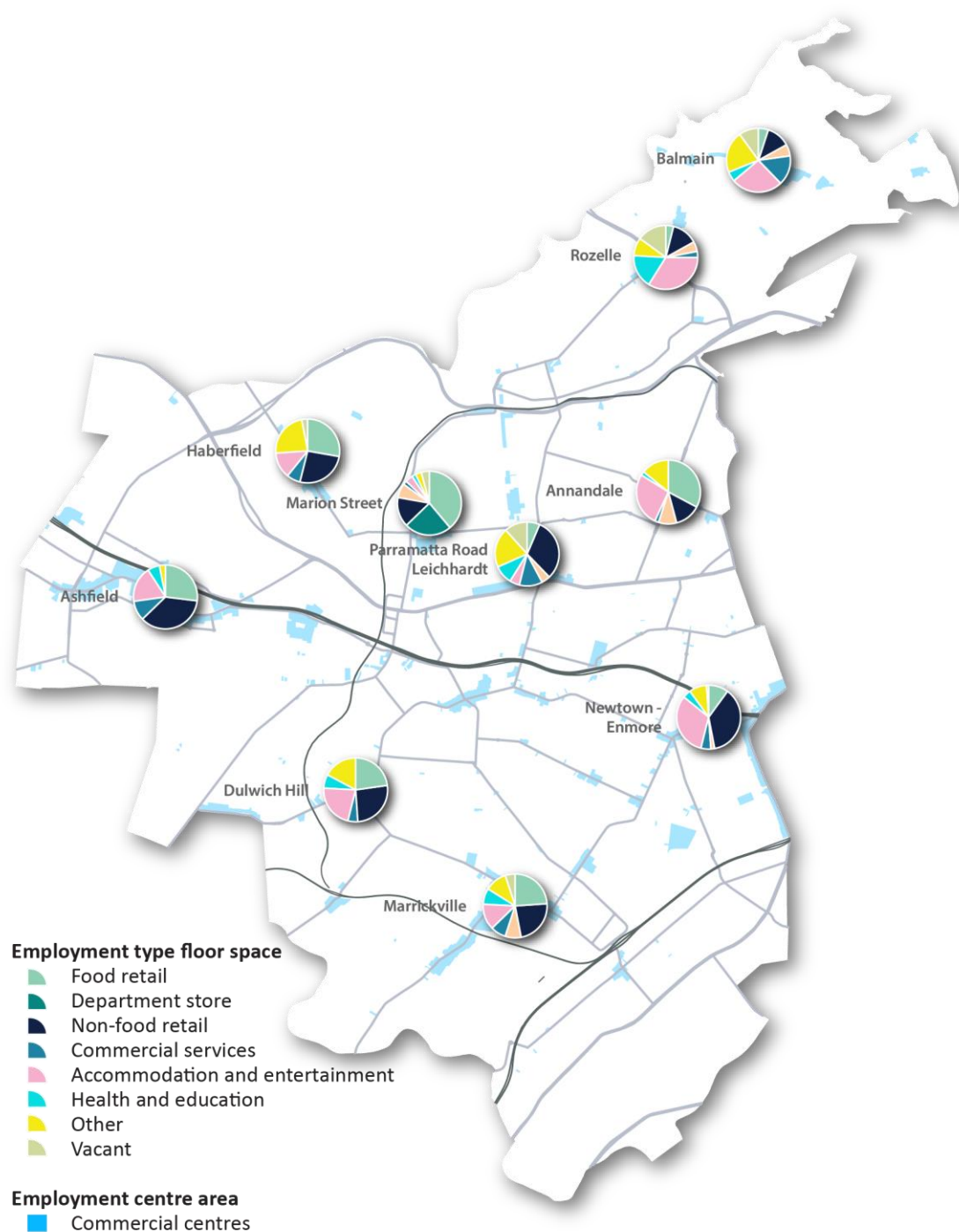
These concerns remain relevant in 2019, and the above advice should be followed.

Recommendation: If redevelopment plans for the Bays Precinct are announced, establish multi-stakeholder engagement to reinforce the important role of White Bay Industrial and advocate for its retention as industrial land.

9.2 Commercial centre overview

This section provides a profile of significant business centres in the LGA. The profiles are intended to provide a summary of the existing uses in the centres, the development outlook, and key opportunities for the future. The information has been compiled from a variety of sources including previous studies on the centres and precincts, a floorspace audit, development applications registers and the Australian Bureau of Statistics. Figure 17 provides an overview of the employment precincts.

Figure 18: Commercial centre overview



9.2.1 Annandale

Role and function

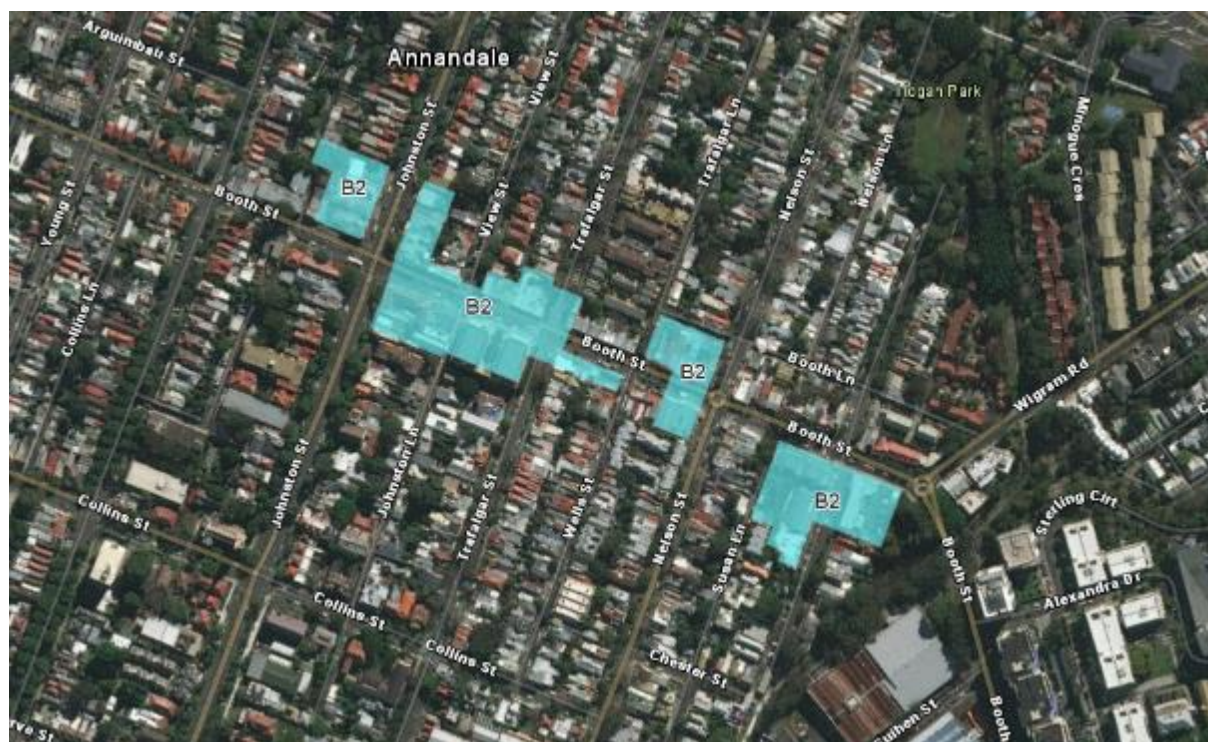
The Annandale centre is located at the intersection of Booth and Johnston Streets and provides an estimated 9,052sqm of employment floorspace. It is serviced by bus routes, is close to parklands and adjoins a major northerly active transport link along Johnston's Creek. The southern section of this link will be completed as part of the Parramatta Road Urban Amenity Improvement Program. The Annandale Community Centre is located nearby, however Annandale does not have a council owned carpark or town square. A widened footpath on Johnston Street provides some public open space within the centre.

The Annandale centre consists of general retail, boutique retail, services, pubs, restaurants and cafes. The area has an IGA and SupaBarn supermarket, as well as a garden centre and petrol station. The North Annandale Hotel has been identified as a live music venue and forms part of the Inner West LGA's cultural infrastructure.

It has a primarily local catchment area while also servicing the nearby Camperdown and Moore Street industrial areas. The construction of a number of significant developments over the past decade in neighbouring Glebe and Camperdown has resulted in a significant population increase in the catchment area.

The public domain of the centre is of a high standard and is an attractor to the area. The centre is in a Heritage Conservation Area. The building stock is generally older, giving the centre a mostly cohesive appearance. The building stock is generally in a good condition.

Centre map



Planning controls

Under *Leichhardt Local Environmental Plan 2013*, the centre is zoned B2 Local Centre. A maximum floor space ratio of 1.5:1 can be achieved, subject to a number of considerations including that all floor space on the ground floor of the building facing the street is used for a purpose other than residential accommodation. 'Light Industry' and 'artisan food and drink industry' are permitted within the zone. Local distribution premises are prohibited within the zone.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	7,250	80%
Supermarkets & Grocery Stores	2,200	24%
Specialty Food Stores	700	8%
Fast-Food Stores	100	1%
Restaurants	2,300	25%
Clothing Stores	550	6%
Hardware and Bulky Goods Stores	100	1%
Other Personal & Household Goods	500	6%
Selected Personal Services	800	9%
Occupied Non-Retail Floorspace	1,802	20%
Rental, Hiring & Real Estate Services	100	1%
Health Care & Social Assistance	200	2%
Financial & Insurance Services	100	1%
Arts & Recreation Services	100	1%
Industrial	1,302	15%
Grand Total	9,052	

Source: HillPDA Desktop Audit 2019

Development activity

No recent development activity identified.

Issues and recommendations

Ten properties along Booth Street zoned R1 General Residential were identified as commercial buildings. This includes a former Commonwealth Bank commercial office building.

Recommendation:

Rezone the buildings with employment uses currently zoned R1 General Residential to B2 Local Centre.

9.2.2 Ashfield Centre

Role and function

Ashfield is the primary business and administration centre of the Inner West LGA, providing an estimated 110,575sqm of employment floor space. The town centre is located on the southern side of Ashfield Railway Station along either side of Liverpool Road for approximately 1.5kms. Ashfield station sited between Sydney CBD and the Strategic Centres of Burwood and Parramatta, is in a highly accessible location. The centre has more than 1,000 parking spaces. Ashfield Centre is also close to an entry portal of the WestConnex motorway.

Ashfield consists of commercial office space, general retail, services, administration, clubs, pubs, restaurants and cafes. Approximately half of Ashfield's retail floor space (24,791sqm of net leasable area) is 'Ashfield Mall,' a three level shopping centre that contains an ALDI, Coles, Woolworths and Tong Li supermarket, as well as a Kmart discount department store. The shopping centre (shown on the contextual map below) is south of Liverpool Road and is the largest landholding in the centre on 21,890sqm of land.

The other half of Ashfield centre's retail floor space (approximately 25,000sqm) is dominated by restaurants and cafes. There is also a large presence of retail including food retail, and other medical/professional services.

Apart from Ashfield Mall, the rest of commercial floor space is located largely within early 20th century two to three storey buildings, dispersed throughout the centre. These buildings provide Ashfield with considerable character, with a number of properties listed as heritage items. Council's compliance team have identified that Ashfield is experiencing severe non-compliance issues, primarily in relation to the early 20th century two storey shop top housing. Restaurants are at risk of being closed due to the condition of buildings. There is an apparent non-willingness of landowners to update existing stock.

Parts of the centre possess poor public domain characteristics, particularly to the south of Liverpool Road, dominated by narrow footpaths that are interrupted by large driveway crossings, waste collection bays and loading zones. A recent revamp and expansion of public spaces north of Liverpool Road has increased the usability of the public domain and made this locality more appealing. Liverpool Road is a State classified road, which has a negative public amenity impact on the centre, introducing noise, dust and pollution, while also impeding the ability to widen footpaths for activities such as outdoor dining and footpath trading.

Ashfield has a strong Chinese, particularly Shanghainese, retail and restaurant presence. This gives the area a distinct personality which attracts people from areas outside the traditional catchment zone. This has led to the area having a healthy night time economy, which is reflected in the later than usual trading hours of a number of the Ashfield Mall retail outlets.

Ashfield has eight major standalone office buildings which are shown on the contextual map below. Total office floor space is approximately 57,000sqm, which is by far the largest cluster of office space in the Inner West LGA. A number of these buildings house state government department tenants. Inner West Council occupies the Ashfield Civic Centre building.

Ashfield also contains a number of significant food and entertainment venues including Ashfield Leagues Club, Ashfield RSL, Club Ashfield and the Polish Club. These venues provide performance spaces, supporting the live music industry in the Inner West. These venues are sited on substantial landholdings and are shown on the contextual map below. Another significant landholding within the centre is the Exodus Foundation precinct.

The centre has been experiencing declining office space, largely as a result of market forces and alternative higher intensity commercial locations having emerged over the last 20 years, such as at Burwood and Parramatta.

Centre map



Planning controls

Ashfield centre is primarily zoned B4 Mixed Use, with a small section of B2 Local Centre north of the railway line, and B1 Neighbourhood Centre at Thomas and Frederick Street. Under the Ashfield LEP, the floor space ratio control ranges from 1.5:1 to 3:1 and a height ranges from 13m to 23m. 'Light Industry,' 'artisan food and drink industry' and 'local distribution premises' are prohibited within both zones.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	53,205	48%
Supermarkets & Grocery Stores	10,330	9%
Specialty Food Stores	2,975	3%
Fast-Food Stores	825	1%
Restaurants	7,800	7%
Department Stores	6,475	6%
Clothing Stores	800	1%
Hardware and Bulky Goods Stores	11,125	10%
Other Personal & Household Goods	6,775	6%
Selected Personal Services	6,100	6%
Occupied Non-Retail Floorspace	57,370	52%
Pubs, Taverns & Clubs	800	1%
Rental, Hiring & Real Estate Services	11,100	10%
Health Care & Social Assistance	13,100	12%
Financial & Insurance Services	3,325	3%

Administrative & Support Services	2,700	2%
Arts & Recreation Services	1,625	1%
Transport, Postal & Warehousing	1,520	1%
Education and Training	3,200	3%
Other	3,000	3%
Public administration and safety	17,000	15%
Grand Total	110,575	

Employment floor space demand

The Chapter 7 forecast for demand and supply of retail floor space shows that an additional 12,500sqm (approx.) of retail floor space (gross lettable area) is required by 2036 across Ashfield.

In addition to the above, it is forecast that an additional 33,500sqm of non-retail commercial space (predominantly office space) will need to be accommodated across Ashfield over the next 18 years (2018-2036). This forecast will need to be reviewed to carefully understand the nature of the demand and how to accommodate for this.

Development activity

Ashfield has experienced considerable development activity from 2014-2019. Within this period, 13 redevelopments involving more than five storeys have occurred (as shown in the contextual map). Key redevelopments that have had major implications for the centre are discussed below.

- 445-455 Liverpool Road - DA2015/46 (numbered 1 on the contextual map below). 4 storey mixed use building containing 3 ground floor commercial spaces (340sqm total) and 46 apartments above. Replaced a large lot with various light industrial and urban services premises
- 380-382 Liverpool Road - DA2014/12 (numbered 3 on the contextual map below). 7 storey mixed use development, approved by Council 2012, containing 2 ground floor commercial spaces (434sqm total) and 60 apartments
- 425 Liverpool Road - DA2014/12 (numbered 2 on the contextual map below). 2-5 storey mixed use building, approved by Council 2016 and completed 2017, containing 192sqm of ground floor commercial space and 42 apartments. Replaced open space
- 2 Thomas Street - DA2015/156 (numbered 4 on the contextual map below). 2-5 storey residential flat building, approved by Council 2015 and completed 2018, containing 42 apartments. Replaced 3 single residential dwellings
- 371-377 Liverpool Road - DA2014/345 (numbered 5 on the contextual map below). 6 storey residential flat building, approved by Council 2015 and completed 2017, containing 50 apartments. Replaced a single residential dwelling and urban services premises (car service centre)
- 1 Markham Place - DA2014/326 (numbered 6 on the contextual map below). 8 storey mixed use development, approved by Joint Regional Planning Panel 2014 and completed 2019, containing 4 ground floor commercial spaces (187sqm total) and 91 apartments. Replaced 2 single residential dwellings and a row of commercial terraces
- 270 Liverpool Road - DA2014/9 (numbered 7 on the contextual map below). 8 storey mixed use development, approved by Joint Regional Planning Panel 2014 completed 2017, with 2 ground floor retail spaces. Replaced large single storey retail premises

- 168 Liverpool Road - DA2014/242 (numbered 13 on the contextual map below). Conversion of office block to an 8-storey mixed use development, approved by Joint Regional Planning Panel 2015 and completed 2016, with 3 ground floor retail spaces (202sqm) and 100 apartments above. Replaced an existing standalone office building containing 6,524sqm of net lettable area³⁴
- 11-13 Hercules Street - DA 2013/176 (numbered 8 on the contextual map below). 2-8 storey mixed use building with 2 ground floor commercial spaces (359sqm total) and 52 apartments. Adaptively reused a heritage commercial building
- 15-17 Hercules Street - DA2015/29 (numbered 9 on the contextual map below). 7 storey mixed use development, approved by Council 2015 and completed 2018, with 3 ground floor commercial spaces (142sqm total) and 23 apartments above. Replaced a Commonwealth Bank building
- 244-256 Liverpool Road - DA2013/114 (numbered 10 on the contextual map below). 3-10 storey mixed use development, approved by Joint Regional Planning Panel 2014 and completed 2018, containing 3 ground floor commercial spaces (259sqm total) and 140 apartments. Replaced 3 single storey commercial premises
- 8 Murrell Street - DA2016/127 (numbered 11 on the contextual map below). 8 storey residential flat building, approved by Council 2017 and completed 2018, with 42 apartments. Replaced 3 single residential dwellings
- 2-4 Murrell Street - DA 2017/172 (numbered 12 on the contextual map below). 9 storey residential flat building, approved by Inner west Planning Panel 2018 and yet to be completed, containing 40 apartments. Replaces 2 single residential dwellings
- 1 Victoria Street - DA2011/89 (numbered 14 on the contextual map below). 6 storey residential flat building, approved by Joint regional Planning Panel 2012 and completed 2017, containing 62 apartments. Replaced a car park

The two redeveloped Hercules Street sites, both fronting Fox Lane, listed above have enabled the activation of pedestrian thoroughfare and the creation of attractive new retail spaces, including an adaptive reuse of a heritage building. This has resulted in the dedication of land to Council, resulting in an expanded and enhanced public domain, including new pedestrian connectivity

There has been pressure for standalone office buildings, other than the ones listed above, to be redeveloped for primarily residential use in recent years. While many of these new mixed-use buildings have added new quality retail spaces, none have provided non-residential uses above the ground floor

Contextual Map

The map below provides context behind Ashfield Town Centre. Notably, there are a number of standalone commercial office buildings, standalone entertainment venues, and a shopping mall on a large landholding.

³⁴ Stockland annual report 2001 p27



- Ashfield Mall
- Inner West Council offices
- Recently completed developments
- Recently approved developments
- Major entertainment venues
- Major commercial office buildings

Previous studies

Ashfield Town Centre Strategy 2008 adopted the Street Wall Height principle to establish a spatial character of a front low-rise building podium to provide a human scale with a 6 storey building tower placed to the rear. In-house architectural studies confirmed this would achieve an FSR of 3:1 with diagrams placed in the Council's DCP to provide certainty. Constructed buildings have applied this urban design principle.

In addition, the *Ashfield Urban Planning Strategy 2010* and Ashfield LEP applied a 2 storey bonus principle and additional FSR to achieve 8 storeys on the proviso that there was a community benefit for affordable housing provided.

Following the *Ashfield Urban Planning Strategy 2010*, a B4 zoning was applied to the centre to acknowledge it as a Local Strategic Centre within former Ashfield LGA under the then Sydney Metropolitan Strategy. Features that led to the designation included having major six storey office buildings, government departments, a large shopping mall, long commercial strip for local services and various businesses, several clubs, several schools and upgraded accessible train station with public transport interchange.

Prior to adoption of the Ashfield LEP, feasibility testing by the then Department of Planning confirmed the viability of the FSR to enable new development as has been since realised by several new buildings.

The *Ashfield Public Domain Strategy* (2016) provided detailed designs for several themes. The majority of the works have been constructed to enhance the place character and further facilitate the town centre as an attractive location for both businesses and increased residential growth.

Issues and recommendations

The issues below require investigation to define the nature and details of future actions. Some require planning control review, urban design studies and feasibility analysis. Without a shift in policy direction and implementation there is a risk that the projected floorspace requirements within the centre may not be met.

Other issues to be resolved through the harmonisation of planning instruments (eg permissibility of ‘artisan food and drink industry’ in centres) are explored in detail in the planning review at Chapter 8.

Traffic Calming Liverpool Road

Liverpool Road is an impediment to enhanced amenity for pedestrians and businesses fronting the road, due to its high speed limit and status as a classified road. It discourages outdoor dining, footpath trading and creates noise and air pollution impacts. The road is not under the control of Council and is classified under the Roads Act 1993.

Recommendation (ongoing):

Council should explore options with NSW Transport to reduce the speed limit of the road and introduce calming measures to reduce the amenity impacts of this road on the centre. As a longer term aim, Council should work with NSW Transport to have the portion of Liverpool Road running through the centre returned to Council and managed as a local road.

Alignment of planning controls

Recommendation:

For historical reasons, the current height and floor space ratio provisions do not align. These planning controls should be reviewed in the context of incorporating non-retail commercial floorspace and provision of land for public space.

Delivering a pipeline of non-retail commercial floor space

It has been identified that Ashfield will require over 46,000sqm of non-residential floor space by 2036. Development in the past five years has only provided ground floor retail space. If this pattern continues, there will be a substantial loss of office space as the largely ground floor only commercial replacement space is not compensating for this trend.

Recommendation:

To ensure that appropriate employment floor space is provided to meet the projected demand for employment uses, LEP mechanisms should be implemented to require an appropriate proportion of non-residential floor space to be provided in each mixed use development. The following mechanisms should be considered for implementation in the Ashfield Centre (currently zoned B4 Mixed Use) between Victoria Street and Thomas Street:

- Short term:
 - Prohibiting residential uses from being located on the ground and first floors
 - Specifying a minimum non-residential FSR of 1.3:1
 - Requiring development applications demonstrate no net loss in employment floor space
- Medium/long-term:
 - Undertake place-based study is required to define the ways that the centre should plan for retention and expansion of existing commercial uses
 - Safeguard employment floorspace from inappropriate residential/associated development
 - Incorporate measures to meet the projected demand in this Study.

Capitalising on public space

The *Ashfield Public Domain Strategy* resulted in a successful improvement to the public domain on the northern side of Liverpool Road, with new public plazas and through site linkages achieved through use of Section 7.11 contributions and utilisation of Council land.

Recommendation:

- Short term:
 - Continue to utilise contributions and Council land to promote pedestrian amenity
 - Review DCP controls to incorporate improved public domain and pedestrian amenity controls as part of future developments to further increase foot traffic for ground level business.
- Medium/long-term
 - Undertake a place-based study to provide a programme of public domain improvements for the centre, including south of Liverpool Road and Cavill Lane.

9.2.3 Balmain East Centre

Role and function

The Balmain East centre is located towards the eastern end of Darling Street. It provides an estimated 9,687sqm of potential employment floorspace. A high proportion of this floorspace is currently occupied by dwellings benefiting from existing use rights, including former shops. It is serviced by bus routes and is within easy walking distance of the Balmain East ferry wharf with services to the CBD and North Sydney.

The Balmain East centre consists of general retail, boutique retail, pubs, small offices, services, restaurants and cafes, servicing the local catchment.

The centre is in a Heritage Conservation Area and many of the properties are heritage items. It is also close to waterfront parks on either side of the Balmain East ferry wharf. The building stock is generally in a good condition.

Centre map



Planning controls

Under Leichhardt LEP 2013, Balmain East is zoned B1 Neighbourhood Centre. The centre's floor space ratio is predominantly 1.0:1 with 1.5:1 available for active street frontage developments. 'Warehouse or distribution centre' developments are prohibited. 'Light industry,' 'business premises,' 'child care centres,' 'community facilities,' 'medical centres,' 'respite day care centres,' 'shop top housing' and 'artisan food and drink industry' are permitted.

Leichhardt Development Control Plan 2013 aims to encourage social and community activities as an anchor and attractor for this village area.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	650	7%
Supermarkets & Grocery Stores	150	2%
Restaurants	200	2%
Other Personal & Household Goods	300	3%
Occupied Non-Retail Floorspace	8,952	92%
Pubs, Taverns & Clubs	890	9%
Rental, Hiring & Real Estate Services	80	1%
Health Care & Social Assistance	367	4%
Financial & Insurance Services	286	3%
Administrative & Support Services	318	3%
Arts & Recreation Services	511	5%
Other	6,500	67%
Vacant Space	85	1%
Grand Total	9,687	

Source: HillPDA Desktop Audit 2019

Development activity

No recent development activity identified.

Issues and recommendations

No issues have been identified.

Recommendation:

Retain B1 zoning to maintain and encourage commercial development in the village area.

9.2.4 Balmain Centre

Role and function

The Balmain centre provides an estimated 54,510sqm of employment floorspace and is oriented along a 1,300 metre stretch of Darling Street. The centre is serviced by numerous bus routes and is close to a number of ferry wharfs. Council owns several properties in the centre including Balmain Town Hall, Balmain Library, Balmain Depot and two car parks. Parking is in short supply along Darling Street as well as in surrounding residential streets and existing car parks are at capacity. Most properties in the centre do benefit from rear lane access however narrow side streets make vehicle manoeuvrability difficult.

The centre consists of general retail, services, restaurants and cafes. The centre has a strong presence of independent boutique retail outlets, pubs also form a significant part of the district. Commercial offices, often creative based and located in terrace houses, also have a substantial presence. Balmain has a large, standalone Woolworths supermarket and also supports a number of independent grocers.

Balmain serves a primarily local catchment area but is also a destination for visitors, particularly due to the range of pubs, cafes and restaurants. The Balmain peninsula is relatively affluent compared with other parts of the Inner West and this is reflected in its unique retail offering. For example, there is a strong presence of fashion retail. The peninsula also has higher proportions of employed persons that work from home compared

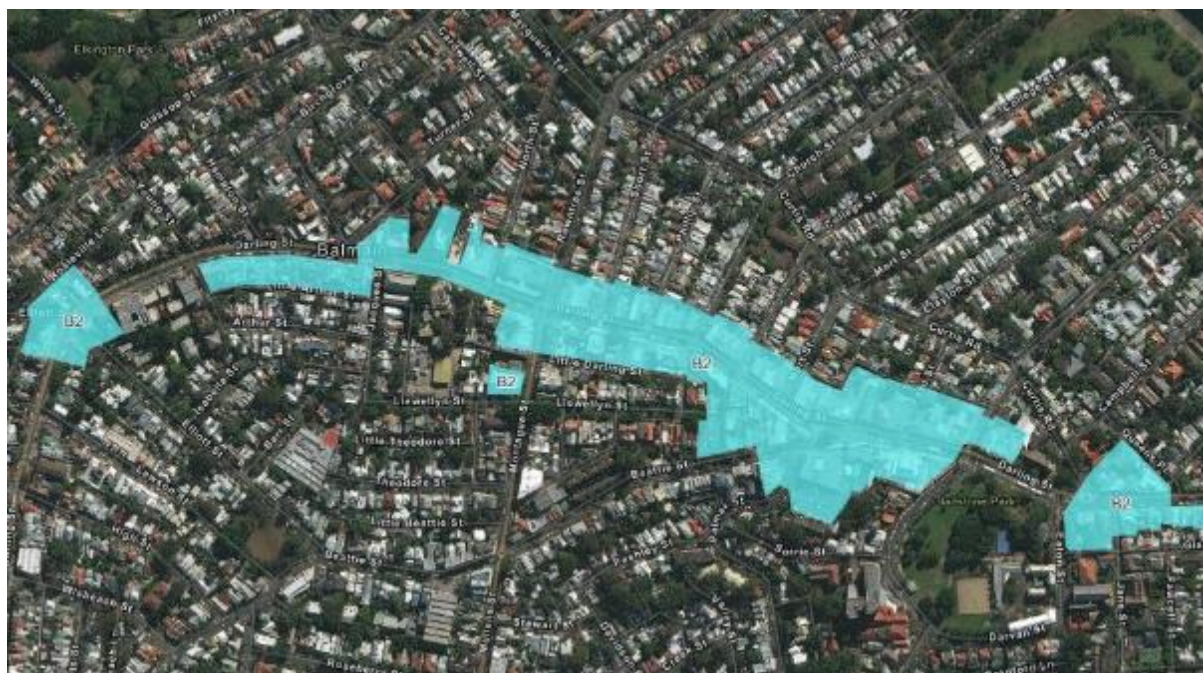
with other parts of the inner west. Residents that also work from home can help to boost the daytime trade of local centres.

Located entirely within a heritage conservation area, the centre has a distinctive historic character. The retention of 19th and early 20th Century architecture and its low scale built form provides a sense of place. There are also many historic pubs in the area, which also make the centre distinctive. Many of these historic pubs, and a number of community spaces, provide space for live music and arts. They include the Balmain Town Hall, Unity Hall Hotel, Cat and Fiddle Hotel, Riverview Hotel, Cottage Bar and Kitchen, and Lara Scolari Gallery.

The public domain is of a high standard, with large public spaces well located throughout the centre. This includes Loyalty Square, Gladstone Park, Balmain Town Hall and Balmain Library. Darling Street benefits from having primarily local traffic and no clearways which results in a higher amenity outdoor environment compared with other centres in the Inner West LGA.

In future, if the two at-grade Council car parks or depot site were considered for redevelopment, they could provide new employment floor space within the centre and/or other public amenities.

Centre map



Planning Controls

Under Leichhardt LEP 2013, the centre is zoned B2 Local Centre. A maximum floor space ratio of 1.5:1 can be achieved, subject to a number of considerations, including that all floor space on the ground floor of the building facing the street is used for a purpose other than residential accommodation. 'Light Industry' and 'artisan food and drink industry' are permitted within the zone. Local distribution premises are prohibited within the zone.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	19,627	36%
Supermarkets & Grocery Stores	1,800	3%
Specialty Food Stores	1,098	2%
Restaurants	7,140	13%
Clothing Stores	3,750	7%
Hardware and Bulky Goods Stores	1,389	3%
Other Personal & Household Goods	1,500	3%
Selected Personal Services	2,950	5%
Occupied Non-Retail Floorspace	29,308	54%
Pubs, Taverns & Clubs	6,070	11%
Rental, Hiring & Real Estate Services	1,700	3%
Health Care & Social Assistance	2,500	5%
Financial & Insurance Services	1,500	3%
Administrative & Support Services	730	1%
Arts & Recreation Services	850	2%
Manufacturing	215	0%
Transport, Postal & Warehousing	475	1%
Public administration and safety	4,368	8%
Other	10,900	20%
Vacant Space	5,575	10%
Grand Total	54,510	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Section 7 forecast for demand and supply of retail floor space shows that an additional 7,500sqm (approx.) of retail floor space (gross lettable area) is required by 2036 across the Balmain and Rozelle centres. Demand for retail floor space already outstrips supply across both centres.

The proposed Balmain Leagues Club redevelopment at Rozelle will provide a 2,790sqm supermarket and an additional 1,055sqm of retail floor space. If approved, this will cover the majority of the current shortfall in retail floor space (March 2018, Location IQ).

In order to cover the rest of the remainder of the retail floor space shortfall, additional space will need to be accommodated across Balmain-Rozelle (approximately 4,000sqm).

In addition to the above, it is forecast that an additional 12,000sqm of non-retail commercial space (predominantly office space) will need to be accommodated across Balmain over the next 18 years (2018-2036). This forecast will need to be reviewed to carefully understand the nature of the demand and how to accommodate for this.

Development activity

From 2014-2019 Balmain has seen moderate development activity. Completed developments include:

- 357 Darling Street - D/2015/740. This project was approved by Council in 2016 and completed in 2019. It consists of alterations and additions to the existing building to provide a 3 storey mixed use development with an 115sqm commercial tenancy, that is currently vacant, and two residential dwellings.

Approved, but yet to be commenced, developments include:

- 359-361 Darling Street - D/2018/259. This project was approved on appeal by the Land and Environment Court in 2019. It is a mixed-use development with 2 ground floor retail spaces and 5 apartments. It will replace an existing 2 storey shop top mixed use building.

Recent development activity in the centre has been of a small scale, but small scale developments can benefit the centre through the introduction of newer commercial floor space.

Issues and recommendations

High vacancy

The centre has a high number of buildings that are currently vacant. Reasons for vacancies are many and varied, including lack of investment and strategic decisions of landowners, competition between centres, suitability of tenancies, decline in visitation, accessibility of the centre and individual properties, availability of parking, and increasing rents.

Recommendations:

Develop Council policy and initiatives to address the high vacancy levels, including:

- Marketing and promotion of the centre as a place to establish businesses
- Strengthening the night time economy
- Public domain improvements that activate the centre and facilitate outdoor dining.

Opportunity to utilise Council land and assets

Council has recently prepared and endorsed *Land and Property Strategy and Policy* (2019) that provides strategic direction for the management, review and decision making around Council assets.

Recommendation:

Implement the actions of the *Land and Property Strategy and Policy* including reviewing existing Council assets and whether they can be repurposed to facilitate or support employment uses and amenity.

Parking

Businesses in Balmain are likely to have catchments that extend beyond the local context. The centre suffers from significant access issues due to its location on a peninsula that does not have a rail connection. Streets are narrow and there is limited space for parking and vehicle circulation. Changes to local bus routes have also reduced connectivity between ferry links and the bus network.

Recommendation:

Review the *Balmain Precinct Parking Strategy* and consult with Transport NSW to consider options for increasing turnover of on-street carparking, improving circulation and encouraging active and public transport.

9.2.5 Catherine Street Centre

Role and function

Catherine Street consists of two small centres located on Catherine Street, Lilyfield, one is located near the corner of City West Link and the other at the corner of Piper Street. These two centres provide an estimated 3700sqm of employment floorspace. They are serviced by bus routes and Lilyfield light rail stop.

The City West Link portion hosts an IGA supermarket, while the Piper Street section consists of general retail, commercial offices, services and a café. Both centres serve the local catchment area.

The building stock is generally in a good condition.

Centre map



Planning controls

The Leichhardt LEP 2013 zones these centres B1 Neighbourhood Centre and B2 Local Centre. The floor space ratio is 1.5:1. 'Warehouse or distribution centre' is prohibited, while 'light industry' and 'artisan food and drink industry' are permitted.

Development activity

No recent development activity identified.

Issues and recommendations

The large WestConnex dive site adjoining the City West Link portion of the centre could have a negative impact on the northern centre located at the corner of City West Link and should be monitored closely over the next five years.

9.2.6 Croydon Centre

Role and function

Croydon is a small centre located adjacent to Croydon Station, fronting Edwin Street and part of Elizabeth Street. It has a distinctive role in providing office space and other specialist local services, including medical uses. This contrasts with role of the centre on the southern side of the train station, located within Burwood LGA. The southern centre, located on The Strand, contains a number of shops and cafes and for this reason is more vibrant. There is limited parking within the centre.

Croydon is located adjacent to a large private school campus, which owns land within the western part of the centre. To the east of the centre is the Council owned Ashfield Pool site, which is currently undergoing a major redevelopment.

While primarily consisting of local services and office premises, there is a small presence of restaurants and cafes. The lack of retail makes the centre appear less active and vibrant compared with the centre on the southern side of the station; however it has a distinctive role as a location for office and local services. There is also a car servicing centre and petrol station located on Elizabeth Street.

The heritage character benefits the visual appeal of the centre, with properties fronting Edwin Street located within a heritage conservation area. They are primarily two storey shop and residence type properties, apart from one recent mixed use development. A number of properties in the centre are in a poor condition.

The public domain of Edwin Street is appealing with street tree planting and upgraded paving. There is limited room for outdoor dining due to the narrowness of the street but it is well suited to the types of businesses currently operating. Elizabeth Street is a less appealing environment. Most properties benefit from rear lane access.

PLC Croydon, located to the west of the centre own property along College Street. Its continued expansion may reduce the size of the centre, as it is assumed the properties would be used for the expansion of the school campus.

Centre map



Planning Controls

The centre is zoned B2 Local Centre under Ashfield LEP 2011. The floor space ratio is 1.5:1 across the centre. The height control is 10m. 'Light Industry,' 'artisan food and drink industry' and 'local distribution premises' are prohibited within the centre.

Development activity

No recent development activity identified.

Issues and recommendations

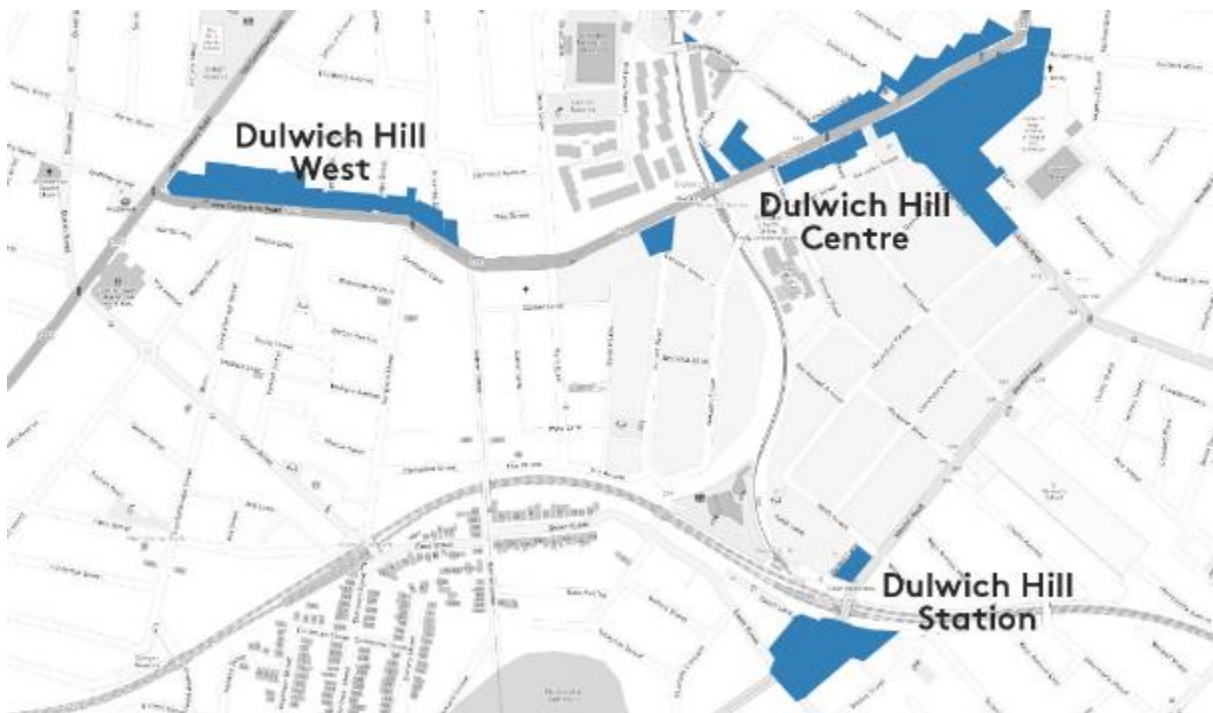
While there are vacancies within the centre, this is not considered to detract from the centre, given its primarily non-retail function. There is a perception however, that the centre does not have a defined role, due to office and business services being the predominant employment activity within the centre.

Recommendation:

Promote the centre as a location for office and other specialist services, with complementary uses to increase amenity for workers (eg open space and activities between the centre and the train station).

9.2.7 Dulwich Hill Centres

Dulwich Hill consists of the three centres as shown in the map below. They include Dulwich Hill centre, Dulwich Hill West and Dulwich Hill Station. The centres of Dulwich Hill West and Dulwich Hill centre are only separated by a 300m stretch of New Canterbury Road, while Dulwich Hill Station is located further to the south.



Dulwich Hill is undergoing considerable change, with investment in new transport infrastructure:

- Opening of the Inner West Light Rail line in 2014 connecting Dulwich Hill Station with key centres in the Inner West, Pyrmont and the Sydney CBD
- Construction of the Greenway, an active transport corridor, linking the three centres of Dulwich Hill and connecting them to the Cooks River and Iron Cove via the suburbs of Leichhardt, Lewisham, Haberfield and Summer Hill
- Construction of the Sydenham to Bankstown Metro conversion, which will result in Dulwich Hill Station being only 12 minutes from Central station and between 21 and 38 minutes from the strategic centres of North Sydney, Chatswood and Macquarie University.

A large number of new residential flat buildings and mixed-use developments have been built within Dulwich Hill, neighbouring Hurlstone Park and Canterbury. The draft *Inner West Housing Strategy* has flagged the need for additional dwellings to be accommodated in the vicinity of transport nodes in the Dulwich Hill area.

Of the three centres, Dulwich Hill centre has the most developed local character, being the oldest and most established. The centre is sited on Marrickville Road and preceded the centre at Dulwich Hill train station. Dulwich Hill West has historically had deteriorated building stock with high vacancy rates, but has experienced major renewal with new commercial floor space attracting tenants. This has reinvigorated the corridor.

A combined floor space audit has been prepared for the three centres and is shown below:

Category	GFA	Proportion
Occupied Retail Floorspace	14,135	56%
Supermarkets & Grocery Stores	1,150	5%
Specialty Food Stores	2,245	9%
Fast-Food Stores	600	2%
Restaurants	2,755	11%
Clothing Stores	705	3%
Hardware and Bulky Goods Stores	1,635	6%

Other Personal & Household Goods	2,800	11%
Selected Personal Services	2,245	9%
Supermarkets & Grocery Stores	1,150	5%
Occupied Non-Retail Floorspace	10,00	40%
Pubs, Taverns & Clubs	600	2%
Rental, Hiring & Real Estate Services	1,100	4%
Health Care & Social Assistance	2,000	8%
Financial & Insurance Services	900	4%
Administrative & Support Services	700	3%
Arts & Recreation Services	800	3%
Transport, Postal & Warehousing	500	2%
Other	3,500	14%
Vacant Space	990	4%
Grand Total	25,225	100%

Source: HillPDA Desktop Audit, 2019

A masterplan for the Dulwich Hill Centres

The strategic planning vision for the three Dulwich Hill centres was set prior to the opening of the light rail and the proposed Greenway and Metro projects. As a result, existing role and function of the centres and the respective planning provisions are not designed in line with the major changes that are underway.

It is crucial that Council prioritises the delivery of further studies to establish the future role of these three centres and determine where the boundaries of these centres may need to grow.

Recommendations:

- Capitalise on the benefits of the Sydney Metro, Greenway and Dulwich Hill Station upgrade (including *Dulwich Hill Station Detail Master Plan*) through preparing a Master Plan and identifying further opportunities for public domain enhancement, particularly if centres expand.
- Short term (prior to 2024)
 - Prepare a masterplan that considers the long-term strategic role of Dulwich Hill Centre and Dulwich Hill Station together with the delivery of Sydney Metro.
 - Increase the diversity of employment outcomes in proximity to the light rail and metro stations
 - Undertaking a feasibility tipping point analysis to determine controls required to secure commercial floorspace at ground floor and in podiums
 - Consolidating the number of applicable zones in the centre
 - Identify the economic impact of expanding the Dulwich Hill Station centre on the broader trade catchment.

Dulwich Hill Centre

Role and function

Dulwich Hill Centre is the largest of three centres within Dulwich Hill, providing an estimated 15,000sqm of employment floor space. It is located at the junction of New Canterbury and Marrickville Road. The precinct is well serviced by buses and the Dulwich Grove light rail stop is located on the western edge of the centre. Dulwich Hill Station is located a 10 to 15 minute walk from most locations within the centre and provides rapid

CBD access. The smaller centres of Dulwich Hill Station and Dulwich Hill west are within easy walking distance. The centre is also serviced by three at-grade council carparks.

The centre is made up of general retail, services, restaurants and cafes. The area has an IGA supermarket and a large specialist tool store. The centre includes three gyms, multiple bakeries, two butchers, two chemists, a florist, two fruit and vegetable shops, two bottle shops, two dry cleaners, many hairdressers, beauticians. The number of butchers has declined over the years. There tend to be more vacancies on the shops on New Canterbury Rd compared with Marrickville Road.

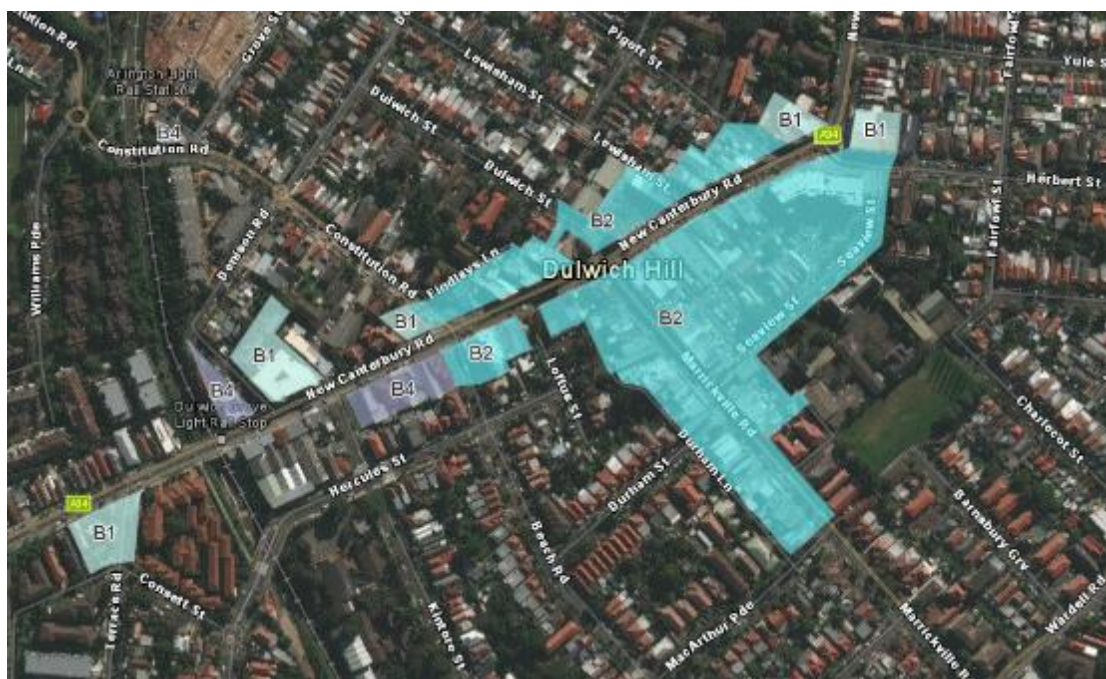
Dulwich Hill centre serves a primarily local catchment, though the centre's artisan food and restaurant sector draws visitors from further away. There have been a sizeable number of recent high density developments to the north and west of the centre, which has significantly increased the local catchment area population.

The built form comprises two and three story buildings featuring ground floor retail and commercial uses and residential or storage premises on the first and second floor. Due to the strong historic local character of the centre, a large part of it sits within a heritage conservation area. A number of these properties are in a poor condition. Newer development has resulted in the introduction of new retail spaces.

Some commercial spaces are orientated on busy New Canterbury Road affected by poor ambience, clearways, access and parking difficulties. The road has a general negative impact on the centre, impeding the ability to widen footpaths for activities such as outdoor dining and footpath trading. Marrickville Road has a better amenity due to lower traffic volumes. Dulwich Hill benefits from significant Council landholdings, currently used as carparks. These assets may provide future opportunities to enhance the centre's public domain.

Dulwich Hill Centre has experienced significant growth in the number of small bars and restaurants operating in the centre in recent years. Many of these premises include late trading hours. Dulwich Hill also has two live music venues including the Gladstone Hotel and Butchers Brew Bar.

Centre map



Planning Controls

Under Marrickville LEP 2011, the centre is predominantly B2 Local Centre with some areas zoned B1 Neighbourhood Centre and B4 Mixed Use. FSR ranges from 1.2:1 to 2.2:1 and height controls range from 11m to 17m. 'Light Industry' and 'artisan food and drink industry' are only permitted within the B4 Mixed Use portion of the centre. Local distribution premises are prohibited within the centre.

Development activity

Dulwich Hill has experienced considerable development activity from 2014 to 2019. Five major redevelopments have occurred during this period. Key points associated with this recent activity include:

- 503-507 Marrickville Road – DA201300264 (numbered 2 on the contextual map below)
Approved by Council on December 2013; a four-storey mixed use development containing a 277sqm ground floor commercial tenancy and a boarding house with 32 self-contained boarding rooms and communal living area. The site is approximately 19m wide with a frontage to Marrickville Road. Construction was completed in March 2017. The site was previously a single storey shopfront.
- 524 Marrickville Road – DA201400190 (numbered 4 on the contextual map below)
Approved by Council in December 2014; demolish part of the existing premises and carry out alterations and additions to the premises to create a four-storey mixed use development containing a ground floor commercial tenancy and four dwellings. The site is approximately 4.56m wide with a frontage to Marrickville Road. Construction was completed in March 2017. The site was previously a two storey shopfront, which has been partially retained.
- 550 Marrickville Road – DA201300339 (numbered 3 on the contextual map below)
Approved by Council in June 2014; a part five-part six storey mixed use development containing three ground floor commercial tenancies totalling approximately 229sqm of commercial floor space and 18 residential apartments over two levels of basement parking for 15 cars. The site has a 9.21m frontage to Marrickville Road. Construction was completed in June 2017. The site was previously a part two, part three level commercial building.
- 370 New Canterbury Road - DA201300222 (numbered 5 on the contextual map below)
Approved by Council in October 2013; a part five-part six storey mixed use development containing six ground floor commercial tenancies, totalling 668sqm of commercial floor space, and 68 residential apartments. The site has a wide 115sqm frontage which fronts New Canterbury Road, Herbert Street and Seaview Street on a corner site. Construction was completed in February 2016. The site was previously a series of two storey shopfronts wrapping around the corner
- 429 – 449 New Canterbury Road – DA201400477 (numbered 1 on the contextual map below)
Approved by Council in October 2015; alterations and additions to an existing building to develop a mixed use six storey development with seven commercial tenancies totalling 882sqm of commercial floor space, 70 residential apartments and 2 basement parking levels. The site has a wide frontage of approximately 13m fronting Dulwich Street, New Canterbury Road and Lewisham Street on a corner site. The site was previously a row of two storey commercial terraces.

The above developments have provided the centre with new commercial floor space as well as upgrades to the public domain which have benefitted the amenity of the centre.

The centre has seen a recent significant increase in small bars and restaurants, many of which operate late trading hours. Key late trading locations include:

- 514 Marrickville Road (numbered 1 on the contextual map below)
- 499 Marrickville Road (numbered 2 on the contextual map below)

- 380 New Canterbury Road (numbered 3 on the contextual map below).

The properties listed above all currently operate until 10pm or later. The operators of 514 Marrickville Road have recently changed their focus from being an all-day restaurant to a late night bar. 499 Marrickville Road has been operating as a small bar since 2018 and is approved for live music and other performances. 380 New Canterbury Road was originally opened as an artisan food manufacturer, retailer and restaurant; this has since been expanded to also include a micro-brewery.

Contextual Map



- Recently completed developments
- Recently approved late night trading premises

Issues and recommendations

A number of issues described below require further investigation. Some require planning control review, urban design studies and feasibility analysis. There is significant opportunity for the provision of large floor plate employment uses within the centre, through the utilisation of Council car parks and other key sites.

Opportunity to consolidate planning controls

Dulwich Hill currently consists of a mix of B2 Local Centre, B1 Neighbourhood Centre and B4 Mixed Use zonings.

Recommendations:

- Consolidate and rationalise the zoning in the centre and expand permissible uses.
- One property adjacent the Dulwich Grove Light Rail Station currently houses a restaurant and would be more appropriately zoned B2 Local Centre, to align with its existing use.

Capitalising on public space

The presence of three large car parks owned by Council provides an opportunity to further enhance this centre. Council has recently prepared a draft Inner West Land and Property Strategy that provides strategic direction for the management, review and decision making around Council assets. These assets can generate opportunity for increased utilisation for employment purposes.

Recommendations:

- Short term: Review DCP controls to have buildings sited to take advantage of improved public domain and increased pedestrian use for business opportunities.
- Medium/long-term: Undertake place-based study is required to define the ways that the centre should plan for retention and expansion of existing commercial uses.

Traffic Calming New Canterbury Road

New Canterbury Road is acting as an impediment to enhanced amenity for pedestrians and businesses fronting the road, due to its high speed limit and status as a classified road. It impedes opportunity for outdoor dining, footpath trading and creates noise and pollution impacts. The road is classified under the Roads Act 1993 and therefore not under Council control.

Recommendation:

- Explore options with NSW Transport to reduce the speed limit of the road and introduce calming measures to reduce the amenity impacts on Dulwich Hill centre.

Dulwich Hill West Centre**Role and function**

Dulwich Hill West centre is split between the Inner West and Canterbury Bankstown LGAs. The Inner West portion runs along the northern side of New Canterbury Road between the Canterbury Road intersection and Garnet Street. The centre is serviced by buses and Dulwich Grove Light Rail stop and Hurlstone Park railway station area both approximately 800m away. There is limited parking along this corridor.

The Dulwich Hill West centre consists of general retail, services, restaurants and cafes. It holds an ancillary role to Dulwich Hill Centre, with no major supermarket anchoring the centre.

The centre serves a local catchment area. There has been significant redevelopment within this centre, with high density mixed use development now dominating the streetscape on both sides of the road. This has increased the local catchment area population.

The centre is a mix of newer ground floor commercial floor space and older stock. The older stock is mostly in a poor condition. No heritage provisions apply to this centre.

Commercial spaces are orientated on busy New Canterbury Road affected by poor ambience, clearways, access and parking difficulties. Properties do not have rear-lane access which results in the need for driveway crossings. Clearways, at certain times of the day, impact on the ability for customers and suppliers to access businesses.

A role for this precinct is yet to be established due to the extent of change in the past few years. The recent development has resulted in the closure of many businesses and the loss of urban services floorspace. Many commercial spaces are still to be occupied, though there is evidence of recent take-up, and further redevelopment of key sites will add to new commercial floorspace.

Centre map



Planning controls

Under Marrickville LEP 2011, the centre is predominantly zoned B2 Local Centre with a small portion zoned B1 Neighbourhood Centre. FSR ranges from 1.2:1 to 1.75:1 and height controls range from 11m to 14m. 'Light Industry', 'artisan food and drink industry' and 'local distribution premises' are prohibited within the centre.

Development activity

Dulwich Hill West has experienced considerable development activity from 2014-2019. Within this period five major redevelopments have occurred. Key points associated with this recent activity include:

- 843 New Canterbury Road (numbered 1 on the contextual map below)
- 803-807 New Canterbury Road (numbered 2 on the contextual map below)
- 743 New Canterbury Road (numbered 3 on the contextual map below)
- 727 New Canterbury Road (numbered 4 on the contextual map below)
- 827 New Canterbury Road (shown on the contextual map below).

There are also a number of DAs involving large mixed use developments currently being assessed by Council in the Dulwich Hill West area. Key points associated with this recent activity include:

- 819 New Canterbury Road (numbered 3 on the contextual map below)
- 829A New Canterbury Road (numbered 2 on the contextual map below)
- 875-877 New Canterbury Road (numbered 1 on the contextual map below).

Contextual Map



Dulwich Hill Station Centre

Role and function

Dulwich Hill Station centre is located along a small stretch of Wardell Road on either side of the railway station, with the majority of the centre located on the southern side. Prior to 2014 the centre was served solely by Dulwich Hill train station but is now a light rail to rail interchange. In 2024 the railway line serving Dulwich Hill will be converted to a metro line, improving frequencies and travel times to the Sydney CBD and beyond. The centre has a carpark located along Ewart Lane, owned by Transport for NSW. The centre serves a primarily local catchment area.

The Dulwich Hill Station centre consists of general retail, services, restaurants and cafes. The small business sector of the centre is growing due to recent developments and is expected to experience continued growth in the future. The area has a small retail sector including also has laundromat, newsagency, two hairdressers, childcare centre & two health service businesses. The small business sector is growing due to recent developments and will continue to grow. With many of the local business operators moving into the retail spaces.

The northern portion of the centre is comprised of intact 20th Century buildings that are located within a heritage conservation area. The southern section is a mix of old, aging one story commercial buildings and five and six story recent developments that contain retail businesses on the ground floor and residential apartments above. The southern side of the rail line does not have heritage restrictions, and has a different character and scale from the north.

Unlike other centres in Dulwich Hill, this centre does not experience the amenity and accessibility impacts associated with being located on a main road, though the centre's existing public domain is fragmented and generally in poor condition. The southern portion of the centre is located on steep topography. There is

currently limited capacity to accommodate outdoor dining or provide a focal point or gathering space for the centre. Connectivity between the two sections of the centre is poor.

Council is currently planning for upgrades to the public domain through the preparation of the draft *Dulwich Hill Station Detail Master Plan*. Upgrades to the Station are also planned, including a second western entry between Bedford Street and Ewart Lane will greatly improve pedestrian connectivity across the centre.

Centre Map



Planning controls

Under Marrickville Local Environmental Plan 2011, the centre is zoned B1 Neighbourhood Centre. FSR ranges from 1.2:1 to 3:1 and height controls range from 14m to 23m. 'Light Industry', 'artisan food and drink industry' and 'local distribution premises' are prohibited within the centre.

Development Activity

Dulwich Hill Station has experienced considerable development activity, with four major redevelopments from 2014-2019. Key points associated with this recent activity include:

- 263 Wardell Road (numbered 1 on the contextual map below)
- 264 Wardell Road (numbered 4 on the contextual map below)
- 252-258 Wardell Road (numbered 3 on the contextual map below)
- 6-12 Dudley Street (numbered 2 on the contextual map below)

Contextual Map



Issues and recommendations

The issues below require investigation to define the nature and details of future actions. Some require planning control review, urban design studies and feasibility analysis.

Other issues to be resolved through the harmonisation of planning instruments (eg permissibility of ‘artisan food and drink industry’ in centres) are explored in detail in Chapter 9 Planning Review.

Rezone Centre from B1 Neighbourhood Centre to B2 Local Centre

The delivery of Sydney Metro Sydenham to Bankstown will increase the capacity of the exiting public transport network creating opportunity to grow housing and jobs near transport services. The growth of the centre would also be consistent with the housing strategy, which is proposing an additional 380 to 460 dwellings.

The centre is currently zoned B1 Neighbourhood Centre, whilst having floor space ratio and height controls that do not align with the low intensity intent of the zone. It would be appropriate to align zoning with other centres, with B2 Local Centre being the most appropriate zone.

Recommendation:

Rezone Dulwich Hill Station from B1 Neighbourhood Centre to B2 Local Centre.

Capitalising on public domain upgrades

The draft *Dulwich Hill Station Detail Master Plan*, if implemented, will improve the public domain of the centre.

Recommendations:

- Short term: Review DCP controls to have buildings sited to take advantage of improved public domain and increased pedestrian use for business opportunities.
- Medium term: a place-based study is required to continue the programme of delivering public domain outcomes if the footprint of the centre expands.

Expand footprint of Centre

Recommendation:

- Consider expanding footprint of Centre, based on the outcome of a future master plan for the three Dulwich Hill centres.
- Identify amenity and streetscape-based improvements to connect the centre across the bridge to the north.

Introduction of office floor space

Planned development suggests job increases necessary to support growing residential population.

Recommendations:

- In the medium term, develop a place-based study to define the ways that this centre should plan for retention of and expansion of commercial uses
- Identify areas for potential office floorspace to meet projected demand
- Safeguard existing employment from inappropriate residential development.

9.2.8 Haberfield

Role and function

Haberfield centre is located at the intersection of Ramsay and Dalhousie Streets and provides an estimated 8,000sqm of employment floor space. The centre is serviced by a number of bus routes. Council owns three properties within or adjacent to the centre, used as at-grade open car parks as well as providing recreational space.

The Haberfield centre contains general retail, boutique retail, services, restaurants and cafes. The area has an Italian speciality IGA supermarket, restaurants, cafes, a bottle shop, pharmacy, post office and butcher shop. The centre specialises in independent food retail including a large deli, cheese shop, three cake stores, two pasta retailers and two bread shops. The precinct also features two high end designer jewellery stores, four hairdressers, tailor, nail shop and a large gym.

It has a primarily local catchment area, though a number of Italian speciality shops and restaurants attract visitors from outside the local area.

Haberfield has experienced an increasing number of commercial vacancies. There has been limited growth in the population in the suburb of Haberfield with minimal growth identified in the draft *Inner West Local Housing Strategy*. This creates longer term challenges in terms of attracting visitors from further afield.

The low scale and largely original early 20th Century architecture provides the centre with appeal. The properties are also well serviced by rear lane access. The centre does not experience the level of through traffic experienced by other centres within the Inner West LGA which means fewer customers from passing trade but also provides the centre with better amenity.

The suburb, including the local centre is a heritage conservation area. The public domain is of a high standard. The building stock consists mostly of aging one and two story commercial buildings. Many of these buildings are currently vacant.

Under Ashfield LEP 2013, Haberfield is zoned B2 Local Centre. The centre has a height limit of 10m and a floor space ratio of 1:1. 'Light Industry,' 'artisan food and drink industry' and 'local distribution premises' are prohibited within the zone.

Category	GFA	Proportion
Occupied Retail Floorspace	4,685	55%
Supermarkets & Grocery Stores	1,360	16%
Specialty Food Stores	620	7%
Restaurants	870	10%
Clothing Stores	75	1%
Hardware and Bulky Goods Stores	835	10%
Other Personal & Household Goods	925	11%
Occupied Non-Retail Floorspace	3,340	39%
Rental, Hiring & Real Estate Services	200	2%
Health Care & Social Assistance	700	8%
Financial & Insurance Services	300	4%
Administrative & Support Services	100	1%
Arts & Recreation Services	100	1%
Transport, Postal & Warehousing	300	4%
Other	1,640	19%
Vacant Space	500	6%
Grand Total	8,525	100%

P19073 Inner West Retail and Employment Lands Study

Development activity

No recent development activity has been identified.

Issues and recommendations

Outdoor dining

Haberfield would be an attractive location to expand footpaths to accommodate for outdoor dining and footpath trading. Given the relatively high level of vacancies, the flexibility of use of these spaces should be explored so that the widened footpaths are put to use even when the adjoining properties are vacant.

Recommendation:

Engage with local businesses to understand their needs and whether there would be a take-up of these spaces if provided. Explore examples nearby such as Concord and Five Dock.

9.2.9 Lewisham Station

Role and function

Lewisham is a small centre located adjacent to the southern side of Lewisham Station, with an entrance to the station located on the footpath adjacent a row of commercial premises. It is located on Victoria Street, Lewisham, extending from Railway Terrace to Jubilee Street, with an additional site at the corner of Victoria Street and Henry Street. It provides approximately 2,500sqm of employment floor space. Street parking is available. Other public transport options available to the centre include Lewisham West light rail stop, approximately 500m or a six minute walk to the west as well as bus services along Parramatta Road.

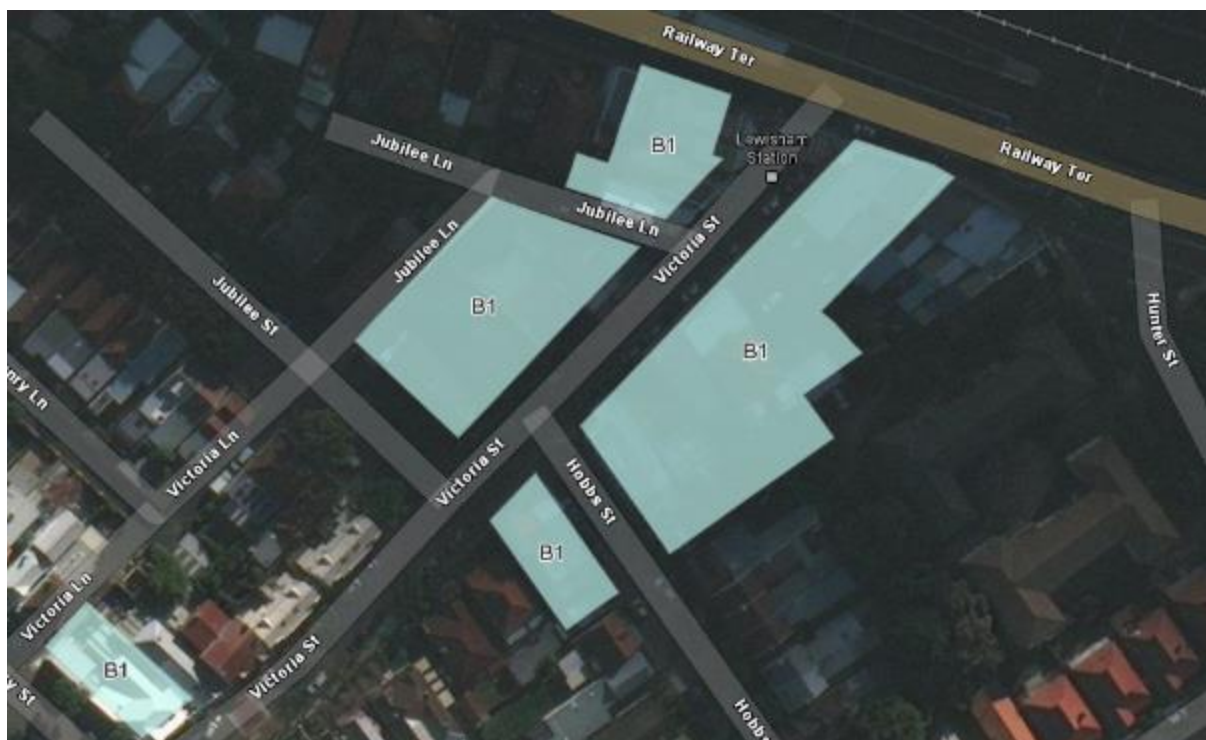
The centre is relatively minor, providing retail and business services to the local population including two cafes, a grocery store, a laundromat, two convenience stores and two other shops. Of the 24 lots within the centre, eight are readily identified as being utilised for retail or business services, six for residential purposes and the remaining 10 are either vacant, or are former shopfronts being utilised for residential purposes.

The centre benefits from passing foot traffic accessing Lewisham Station, specifically coming from the local residential population, Christian Brothers High School, Lewisham Public School and the increasing residential density at Lewisham West.

The majority of the centre is located within the Lewisham Estate heritage Conservation Area. There are no specifically listed items within the centre. The public domain is in an acceptable condition. Improvements would be beneficial to the amenity of the centre. Building stock is largely made up of single and two storey early 20th century shop fronts which are mostly in poor condition. A number of the shopfronts retain their original ground floor shop frontage to the street, a unique feature of the centre.

Commercial uses in the centre have seen a relative decline, with a number of businesses closing and shop fronts appearing to be vacant, including five shops in a row along the western side of Victoria Street.

Centre map



Planning Controls

The centre is zoned B1 Neighbourhood Centre under Marrickville LEP 2013. The floor space ratio and height controls range from 11m-17m and 1.2:1-2:1.

'Light Industry,' 'artisan food and drink industry' and 'local distribution premises' are prohibited within the centre.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	1,965	73%
Supermarkets & Grocery Stores	350	13%
Specialty Food Stores	25	1%
Restaurants	50	2%
Clothing Stores	800	30%
Hardware and Bulky Goods Stores	515	19%
Other Personal & Household Goods	225	8%
Occupied Non-Retail Floorspace	520	19%
Rental, Hiring & Real Estate Services	170	6%
Health Care & Social Assistance	150	6%
Arts & Recreation Services	200	7%
Vacant Space	200	7%
Grand Total		100%

Source: HillPDA Desktop Audit, 2019

Development activity

A development application was approved in 2016 for 29-31 Railway Terrace, application DA201500333. The five-storey project is to consist of four retail spaces on the ground floor and 18 apartments above. It will replace a single storey commercial building. Construction has yet to commence.

Issues and recommendations

FSR and height mismatch

Height and FSR development standards throughout the centre vary greatly and have little relationship to heritage constraints and existing improvements to sites.

The sites 14, 16 and 18 Victoria Street are single detached dwellings, located in a conservation area and have heritage significance. The height limit for these sites is 17m and the FSR limit is 2:1. These limits seem excessive for single dwellings and are unlikely to ever be realised. The typical height and FSR limits for single dwellings of this character in the surrounding area are 9.5m and 0.6:1 (up to 1.1: under clause 4.4(2A) of the MLEP 2011).

The sites 3, 5, 7, 9 and 11 Victoria Street are a row of two, two storey shopfronts and two single storey dwellings. These sites are also located in the conservation area. Similarly, these sites also have a 17m height limit, however the FSR limit is lower, at 1.8m. All improvements on these sites display heritage significance and like the previous case, are unlikely to reach these development standards.

Sites that are considered to have more appropriate development standards are those on the northern corner, 2, 6, 6A, 8 and 8A Victoria Street and 11 and 13 Victoria Street. These sites contain two storey federation shopfronts, are located in the conservation area and have a height of 11m and an FSR of 1.2:1. This is considered appropriate for a conservation area, as the sites are heritage significant and this is protected by the controls.

Recommendation:

- Review LEP and DCP controls applying to this centre.

Purpose built dwellings within the centre

There are a number of purpose-built dwellings within the centre that are zoned B1. These include Victorian and Federation detached and attached dwellings. The sites are located within a conservation area and are unlikely to be substantially redeveloped. The building typologies do not lend themselves to many commercial uses, unlike other dwellings in the centre that have been converted from shopfronts.

Recommendation:

- Rezone dwellings to match their current use as residential.

High vacancies

Historically, this centre has had a high number of vacancies. The centre faces competition from the more vibrant and attractive Summer Hill and Petersham centres. Even with strong population growth, it now has additional competition from the new retail spaces in Lewisham West. The new retail spaces at Lewisham West are more attractive, with new space fronting a more attractive, north facing public domain.

Lewisham is highly constrained due to limited pedestrian and vehicle access from surrounding areas, narrowness of footpaths and negative impacts from the train line elevated above the centre.

There is the possibility to explore ways to improve connectivity between Lewisham West and the rail station, so that a formalised pedestrian route runs along Victoria Street. In addition, there is potential for the closure of the end of Jubilee Lane to provide new public space.

Recommendations:

- Improve pedestrian connectivity and amenity between the centre and Lewisham West.
- Consider the closure of Jubilee Lane to provide for enhanced public domain.

Role of centre

Due to the constraints associated with the Centre and competition from surrounding centres, there is the potential that Lewisham could specialise in office space and business services rather than retail. The appeal of this centre for these uses could grow following site redevelopment.

Recommendation:

Economic Development Strategy should consider how to strengthen the role of this centre as a location for office and other specialist services.

9.2.10 Lilyfield Road Precinct

Role and function

The Lilyfield Road Precinct represents three sites on the corner of Gordon Street and Lilyfield Road Rozelle. It is in close proximity to Victoria Road and opposite land that has been acquired for the construction of the Rozelle Interchange as part of the final stage of WestConnex.

Currently, the precinct contains a block of 35 apartments with ground floor office space and two large warehouse buildings.

Centre map



Planning controls

The precinct is zoned B2 Local Centre under Leichhardt LEP 2013. The floor space ratio control applying to the precinct is 1:1. A maximum floor space ratio of 1.5:1 can be achieved, subject to a number of considerations

including that all floor space on the ground floor of the building facing the street is used for a purpose other than residential accommodation. 'Light Industry' and 'artisan food and drink industry' are permitted within the zone. Local distribution premises are prohibited within the zone.

Issues and recommendations

Rezone precinct appropriately

A B2 Local Centre zone is not appropriate for these three isolated sites.

Recommendation:

- Rezone 47-51 Lilyfield Road from B2 Local Centre to B1 Neighbourhood Centre to better reflect its role.
- Rezone 55 Lilyfield Road and 30 Gordon Street (currently zoned B2 Local Centre) to B5 Business Development in line with their current uses and the proposed retail hierarchy.

9.2.11 Marion Street Centre

Role and function

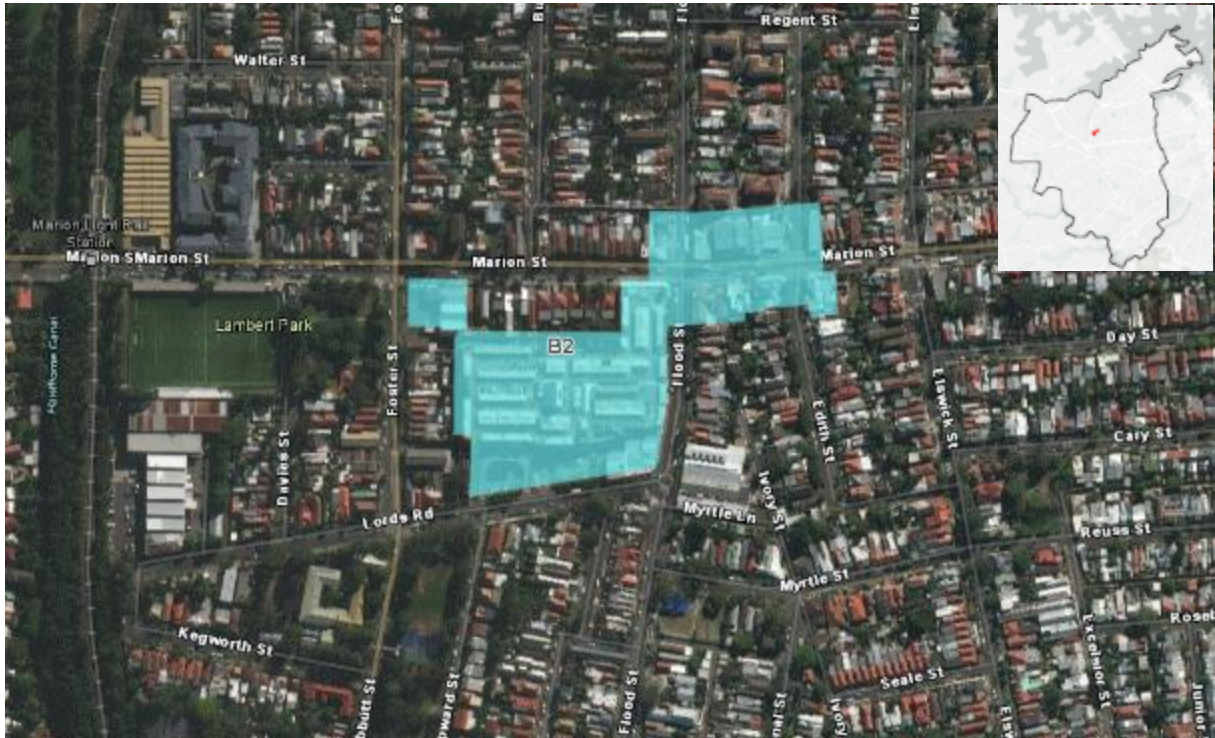
Marion Street Centre is located along Marion and Flood Streets in Leichhardt and provides an estimated 15,000sqm of employment floorspace. The centre is dominated by Leichhardt Marketplace shopping centre. It is serviced by numerous bus routes and is situated approximately 500m from Marion light rail stop. Leichhardt Marketplace contains a large car park. Marion Street centre benefits from being in close proximity to the inner west greenway, which makes it an appealing location for employment due to proximity to active transport.

The centre consists of general retail, services, a pub, restaurants and cafes. Leichhardt Marketplace has a Woolworths and Aldi supermarket, as well as a Target discount department store.

Marion Street has a wide catchment area that draws from Leichhardt itself, surrounding suburbs, and further afield. Major redevelopment of a former industrial site south of the centre, located between George and Upward Streets, has increased the local catchment area population. The Centre also draws customers from key surrounding industrial precincts.

The centre building stock is made up of older shop top commercial buildings and the newer Marketplace shopping centre. The building stock is generally in a reasonable condition. The public domain is of a good standard, though the centre lacks an outdoor public meeting space. Currently, the front entrance and forecourt of the mall itself acts as an important meeting place for the community.

Centre map



Planning controls

Under Leichhardt LEP 2013, the centre is zoned B2 Local Centre. A maximum floor space ratio of 1.5:1 can be achieved, subject to a number of considerations including that all floor space on the ground floor of the building facing the street is used for a purpose other than residential accommodation. 'Light Industry' and 'artisan food and drink industry' are permitted within the zone. Local distribution premises are prohibited within the zone.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	14,934	89%
Supermarkets & Grocery Stores	5,623	34%
Specialty Food Stores	400	2%
Fast-Food Stores	500	3%
Restaurants	650	4%
Department Stores	3,961	24%
Clothing Stores	1,300	8%
Other Personal & Household Goods	1,300	8%
Occupied Non-Retail Floorspace	1,150	7%
Health Care & Social Assistance	350	2%
Financial & Insurance Services	350	2%
Other	450	3%
Vacant Space	690	4%
Grand Total	16,774	100%

Employment floor space demand

The Section 7 forecast for demand and supply of retail floor space shows that an additional 9,000sqm (approx.) of retail floor space (gross lettable area) is required by 2036 in the centre.

In addition to the above, it is forecast that an additional 24,060sqm of non-retail commercial space (predominantly office space) will need to be accommodated across Leichhardt and Annandale suburbs, over the next 18 years (2018-2036). This forecast will need to be reviewed to carefully understand the nature of the demand and how to accommodate for this.

Development activity

No significant redevelopment has occurred within the centre in the past five years. There has been a recent development application submitted by the owners of Marketplace Leichhardt to have trading hours within the shopping centre extended. Currently, trading hours are limited.

Issues and recommendations

Draft Housing Strategy

The draft *Inner West Local Housing Strategy* identifies Marion Street Centre as an opportunity for additional 300 to 700 dwellings (noting the key determining site will be what occurs at Leichhardt Marketplace).

Recommendation:

- Prepare a place-based study for the Marion Street Precinct as recommended by the draft *Inner West Local Housing Strategy* (refer to draft Housing Strategy for details)

Rezone commercial properties zoned R1 General Residential

Three commercial buildings, currently zoned R1 General Residential, located from 47-59 Flood Street adjoin the centre, one of which contains the Boomali Aboriginal Artists Co-Operative.

Recommendation:

Rezone the buildings with employment uses currently zoned R1 General Residential to B2 Local Centre.

9.2.12 Marrickville Metro

Role and function

Marrickville Metro centre is located between Edinburgh, Edgeware and Victoria Roads at the eastern edge of Marrickville and currently provides an estimated 20,500sqm of employment floor space. The precinct wholly accommodates the Marrickville Metro Shopping Centre. The centre acts a regional shopping centre for the area. It consist of approximately 94 stores. These include small speciality stores, food and drink premises, business premises, medical consulting facilities and larger supermarkets and retailers including, Woolworths, Aldi and Kmart. The centre also has large rooftop car park.

The centre is currently undergoing an expansion which includes alterations and additions to the existing centre, as well as construction of the site across the road known as the Edinburgh Road site. The expansion will add 21,780sqm to the employment floor space of the centre, more than doubling the current provision.

The expanded centre will have a new focus on restaurants, cafes and other food and drink premises as well as a number of shop or business premises and a Coles supermarket. It is scheduled to be completed in late 2020.

Marrickville Metro centre has a wide catchment area that draws from Marrickville itself, surrounding suburbs, and further afield. It competes with other local centres including Marrickville, Newtown, as well as other shopping centres further afield including Leichhardt Marketplace, Broadway and Ashfield.

The building stock is a mix of the original wool mill brick buildings, a heritage listed old Mill House and the newer additions added when the site was converted into a mall in the 1980s. The building stock is in a poor condition, while public domain is of a reasonable quality, both of these will be upgraded as part of the 2020 extension and redevelopment.

The site is generally well tenanted with a low vacancy rate. The expansion can be considered a product of the success of the centre and the increasing demand for employment floor space of this type.

The centre is serviced directly by two bus routes which stop directly at the centre, the 308 with connections to Redfern and the 352 to Bondi Junction. A number of other bus stops are also in walking distance to the centre. St Peters railway station is located approximately 1km east of the centre, an approx. 13 minute walk.

Centre map



Planning controls

The precinct consists of only two sites, the larger Victoria Road site which hosts the existing Marrickville Metro Centre and the smaller Edinburgh Road site which will accommodate the expansion of the centre currently under construction.

The Victoria Road is zoned B2 Local Centre. This permits a wide range of commercial land uses which are appropriate for the centre. The B2 zoning also permits residential land uses on the site, however an application has not been lodged for such uses and the owners of the site, AMP Capital, have previously stated they do not anticipate taking advantage of this permitted land use. It has a floor space ratio of 0.75:1 and a height control of 14m. Both of these standards would either be reached or exceeded by the current improvements on site.

The Edinburgh Road site is zoned IN1 General Industrial. This zoning is a hangover from the previous use of the site prior to the Part 3A approval of the site to expand the shopping centre. This zone no longer reflects the intended use of the site.

In order to address this, a planning proposal is currently under consideration by Council to include the following additional permitted uses on site; retail premises, business premises and medical centres. This will permit the desired land uses on site, whilst not leaving the site open to the potential for conversion into residential.

Alike the rest of the IN1 zoned land adjacent and throughout Marrickville, there is no height limit assigned to the site, only an FSR development standard of 0.95:1. The inclusion of a height limit would be considered suitable, as the use on site will no longer be industrial.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	19,136	94%
Supermarkets & Grocery Stores	5,767	28%
Specialty Food Stores	750	4%
Fast-Food Stores	750	4%
Restaurants	850	4%
Department Stores	7,019	34%
Clothing Stores	1,500	7%
Other Personal & Household Goods	1,400	7%
Selected Personal Services	1,100	5%
Occupied Non-Retail Floorspace	1,080	5%
Health Care & Social Assistance	390	2%
Financial & Insurance Services	490	2%
Other	200	1%
Grand Total	20,416	100%

Source: HillPDA Desktop Audit 2019

Employment floor space demand

The Section 7 forecast for demand and supply of retail floor space shows that an additional 33,500sqm (approx.) of retail floor space (gross lettable area) is required by 2036 across the Marrickville (below) and Marrickville Metro centres. Demand for retail floor space already outstrips supply.

The proposed Marrickville Metro expansion will provide 21,780sqm in floor space.

In order to cover the rest of the 11,500sqm shortfall in retail floor space, additional retail floor space will need to be accommodated across the remainder of Marrickville.

In addition to the above, it is forecast that an additional 26,000sqm of non-retail commercial space (predominantly office space) will need to be accommodated across Marrickville over the next 18 years (2018-2036). This forecast will need to be reviewed to carefully understand the nature of the demand and how to accommodate for this.

Development activity

There has been major development activity on site with a state significant development being approved through the Part 3A mechanism. This approval and modifications are discussed below.

MP09_0191 – Marrickville Metro

On 19 March 2012 the NSW Planning Assessment Commission (PAC) approved “Extension to the existing Marrickville Metro Shopping Centre to include an additional level of retail floor space with an additional level of parking above, construction of a new building comprising 2 levels of retail with 2 levels of parking above (12-55 Edinburgh Road).”

There have since been eight modifications to the approval. Some of the key changes include;

- Removal of additional street trees,
- Administrative errors on the consent,
- Introduction of a pedestrian bridge between the two buildings,
- Extension of hours for ground floor premises facing Smidmore Street
- Introduction of a paid parking scheme,
- Changes to the road alignment and public domain on Smidmore Street, and
- Redistribution of floor space from the Victoria Road site to the Edinburgh Road site.

At the time of writing this, another modification was lodged with the department of planning. Details are limited to the conditions of approval that will be affected. These include the development description and GFA allocation, the design plans approved and the traffic committee approval requirements.

Issues and recommendations

The IN1 General Industrial zoning of the Edinburgh Road site is no longer appropriate and does not permit the wide range of retail and other commercial uses that the site is being developed for. While a planning proposal is currently under consideration to allow additional permitted uses on site, amending the zone so that it aligns with the intent of the site is considered more appropriate. The zoning should allow the widest range of retail and other commercial uses possible, whilst limiting residential uses.

Recommendation:

Rezone the land comprising the extension of Marrickville Metro from IN1 General Industrial to B2 Local Centre.

9.2.13 Marrickville Centre

Role and function

Marrickville Centre is oriented along a 2km stretch of both Marrickville and Illawarra Roads and provides an estimated 44,500sqm of employment floorspace. The centre is serviced by Marrickville railway station and numerous bus routes. In 2024 the railway line serving Marrickville will be converted to a metro line, improving frequencies and travel times to the Sydney CBD and beyond. Council owns a number of properties in the centre, including Marrickville Town Hall, the new Marrickville library site and three car parks.

The centre consists of general retail, services, commercial offices, pubs, restaurants and cafes. Marrickville has a number of, both Asian and European, specialist supermarkets and independent grocers, including the large Banana Joe’s Foodworks store. The centre also contains a large standalone Woolworths supermarket.

Marrickville Centre’s general retail outlets serve a primarily local catchment area, as the large Marrickville Metro shopping centre is situated just over a kilometre away. The centre’s speciality food outlets, restaurants and cafes draw visitors from further afield. Marrickville Centre’s significant late-night and live music offerings

also attract patrons from outside the traditional catchment area. The centre serves the nearby Carrington Road and the Marrickville-Sydenham industrial precincts with services and amenities.

Marrickville centre is partially located within a heritage conservation area. The built form is varied, with a predominance of older low scale buildings and new higher density mixed use developments. The public domain of the centre is of a reasonable standard. The 2019 redevelopment of the former Marrickville Hospital site with a new plaza, library, multipurpose pavilion, public park, cafe and children's play area (shown on the contextual map below) provides an attractive new addition to the Centre. Council's *Marrickville Road (East) Public Domain master plan* (2018) provides for upgrades along Marrickville Road, while Council also plans to upgrade Alex Trevallion Plaza.

The area has a strong Greek and Vietnamese presence, which is reflected in the areas speciality food retailers, restaurants and cafes. This gives the area a distinct personality which attracts people from outside the local catchment area.

Marrickville Centre also has an important late-night trading and live music sector. These venues vary in terms of their size and characterisation, with some involving pubs with live music while others are more specialised live music venues. The specialised live music venues are shown on the contextual map below, and include: Marrickville Ritz (1), Lazybones (2) and Gasoline Pony (3). The healthy night-time economy of the centre attracts visitors from far outside the traditional catchment zone. Parking needs are met by on-street parking in surrounding streets as well as council owned carparks.

Strategic context

Marrickville is undergoing considerable change, with investment in new transport infrastructure, notably the construction of the Sydenham to Bankstown Metro conversion, which will result in Marrickville Station at the southern end of the Centre, being only 10 minutes from Central station and between 19 and 36 minutes from the strategic centres of North Sydney, Chatswood and Macquarie University.

A large number of new residential flat buildings and mixed-use developments have been built within Marrickville and neighbouring Dulwich Hill. The draft *Inner West Local Housing Strategy* has flagged the need for additional dwellings to be accommodated in the vicinity of transport nodes in the Marrickville area. A substantial number of new dwellings are proposed at the recently rezoned Victoria Road precinct.

The District Plan describes Marrickville to be *"emerging as a focal point for boutique breweries, coffee roasters and other artisans, and there is a breadth of unique, small-scale cultural and arts experiences. These assets have the potential to add a new and unique face to the tourist economy."*

Centre map



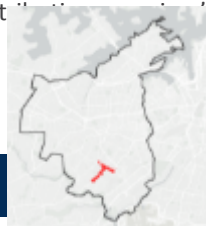
Planning controls

Under Marrickville LEP 2011, Marrickville centre is zoned B2 Local Centre. The majority of the area has an FSR of 2:5:1. The centre has height limits that range from 20-26m.

Unlike B2 Local Centre zoned land in the former Leichhardt LGA, the B2 Local Centre zone in Marrickville does not permit light industry, including artisan food and drink industry. This places on pressure for these low impact activities to locate in the industrial zones rather than within Marrickville Centre. 'Local dist' uses are also prohibited in the zone.

Floorspace

Category	GFA	
Occupied Retail Floorspace	27,650	62%
Supermarkets & Grocery Stores	5,050	11%
Specialty Food Stores	5,010	11%
Restaurants	4,295	10%
Clothing Stores	2,240	5%
Hardware and Bulky Goods Stores	1,950	4%
Other Personal & Household Goods	5,610	13%
Selected Personal Services	3,495	8%
Occupied Non-Retail Floorspace	14,830	33%
Rental, Hiring & Real Estate Services	900	2%
Health Care & Social Assistance	5,000	11%
Financial & Insurance Services	2,655	6%
Arts & Recreation Services	1,400	3%



Other	4,875	11%
Vacant	2,070	5%
Total	44,550	

Source: HillPDA Desktop Audit 2019

Employment floor space demand

The Section 7 forecast for demand and supply of retail floor space shows that an additional 33,500sqm (approx.) of retail floor space (gross lettable area) is required by 2036 across the Marrickville (below) and Marrickville Metro centres. Demand for retail floor space already outstrips supply.

The proposed Marrickville Metro expansion will provide 21,780sqm in floor space.

In order to cover the rest of the 11,500sqm shortfall in retail floor space, additional retail floor space will need to be accommodated across the remainder of Marrickville.

In addition to the above, it is forecast that an additional 26,000sqm of non-retail commercial space (predominantly office space) will need to be accommodated across Marrickville over the next 18 years (2018-2036). This forecast will need to be reviewed to carefully understand the nature of the demand and how to accommodate for this.

Development activity

From 2014-2019 Marrickville centre has experienced significant, mostly mixed-use and residential, development activity. Major redevelopments are shown on the contextual map and listed below. Recently completed major developments include:

- 2 - 8 Arthur Street – DA201500242 (numbered 4 on the contextual map below)
Approved in November 2016; demolition of improvements on site, consolidation of land into one allotment and construction of a seven storey residential flat building with 38 dwellings and two basement parking levels. The site has a frontage of 43m to Arthur Street. Construction was completed in July 2019. The site was formally a row of single storey post war dwellings.
- 236 Illawarra Road – DA 201500628 (numbered 3 on the contextual map below)
Approved in March 2017; demolition of improvements on site, consolidation of lots into a single allotment and construction of a six storey mixed use development including a 223sqm commercial tenancy, 30 residential apartments and two basement car parking levels. The site has a frontage of 18.2m to Illawarra Road. Construction is currently underway at the time of writing. The site was formally a pair of two storey commercial buildings including ground floor retail.
- 380-382 Illawarra Road – DA201400110 (numbered 5 on the contextual map below)
Land & Environment Court approved in July 2015; demolition of improvements on site, consolidation of two lots in one and construction of a six storey mixed use development comprising four ground floor commercial providing 243sqm of commercial floor space, 31 residential apartments and 27 parking spaces across two basement levels. The site has a frontage of 62.8m to Illawarra Road and Church Street on a corner site. The site was formally a pair of single storey dwellings.
- 392 Illawarra Road – DA201600221 (numbered 10 on the contextual map below)
Approved November 2016; partial demolition of existing improvements on site, consolidation of three lots into one, retention and restoration of two, two storey traditional shopfronts and construction of a six storey mixed use development containing 98.6sqm of commercial floor space across two ground floor tenancies, ground floor car parking for 11 cars and 14 residential apartments. The site has a 51.5m frontage to Illawarra Road and Warren Road. Construction is underway at time of writing. The site was previously occupied by a row of two storey traditional shop fronts.
- 401-405 Illawarra Road – DA201600021 (numbered 6 on the contextual map below)
Approved in November 2016; demolition of existing improvements on site and construction of a six storey mixed use building providing 98sqm of commercial floor space in a ground floor tenancy, 21 residential apartments and a basement car parking level. The site has a 10.75m frontage to Illawarra Road. Construction is underway at time of writing. The site was previously occupied by a row of two storey shopfronts.
- 407-409 Illawarra Road – DA201400549 (numbered 7 on the contextual map below)
Approved in July 2015; partial demolition of improvements on site and construction of a five storey mixed use development including 175sqm of commercial floor space across two ground floor tenancies, 12 residential apartments and four car parking spaces on ground floor. The site has a 12.4m frontage on Illawarra Road. Construction was completed in May 2019. The site was previously occupied by a row of two storey traditional shop fronts.
- 411-413 Illawarra Road – DA201200601 (numbered 8 on the contextual map below)
Approved in July 201; demolition of existing improvements on site and construction of a four storey mixed use development including 81.8sqm of commercial floor space in a ground floor tenancy, 11 residential apartments and five parking space on the ground floor. The site has a 12m frontage on Illawarra Road. Construction was completed in June 2015. The site was previously occupied by a pair of semi-detached dwellings.

- 415-421 Illawarra Road – DA201200486 (numbered 9 on the contextual map below)
Approved June 2013; demolition of existing improvements on site and construction of a six storey mixed use development including 404sqm of commercial floor space across four ground floor tenancies, 32 residential apartments and a basement parking level. The site has a 24.4m frontage to Illawarra Road. Construction was completed in September 2016. The site was formally a row of two, two storey commercial buildings.
- 313-319 Marrickville Road & 174-186 Livingstone Road – DA201600434 (numbered 1 on the contextual map below)
Approved in August 2017; redevelopment of the former Marrickville Hospital site, including alterations and adaptive reuse of the former hospital buildings into a new community hub, library, pavilion, café, and children's play area. Also includes the development of three residential flat buildings ranging from 12 to nine storeys with a total of 223 residential apartments (9 affordable). A new public square is also to be provided at the corner of Marrickville Road and Livingston Road. The site has a frontage of 368m, fronting Lilydale Street, Marrickville Road and Livingston Road. Construction was completed in August 2019.
- 326-330 Marrickville Road – DA201500499 (numbered 2 on the contextual map below)
Approved in April 2016; retention of existing front portion of the building and demolish remainder and construction of a six storey mixed use development including 300sqm of commercial floor space across two commercial tenancies, one facing each street frontage, 39 residential apartments and 2 basement car parking levels. The site has a 15.49m frontage to Marrickville road and the same to Touhy Lane. Construction is underway at time of writing. The site was previously occupied by a single storey commercial building.

Recently approved major developments include:

- 412-414 Illawarra Road – DA201800042 (numbered 1 on the contextual map below)
Land & Environment Court approved in December 2018; demolition of existing improvements on site and construction of a five storey mixed use development including 208sqm of commercial floor space across two commercial tenancies, one on each frontage, nine residential apartments and a level of basement car parking. The site frontage is approximately 43.3m to Illawarra Road and Warren Road. Construction had not yet commenced at time of writing. Existing improvements of site include two, two storey shopfronts.
- 423-425 Illawarra Road – DA201600550 (numbered 3 on the contextual map below)
Approved in April 2017; demolition of existing improvements on site and construction of a six storey mixed use development including 131.3sqm of commercial floor space across two Illawarra Road facing tenancies, 18 residential apartments and a basement car park. The site frontage is 12.19m on Illawarra Road. Construction had not yet commenced at time of writing. The site formally accommodated two semi-detached dwellings.
- 59 Warren Road – DA201800235 (numbered 2 on the contextual map below)
Approved in November 2018; demolition of existing improvements on site and construction of a five storey mixed use development including 71sqm of commercial floor space within a ground floor tenancy and a 20 room boarding house with ground level car parking. The site has a frontage of 12m to Warren Road. At time of writing construction had not commenced. The site is occupied by a single detached dwelling.
- 265-273 Illawarra Road – DA201700349 (numbered 4 on the contextual map below)
Land & Environment Court approved in October 2018; demolition of existing improvements on site and construction of a six storey mixed use development including 596sqm of commercial floor space across four ground floor tenancies, 47 residential apartments and two levels of basement car parking. The site

has a frontage of 70.6m to Illawarra Road and Marrickville Lane. At time of writing, construction had not commenced. The site is occupied by a two storey commercial building.

Currently being assessed developments include:

- 391 Illawarra Road – DA201800498 (numbered 2 on the contextual map below)
Proposes a five storey mixed use building including retention of the existing two storey commercial shopfront on site and the 54.7sqm commercial tenancy and five residential apartments above. The site has a frontage of 5.3m to Illawarra Road and is currently occupied for a two storey traditional shop front.
- 437 Illawarra Road – DA201800560 (numbered 1 on the contextual map below)
Proposes partial retention of the traditional shop fronts on site and construction of a six storey mixed use development including 111sqm of commercial floor space within a ground floor tenancy, 18 residential apartments and two levels of basement car parking. The site has a frontage of 56.6m to Illawarra Road and Warren Road.
- 387-389 Illawarra Road – DA201900287 (numbered 3 on the contextual map below)
Proposes demolition of improvements on site and construction of a six storey mixed use development comprising 171sqm of commercial floor space across two ground floor tenancies, a 55 room boarding house and ground floor motorcycle and go get car parking. The site has a frontage of 25.3m to Illawarra Road and is currently occupied by a church and a commercial building.

Contextual map



- | | |
|---|--|
| ■ Recently completed developments | ■ New library and plaza |
| ■ Recently approved developments | ■ Specialised live music venues |
| ■ Currently being assessed developments | |

Issues and recommendations

A strategic planning vision for the sprawling Marrickville Centre is required, considering the substantial recent increase in residential population.

Residential zoned land with employment uses

A number of residential properties adjacent to the Marrickville centre have been identified as containing employment activities, including purpose-built developments.

Recommendation:

Residential zoned properties adjacent to the centre that comprise employment uses should be considered for rezoning to B2 Local Centre.

Opportunity to utilise Council land and assets

Council has recently prepared and endorsed the *Inner West Land and Property Strategy and Policy* (2019) that provides strategic direction for the management, review and decision making around Council assets.

Recommendation:

Implement the actions of the *Inner West Land and Property Strategy and Policy* including reviewing existing Council assets and whether they can be repurposed to facilitate or support employment uses and amenity.

Introduction of office floor space in close proximity to Marrickville Station

Planned development suggests job increases are necessary to support growing residential population.

Recommendation:

A place-based study is required to define the ways that this centre should plan for retention of and expansion of commercial uses including office floorspace. This should involve incorporating ground floor retail and podium business and office space along Illawarra Road.

Foster Marrickville's vibrancy

The Marrickville centre provides essential services close to where people live and is well serviced by public transport, making it accessible for the surrounding community. This results in a vibrancy which should be fostered.

Recommendation:

Enhance the vibrancy of Marrickville by:

- Reducing car dominance by undertaking public domain works that create opportunities for footpath dining and street trees
- Encouraging mixed use redevelopment at Marrickville Road that incorporates ground floor retail and podium business and office space to increase the worker and resident population in the catchment
- Encouraging more local events such as markets and street festivals that bring people into the area
- Actively marketing and promoting the centre as a place to establish businesses
- Facilitating the establishment of co-working spaces
- Discouraging growth of out-of-centre retail and stand-alone shopping centres
- Optimise activation of high pedestrian thoroughfares
- Consideration of bonus floorspace incentives
- Investigating minimum non-residential FSR provisions.

9.2.14 Newtown-Enmore

Role and function

Newtown-Enmore is one of the major centres of the Inner West LGA and provides an estimated 71,000sqm of employment floorspace. It stretches, predominately along King Street and Enmore Road, for 2.5kms. The centre is serviced by Newtown train station and numerous bus routes. Two Council owned carparks are located in the centre, one on Edgeware Road and the other on the corner of Church and Lennox Street.

Newtown-Enmore is split between the Inner West and City of Sydney, with more than half of the overall centre in the City of Sydney. It is the Inner West LGA's main entertainment and tourism destination. The Newtown-Enmore centre consists of general retail, commercial offices, services, restaurants and cafes. The centre has a strong, often alternative, boutique retail, fashion and music store presence. The area's pubs, bars, restaurants and cafes, are a major component of the local economy. The Enmore Theatre, one of Sydney's major entertainment venues, is located in the centre. The area has a Woolworths, IGA and FoodWorks supermarket.

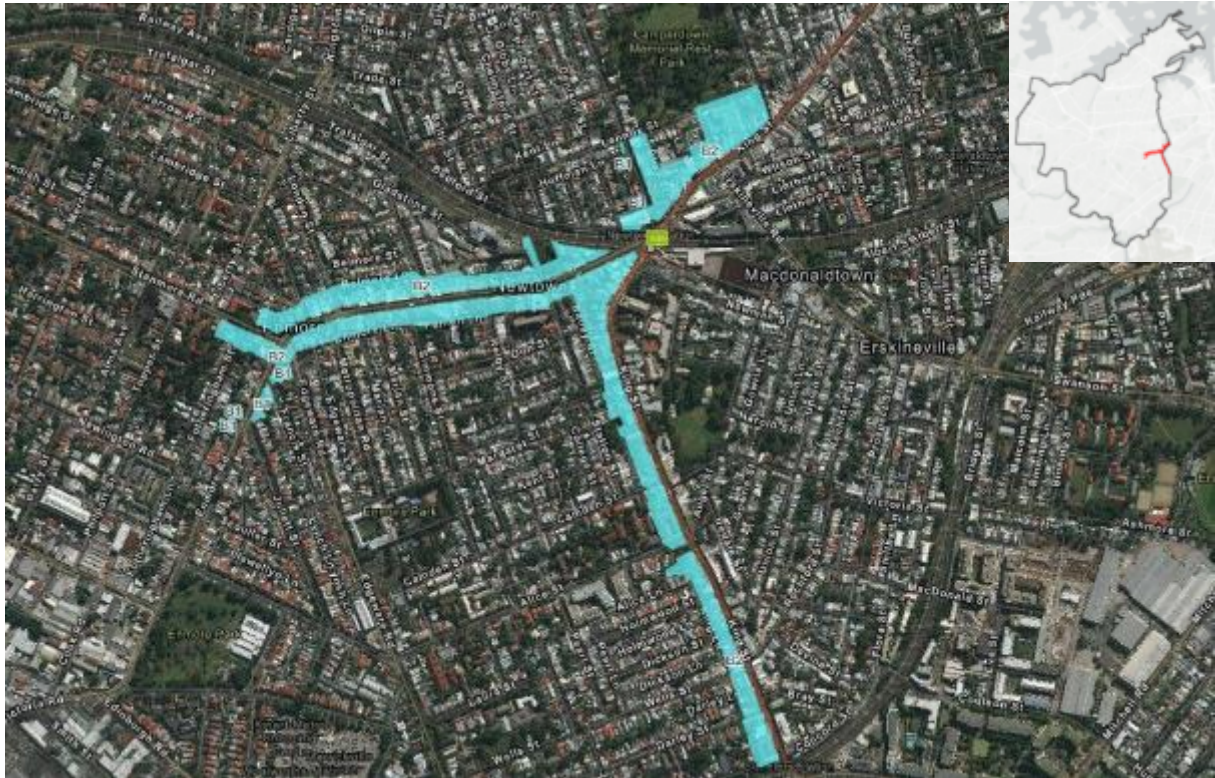
Newtown-Enmore centre has a large catchment area. The centre's historical and characterful streetscape, as well as the wide range of retail offerings, attracts visitors from far outside the local area. The many cafes, restaurants, pubs and bars, as well as the Enmore Theatre, draw patrons from across the Sydney metropolitan area. This makes the Newtown-Enmore centre is one of the most important nodes in greater Sydney's night-time economy.

The large residential redevelopment of former industrial land on the eastern side of the Illawarra railway line, as well as the site at 32-70 Alice Street, has increased the population of the local catchment. Along King Street, there has been limited redevelopment activity both within the Inner West and City of Sydney LGAs.

Located almost entirely within a heritage conservation area, Newtown-Enmore has an individual and historical local character. The retention of 19th and early 20th Century architecture and its mostly low scale built form provides a sense of place, while a number of public plazas and murals also enhance the centre and add to its distinctiveness. Camperdown Memorial Rest Park adjoins the north-eastern edge of the centre. This park, as well as other locations in the centre, host numerous community events and festivals. King Street is a state classified road, which has a negative impact on the centre, introducing noise, dust and pollution, while also impeding the ability to widen footpaths for activities such as outdoor dining and footpath trading. The quality of building stock of the centre varies but is generally in a reasonable to poor condition.

The private venues that form part of the centre form part of the Inner Wests LGA's cultural infrastructure, with the provision of these spaces for live music and arts supporting creative enterprises. Venues vary in terms of their size and characterisation, with some involving pubs with live music while others are more specialised live music venues. Venues generally along King Street and Enmore Road include Kelly's on King, Botany View Hotel, Corridor, Enmore Theatre, Leadbelly, Marlborough hotel, Union Hotel, Newtown Hotel, The Bank, Town Hall Hotel, Cooper's hotel, Sly Fox, The Midnight Special, St Luke's Anglican Church and The Hideaway Bar.

Centre map



Planning Controls

Under Marrickville LEP 2011, the centre is predominantly B2 Local Centre with some areas zoned B1 Neighbourhood Centre.

FSR on land zoned B2 Local Centre is 1.5:1 while the limited areas of B1 Neighbourhood Centre have an FSR control of 0.85:1. Most of the centre has a height of 14m. 'Light Industry,' 'artisan food and drink industry' and 'local distribution premises' are prohibited within the centre. In contrast, City of Sydney applies FSR controls on a lot by lot basis, mostly ranging from 1.5:1 to 2:1 in FSR and 12-18 metres in height. Both the Inner West and City of Sydney LGA components of the Newtown Centre are in heritage conservation areas.

Compared with other centres in the Inner West LGA, FSR and height controls are more aligned with centres such as Rozelle and Balmain rather than Petersham, Dulwich Hill and Marrickville.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	43,730	61%
Supermarkets & Grocery Stores	1,700	2%
Specialty Food Stores	4,420	6%
Restaurants	14,150	20%
Clothing Stores	7,030	10%
Hardware and Bulky Goods Stores	4,525	6%
Other Personal & Household Goods	10,525	15%
Selected Personal Services	1,380	2%
Occupied Non-Retail Floorspace	24,115	34%
Rental, Hiring & Real Estate Services	1270	2%
Health Care & Social Assistance	2,600	4%
Financial & Insurance Services	1,525	2%
Administrative & Support Services	1100	2%
Arts & Recreation Services	4,775	7%
Transport, Postal & Warehousing	600	1%
Education and Training	4,200	6%
Public administration and safety	2,700	4%
Other	5,345	8%
Vacant Space	3,275	5%
Total Floorspace	71,120	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Section forecast for demand and supply of retail floor space shows that an additional 1,300sqm (approx.) of retail floor space (gross lettable area) is required by 2036 across Newtown-Enmore. Currently, there is sufficient supply of retail floor space.

In addition to the above, it is forecast that an additional 12,000sqm of non-retail commercial space (predominantly office space) will need to be accommodated across Newtown-Enmore over the next 18 years (2018-2036). This forecast will need to be reviewed to carefully understand the nature of the demand and how to accommodate for this.

Development Activity

From 2014-2019 Newtown-Enmore centre has experienced a relatively small amount of development activity for a centre of its size. Recently completed projects include:

- 601 King Street – DA201600669. This four-storey 18 room boarding house including a reconfiguration of the existing ground floor commercial space, was approved by Council in 2017 and completed in 2018. The development has not significantly decreased the previous commercial space of the site
- 43 Enmore Road – DA201500083. This four-storey mixed use development was approved by Council in 2016 and completed in 2018. It contains a commercial tenancy on the ground floor and five apartments above. The development has not significantly decreased the previous commercial space of the site

- 177 Enmore Road – DA201500739. This four-storey addition to the rear of the site was approved by Council in 2016 and completed in 2018. It consists of a ground floor commercial space and three apartments above. The development has not significantly decreased the previous commercial space of the site.

Approved developments that are currently under, or yet to commence, construction include:

- 595 King Street – DA201900013. This mixed use development was approved on appeal by the Land and Environment Court in 2018. It is proposed to contain a ground floor commercial space and five apartments above and will replace an existing shop top commercial building
- 351 King Street - DA201500253. This four-storey mixed use development was approved by Council in 2016. It is proposed to consist of two ground floor commercial spaces and 11 apartments above and will replace an existing shop top commercial building.

Issues and recommendations

Designate King Street and Enmore Road as Vibrant Streets

King Street and Enmore Road are currently classified roads under the *Roads Act 1993* and therefore not under Council control. They act as an impediment to enhanced amenity for pedestrians and businesses fronting the road, due to high speed limits and proximity of moving vehicles to the footpath. It impedes opportunity for outdoor dining, footpath trading and creates noise and air pollution impacts.

Recommendation:

Council should explore options with NSW Transport to reduce the speed limit of the road and introduce calming measures to reduce the amenity impacts on Newtown-Enmore.

Secure additional employment floor space

Newtown-Enmore is an attractive and vibrant location, highly attractive for businesses to locate. A number of constraints are reducing the potential for delivery of new commercial floor space above the ground floor. This includes general constraints on development feasibility (eg lot fragmentation, lack of rear-lane access) as well as high demand for residential. Delivery of above-ground floor commercial space (for offices and business services) would have the potential to strengthen Newtown as a centre.

Recommendation:

Implement minimum non-residential FSR provisions. Undertake design and feasibility testing to determine appropriate minimum non-residential provision.

Support a night-time economy

Council works closely with the Newtown Precinct Business Association (NPBA) that delivers against the service agreement for the Newtown/Enmore Urban Centre Project (UCP). One of the major activities involves the Newtown CoWork Space, which is a small business incubator catering for inner west start-ups and businesses transitioning from home based to commercial premises.

The NPBA is funded by City of Sydney Council to develop a night-time economy strategy for Newtown-Enmore. The first year of this funding has just concluded and the report contains surveys of local businesses, residents and visitors. The surveys provide valuable insights into the current activities in Newtown-Enmore and enable future projections to be made regarding business mix and trading.

It is true that Newtown-Enmore contains many older and somewhat ‘daggy’ buildings but that is one of the main attractions of the area where one of the marketing themes is ‘Keeping Newtown Weird and Safe.’

A recent count of vacant premises indicated 46 are empty (24 in City of Sydney and 22 in Inner West) out of 785; a vacancy rate of 5.85 per cent which is regarded as an indicator of a very successful retail strip. A number of these vacancies are under redevelopment from specialty shops to food and beverage outlets, a reaction to the growth of the night-time economy. Small office spaces are understood to be available at reasonable prices and there are no current indications that any of the larger footprint businesses are about to be converted into commercial office space.

As the Sydney CBD reaches saturation that opportunities for additional office space will arise in Newtown due to the excellent public transport and proximity to the Sydney CBD.

It should be noted that while the Sydney lock out laws have increased patronage, Newtown was experiencing high growth prior to that. NPBA advises that trading levels in the three years prior to the lock out laws was around 300%.

Potential risks specific to the night-time economy in Newtown-Enmore largely relate to land use conflict with residential areas. This has become an issue across the inner city, particularly as demographic change and increased residential density has occurred.

Recommendation:

Continue to support a night-time economy in Newtown-Enmore through establishing:

- A clear policy position on the rights of existing venues and neighbouring residents
- Information on venue management practices to minimise risks of land use conflict
- Complaints handling and mediation practices to resolve conflicts between residents and venues, if they occur
- Public domain improvements including improved lighting and street furniture
- Safety, accessibility and connectivity to the train and bus stations.

Revitalisation initiatives

King Street and Enmore Road are extensive in length. While Enmore Road and the core of King Street have a strong retail presence, other sections are not as successful. South King Street appears to be suffering the most from a market forces shift from there to Enmore Road as the Enmore Theatre. Pubs, restaurants and cafes in the Enmore Road strip offer a wide variety of entertainment options.

There are also key sites that create opportunities through redevelopment. The abandoned hub theatre is located, close to Newtown Station and adjacent to Newtown Square. This is a prominent site within the centre and a redevelopment for appropriate employment uses could create an appealing new destination to draw in visitors to Newtown.

Recommendation:

Explore opportunities for revitalisation and community-based initiatives at South King Street and the Hub theatre site.

9.2.15 Norton Street North

Role and function

Norton Street North precinct consists of several isolated B2 Local Centre zoned areas. Residential dwellings, Pioneers Memorial Park and the City West Link create barriers along the corridor which do not allow for a continuous retail strip. Norton Street is well served by buses and Leichhardt North Light Rail stop is located at the northern end of the strip. There is a lack of on-street parking in this section of Norton Street, particularly

near Marion Street. The City West Link is an area of low amenity and a poor pedestrian environment due to high traffic volumes, noise and air pollution.

This precinct does operate cohesively and has two distinct functions. The southern portion operates as a main street, with retail and food and drink premises while the northern portion having an office/business services function. Medical uses form a strong anchor for the entire centre, observed throughout the precinct and identified in the floor space audit (26 per cent of occupied retail floor space).

The southern portion of this precinct between Macaulay Street and Marion Street specialises in cafés and restaurants as well as specialty food retail. It retains its distinct specialisation in Italian cuisine and has a large range of cake and desert businesses. There are also a small number of retail premises, commercial offices and services in this area. A large standalone medical centre operates on Short Street, adjoining the Centre. There is also a dental surgery on Wetherill Street (zoned R1 General Residential). These medical uses complement a number of medical uses north of Macauley Street.

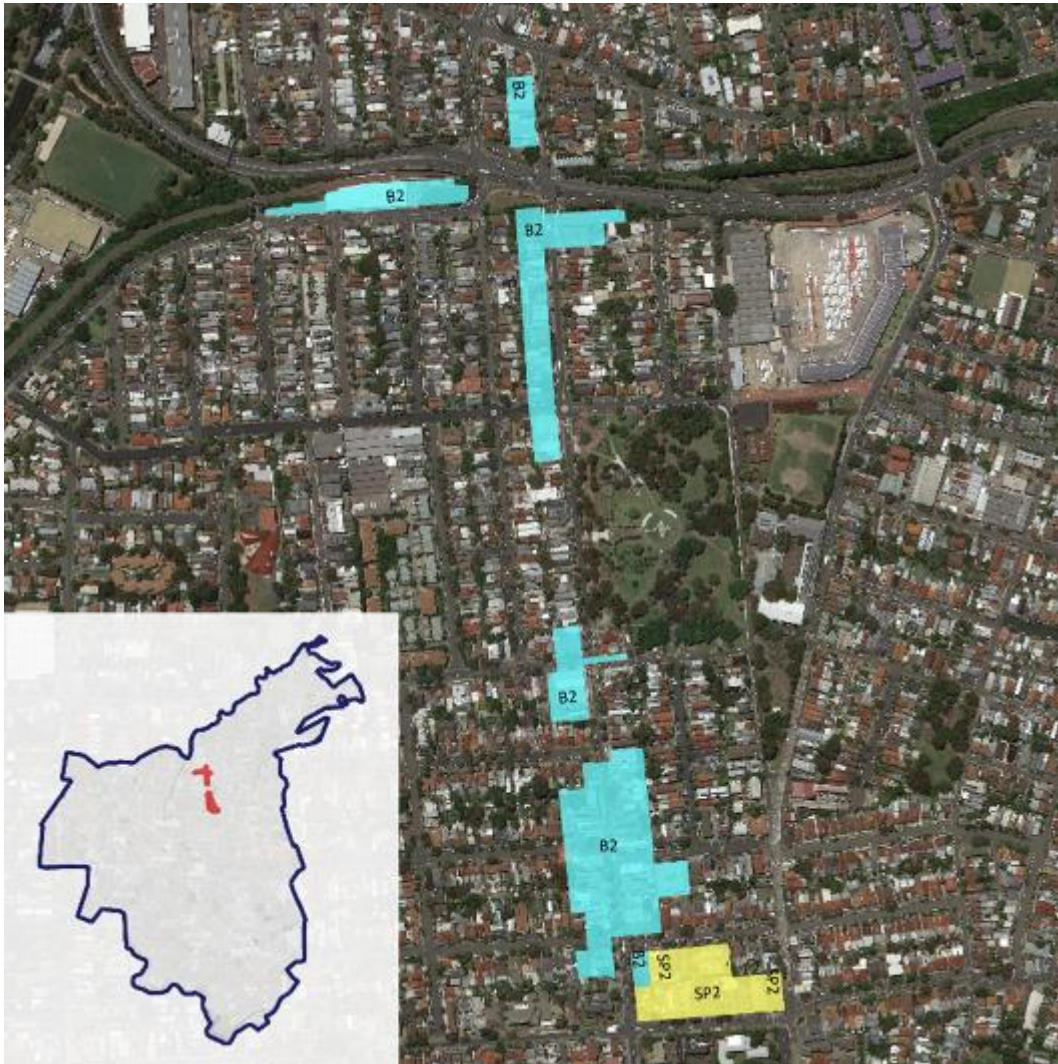
It has a distinct character, quality public domain, low-scale built form and space for outdoor dining and footpath trading. This portion is located within a heritage conservation area and contains intact rows of original early 20th century two-storey shop top housing. The Town Hall and Public School creates physical separation (approx. 250 metres) between this lower-scale, pedestrian friendly part of Norton Street and the denser southern end of Norton Street which is anchored by Norton Plaza. Unlike most properties on the southern end of Norton Street, most properties between Marion and Macauley Streets benefit from rear/side vehicular access.

The northern portions of B2 Local Centre zoned land between Macaulay Street and the City West Link has a limited retail/food role, is fragmented and are largely office and business services based. A number of properties are existing dwellings and are currently used solely as residential. A cluster of medical uses exist north of Allen Street including a dentist, general practitioner, pathologist, cosmetic surgeon, speech therapist and natural therapist. There are purpose built, standalone office and business services developments in this portion of Norton Street, including the Immanuel Centre which also contains a restaurant and liquor store. A standalone Dan Murphys store is located adjacent to the light rail stop on Darley Road. Most properties in this section do not benefit from rear lane/side street access.

North of the City West Link, there are a number of business services and offices. They are in close proximity to two small neighbourhood centres, located to the north of Lilyfield Road and Perry Street.

A number of employment uses exist in non-residential buildings outside of the land zoned B2 Local Centre. They include 249 Norton Street, 256-258 Norton Street and 182-184 Lilyfield Road. A number of child-care centres, offices and medical related uses operate along Wetherill Street in the residential zone some in purpose built properties and repurposed houses.

Centre map



Planning controls

Under Leichhardt LEP 2013, the centre is zoned B2 Local Centre. A maximum floor space ratio of 1.5:1 can be achieved, subject to a number of considerations including that all floor space on the ground floor of the building facing the street is used for a purpose other than residential accommodation. 'Light Industry' and 'artisan food and drink industry' are permitted within the zone. Local distribution premises are prohibited within the zone.

A number of sites between Wetherill and Marion Streets are zoned SP2, primarily Council owned as well as the Uniting Church, State Government owned Fire Station, Leichhardt School of Arts and properties owned by Uniting Care.

Floorspace

Category	GFA	Proportion
Occupied retail floorspace	21,275	59%
Supermarket/grocery	620	2%
Speciality food	1,371	4%
Café/restaurant	7,104	20%
Clothing	477	1%
Convenience store	93	0%
Hardware and bulky goods	484	1%
Homewares	256	1%
Health care and social assistance	9,435	26%
Speciality non-food	1,335	4%
Other retail	100	0%
Occupied non-retail floorspace	15,031	41%
Personal service	1,250	3%
Pub/hotel	1,100	3%
Rental, hiring and real estate services	820	2%
Arts, recreation and fitness	227	1%
Financial	1,316	4%
Government	3,730	10%
Commercial general	1,630	4%
Other	4,957	14%
Vacant space	-	-
Total	36,306	

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Chapter 7 forecast for demand and supply of retail floor space shows that an additional 8,230sqm (approx.) of retail floor space (gross lettable area) is required by 2036 across Leichhardt. Currently, there is sufficient capacity of retail floor space but demand will outstrip supply by 2026.

In addition to the above, it is forecast that an additional 24,060sqm of non-retail commercial space (predominantly office space) will need to be accommodated across Leichhardt and Annandale suburbs, over the next 18 years (2018-2036). This forecast will need to be reviewed to carefully understand the nature of the demand and how to accommodate for this.

Development activity

A number of development proposals have recently been approved and built. They will provide new retail spaces, replacing dilapidated building stock. They will also introduce a number of new residents to the centre, increasing the local catchment.

- 143 Norton Street Leichhardt D/2018/427

A development application to demolish existing structures and construct a three storey mixed use development was approved by the Inner West Planning Panel on 28 May 2019.

The proposal will replace the four existing retail tenancies with two, each comprising approximately 70 square metres

- 168 Norton Street Leichhardt – Harold Hawkins Court

Harold Hawkins Court is a dilapidated site owned by Uniting Care. It has been vacant for a long period of time. It is subject to site specific controls, with higher FSR and Height controls applying. Recently a development application was approved by Inner West Planning Panel on 4 July 2019 for the construction of 50 self-care units

A retail space comprising 153sqm is proposed, and will front the entire Norton Street portion of the site. As a condition of the approval, amended plans providing an exhaust vent for the retail component of the development to the roof were requested.

It is currently under construction

- 173 Norton Street – Former Civic Video site

This mixed use development replaced the old Civic Video site. It has since been built (approved June 2015) and comprises one retail tenancy and 15 dwellings over basement parking. Currently the ground floor retail space is tenanted by a dog grooming business

- 322-322A Norton Street – D/2014/354

A development application was approved by the Inner West Planning Panel for the demolition of structures (originally a mechanic) and construction of a three storey mixed use development comprising two commercial tenancies (each approximately 100sqm) and nine apartments.

The width of this site is twenty metres and it does not have side or rear lane access. While a portion of the frontage is used up by vehicular access and servicing, the visual impact is less significant due to the wider frontage

- 324 Norton Street - D/2018/184

A development application was approved by the Land and Environment Court on 14 May 2019 for the demolition of an existing early 20th Century two storey shop and construction of a four storey shop top housing with a 22 square metre retail tenancy on the ground floor and five apartments.

The width of this site is ten metres and it does not have side or rear lane access. As a result the street frontage of the approved development is dominated by vehicular access and fire booster assemblies

- 364 Norton Street - D/2019/138

A development application was submitted to Inner West Council on 9 April 2019 for the demolition of existing structures and the construction of a five storey mixed use development with a 84 square metre retail tenancy on the ground floor and four apartments above.

The width of this site is 10.6 metres and it does not have side or rear lane access. As a result the street frontage of the proposed development is dominated by vehicular access and supporting services for the building. The frontage of the retail shopfront is proposed to be three metres.

Issues and recommendations

Appropriateness of B2 Local Centre zone north of Allen Street

Properties north of Allen Street are zoned B2 Local Centre but do not form a main street function. They consist of existing dwelling houses used for residential purposes, purpose built office and business service developments and a limited number of 20th century two storey shop-top buildings housing business services. The mix of residential and office/business services, including a specialisation in medical uses does not align with a B2 Local Centre zoning. This stretch of Norton Street is also physically detached from the denser more functional retail strip south of Macauley Street.

The centre has two large-scale standalone commercial buildings including the Dan Murphys site and the Immanuel Centre at 277 Norton Street. They are currently zoned B2 Local Centre but would be more appropriately zoned for non-residential uses

The evolving development pattern north of Allen Street does not accurately reflect the existing zonings. The rationale for these zonings should be reviewed.

Recommendation:

Undertake a review of current development patterns and existing LEP zonings for the B2 Local Centre sites north of Allen Street in the Norton Street North precinct.

Parking constraints

A number of businesses in Norton Street North are likely to have catchments that extend beyond the local context. For example, a restaurant in the centre is likely to require availability of parking to accommodate visitors from other parts of Sydney. The centre is not served by train access and while there are bus services, they do not provide fast public transport access from other parts of the Inner West LGA or the general Sydney metropolitan area.

Recommendation:

- Review the *Leichhardt Precinct Parking Strategy* and consult with Transport NSW to consider options for increasing turnover of on-street carparking, improving circulation and encouraging active and public transport.

Lack of secondary vehicular access

A number of properties in the corridor lack rear lane or side vehicular access. This is resulting in poor outcomes with regard to development applications for mixed-use development. The narrow frontage of these new developments means that what could be an active street frontage is instead dominated by driveway crossings and building services.

One potential solution is for redevelopments of sites that only front Norton Street do not need to provide off-street parking or direct vehicular access to the site. This would reduce development costs significantly and encourage retention of an active street frontage. On-street deliveries and collections could potentially exacerbate parking challenges. These matters can be addressed by the future review of the *Leichhardt Precinct Parking Strategy* recommended above.

Recommendation:

- Review of the DCP *Leichhardt Precinct Parking Strategy* to identify options for reduced/eliminated off-street parking requirements and alternative and delivery arrangements for properties without secondary vehicular access.

R1 General Residential with employment uses

A number of properties within and adjacent to the Norton Street North centre have been identified as containing employment activities, including purpose-built developments. Similarly, to the point raised above regarding the appropriateness of B2 Local Centre zone north of Allen Street, the zonings for these properties should be reviewed.

Recommendation:

Review development patterns and existing LEP zonings for the B2 Local Centre sites north of Allen Street in the Norton Street North Precinct.

9.2.16 Orange Grove

Role and function

Orange Grove is a small centre located on Balmain Road, Rozelle that provides an estimated 2,500sqm of employment floorspace. The centre is serviced by numerous bus routes.

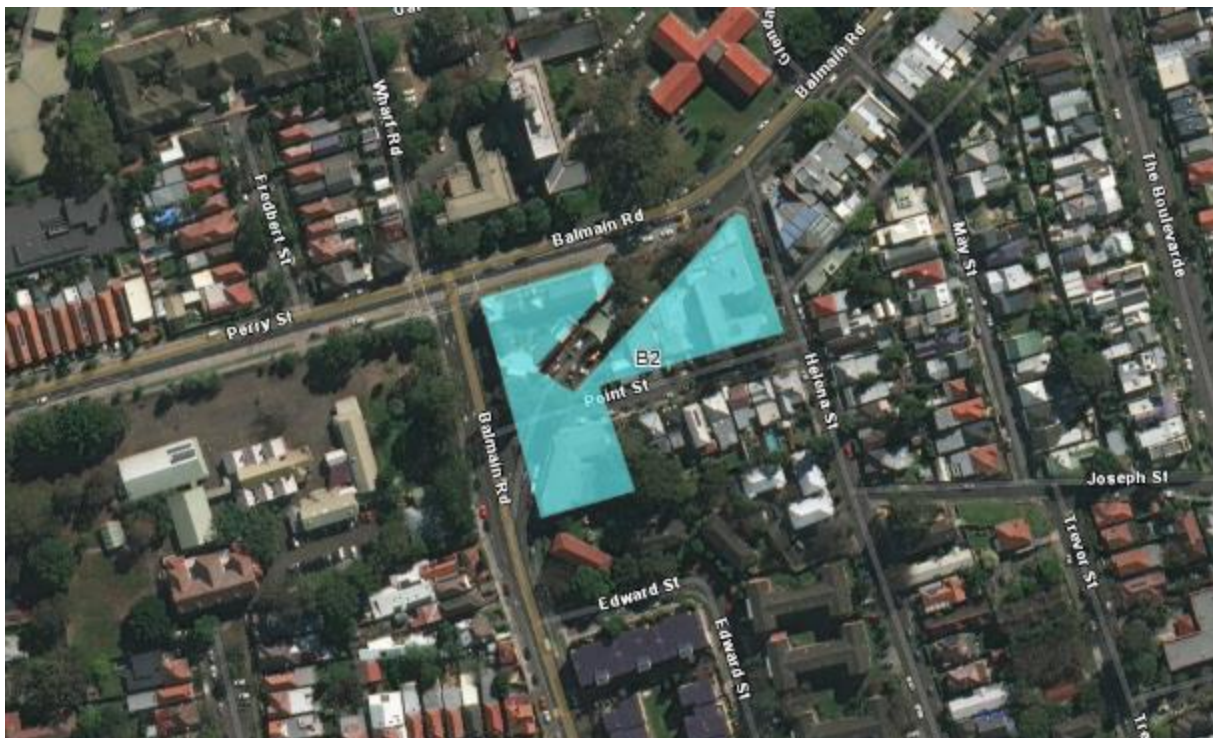
The centre consists of general retail, services, commercial offices, a pub, restaurants and cafes.

The centre has a primarily local catchment area. The Orange Grove Markets, held every Saturday in the adjacent Orange Grove Public School, provide the centre with a larger catchment of potential visitors.

There is a small plaza and park in the middle of the centre, though the quality of this public domain is not high. The building stock is generally in a good condition.

The Orange Grove Hotel is a venue for arts and live music.

Centre map



Planning controls

Orange Grove centre is zoned B2 Local Centre and has a floor space ratio of 1.5:1. The 'warehouse or distribution centre' use is prohibited, while the 'light industry' and 'artisan food and drink industry' uses are permitted.

Development activity

No recent development activity has been identified.

Issues and recommendations

Appropriateness of Local Centre classification

The centre currently has poor public domain and a lack of active transport links. Given the small size of the centre, improving the public domain could be relatively easily achieved. Further, the centre's location opposite the south-eastern edge of Callan Park allows for an opportunity to improving the centre's active transport links.

Recommendations:

- Rezone from B2 Local Centre to B1 Neighbourhood Centre
- Invest in streetscape improvements and active transport links to promote foot traffic

9.2.17 Petersham

Role and function

The precinct is a large local centre providing an estimated 21,000sqm of employment floor space. The centre is located along both sides of New Canterbury Road and Stanmore Roads between Hunter Street and Marshall Street for approximately 950m. The centre benefits from a railway station and a number of connecting bus routes. This precinct profile includes lands currently zoned B1 Neighbourhood Centre, located to the east of Crystal Street to reflect major growth occurring between Audley and Crystal Street. Parking primarily is off street (apart from two small Council car parks) and is limited.

Petersham comprises of a variety of retail outlets including long established food related businesses and pubs. Businesses specialising in Portuguese cuisine make the centre a cultural destination, drawing in a large number of visitors. Restaurants, cafes and other retail particularly are concentrated close to the intersection of New Canterbury Road and Audley Street. The centre lacks a major supermarket, and is currently serviced by a convenience store and a long established fresh food grocer on the eastern edge of the centre on Stanmore Road.

Petersham consists of a significant proportion of office floor space, largely attributed to the Inner West Council offices.

The bulk of the precinct is within the Petersham Commercial Precinct Heritage Conservation Area, which is reflected in the historic nature of the building stock. While some buildings have been consolidated and redeveloped with larger floorplates, the precinct's buildings are generally limited in size and are of mixed quality. A number of redevelopments within the centre have provided new retail floor spaces. The majority of properties within the centre benefit from rear lane access.

New Canterbury Road and Stanmore Road are state classified roads, creating negative impacts on the centre, introducing noise and pollution while impeding the ability to widen footpaths for activities such as outdoor dining and footpath trading. Audley Street has better amenity due to lower traffic volumes and the ability to widen footpaths for outdoor dining purposes. Petersham benefits from Council landholdings, currently used as carparks. These assets may provide future opportunities to enhance the centre's public domain.

High density mixed use developments within the centre are either under construction or recently completed. This will increase the local catchment area population, particularly between Audley and Crystal Streets. The redevelopment of the Petersham RSL sites, located on both sides of Fisher and Regent Streets, is currently underway. 357 apartments, a new registered club premises and café are to be constructed across the three sites.

Centre Map



Planning controls

Under Marrickville LEP 2011, the centre is predominantly B2 Local Centre with some areas zoned B1 Neighbourhood Centre and B4 Mixed Use. FSR ranges from 0.85:1 at the eastern end of the centre along Stanmore Road to 3.3:1 adjacent to Crystal Street. The FSR of the Centre is predominantly 2.2:1. Height controls range from 9.5m to 26m, with a 17m height limit applying to the majority of the centre.

'Light Industry' and 'artisan food and drink industry' are only permitted within the B4 Mixed Use portion of the centre. Local distribution premises are prohibited within the centre.

Floorspace

Category	GFA	Proportion
Occupied retail floorspace	5,343	25%
Supermarket/grocery	415	2%
Speciality food	389	2%
Café/restaurant	2,172	10%
Clothing	327	2%
Hardware and bulky goods	181	1%
Homewares	1,105	5%
Speciality non-food	754	4%
Occupied non-retail floorspace	12,508	59%
Personal service	408	2%
Health care and social assistance	463	2%
Pub/hotel	3,288	16%
Rental, hiring and real estate services	150	1%
Arts, recreation and fitness	550	3%
Financial	770	4%
Government	4,410	21%
Commercial general	864	4%
Other	1,605	8%
Vacant space	3,209	15%
Total	21,060	

Source: HillPDA Desktop Audit, 2019

Development activity

Petersham has experienced considerable development activity within the centre itself and areas adjacent. Including:

- 31 New Canterbury Road - DA201400211. 5 storey mixed use development, approved by Council 2015 and completed 2018, contains 3 ground floor retail (246sqm total) spaces and 33 apartments. It replaced a service station.
- 78-80 New Canterbury Road – DA201500711. 5 storey mixed use development, approved by Council 2016 and completed 2019, containing a 44sqm ground floor commercial space and 14 apartments. It replaced a 2 storey commercial building.
- 114 New Canterbury Road – DA201400146. 6 storey mixed use development, approved by Council 2014, containing 2 ground floor commercial spaces (250sqm total) and 15 apartments. Adaptive reuse of a heritage building.

Petersham RSL – DA201800173

In June 2019, the Sydney Eastern City Planning Panel approved the redevelopment of multiple sites in Petersham owned by the Petersham RSL. The development is in three stages, over three sites. It includes 357 apartments, a registered club, a food and drink premises and new public domain works.

The registered club proposed will replace the one that is slated for demolition currently at 3-7 Regent Street.

Issues and recommendations

Distribution of retail space

The continued delivery of mixed-use development is creating an oversupply of retail space in the centre. These small ground floor retail spaces have limited demand and are slow to be leased.

Notwithstanding, the absence of a supermarket in the centre suggests that the area is undersupplied in terms of supermarket floor space.

Recommendations:

Explore planning provisions that allow for and encourage flexible floorplates.

Opportunity to utilise Council land and assets

A number of Council owned properties are located adjacent to the centre, including carparks and the Petersham Customer Service Centre. Council has recently prepared and endorsed the *Inner West Land and Property Strategy and Policy* that provides strategic direction for the management, review and decision making around Council assets.

Recommendation:

Implement the actions of the *Inner West Land and Property Strategy and Policy* including reviewing existing Council assets and whether they can be repurposed to facilitate or support employment uses and amenity.

Designate New Canterbury Road as a Vibrant Street

New Canterbury Road is currently a classified road under the *Roads Act 1993*. The high speed limits and proximity of moving vehicles are an impediment to enhancing the amenity for pedestrians and businesses.

Recommendation:

Work with State government to designate New Canterbury Road as a Vibrant Street to achieve a greater balance between vehicle movement and place making.

Size of Petersham Centre

The construction of 357 apartments will create additional demand for retail and commercial uses in the centre.

Recommendation:

Review land use zones applying in Petersham Centre, including B2 Local Centre, B4 Mixed Use, B1 Neighbourhood Centre and R4 – High Density Residential, considering how new mixed-use developments are shaping the role and function of the Petersham centre.

9.2.18 Rozelle Centre

Role and function

Rozelle Centre is located at the junction of Victoria Road and Darling Street, and provides an estimated 62,000sqm of employment floorspace. It runs along approximately 850m of Darling Street and 750m of Victoria Road. The centre is well serviced by buses, with rapid access to the Sydney CBD via the Anzac Bridge. Four council owned car parks are located in the centre. Parking is limited within the centre, due to the general lack of off-street parking within the centre and surrounding residential areas.

The centre has two distinct roles: properties along Darling Street and the intersection with Victoria Road have a distinct centre role, similar to Balmain while employment space along Victoria Road performs a predominantly urban services function. The Woolworths Metro supermarket is the anchor supermarket within the centre. Darling Street consists of a number of restaurants, cafes, business services and small commercial offices. There

are also a number of boutique fashion, art retail outlets and building supply/hardware stores along the main street.

The portion of the centre along Victoria Road, further from the Darling Street intersection has a distinct urban services role with little to no residential. It consists of number petrol stations, car servicing, industrial retail and building supplies. Properties tend to have on-site at grade carparks to accommodate customers and staff. There are also a limited number of office premises and business services.

A key site in the centre, the former Balmain Leagues Club is currently vacant and derelict. It is located on the corner of Victoria Road and Darling Street. There is uncertainty around the timing of redevelopment of the site, however site specific planning controls recently adopted include requirements for a new town square, a new Balmain leagues club site, a supermarket and limited specialty retail.

Rozelle centre has a primarily local catchment area, though the strong restaurant and café offering attracts visitors from outside the local area. Residential redevelopment of formerly industrial sites on the north-western edge of the centre has increased the catchment area population.

This nearby development has also included a cluster of new retail floor space outside of the Rozelle Centre located 400m to the west of Darling Street. It has been successful in attractive restaurants, fresh food grocers and cafes as tenants due to its layout, less restricted parking, appealing public domain and space for outdoor dining and footpath trading.

Victoria Road is a State classified road and has had a negative impact on the centre, introducing noise and air pollution. The road width is particularly wide at the corner of Darling Street. Building typologies along the corridor as discussed earlier are more in line with an enterprise corridor character, rather than retail. Compared with Victoria Road, the public domain of Darling Street is appealing and at a more human-scale. While outdoor dining and footpath trading exists, there is limited presence of widened footpaths, with road space prioritised for parking.

Stage 3B of WestConnex proposes a bypass for those using Victoria Road via a tunnel under Rozelle. This has the potential to significantly reduce traffic congestion along the corridor. A Metro station at Bays Precinct is another possibility as part of the West Metro project. This station may be walking distance from Rozelle Centre (approximately 15 minutes walk).

Potential redevelopment of the Bays Precinct for residential and/or employment uses has the potential to increase the catchment of customers within the centre, however if competing commercial space is proposed this also has the potential to negatively impact on the performance of the centre.

Most of Rozelle centre is located within a heritage conservation area. The retention of 19th and early 20th Century architecture and the areas historical pubs are a major contributor to the centre's urban fabric. The building stock is in varied condition. A significant proportion of the properties along Darling Street lack rear lane access but the centre does benefit from a number of cross streets. Vehicular access for deliveries is challenging due to the narrowness of streets in the area and lack of parking.

Rozelle is a hub for arts and live music. Cultural infrastructure within the centre is provided within a number of private venues including the Merton, Bridge, Garry Owen, Red Lion, Ruby and Sackville hotels. The Council owned Hannaford Community Centre is an important community space located on Darling Street. The Centre has two car parks on Merton Street and one on Victoria Road.

Centre map



Planning controls

Under Leichhardt LEP 2013, the centre is zoned B2 Local Centre. A maximum floor space ratio of 1.5:1 can be achieved, subject to a number of considerations including that all floor space on the ground floor of the building facing the street is used for a purpose other than residential accommodation. 'Light Industry' and 'artisan food and drink industry' are permitted within the zone. Local distribution premises are prohibited within the zone.

Site specific controls apply to the Balmain Leagues Club site located near the corner of Victoria Road and Darling Street. The controls allow for considerably higher height and FSR compared with the rest of Rozelle Centre. The recently approved site-specific DCP allows for a supermarket, new club facility and limited restaurant/café retail space.

Floorspace

Category	Floorspace	Proportion
Occupied Retail Floorspace	18,520	30%
Supermarkets & Grocery Stores	500	1%
Specialty Food Stores	1,890	3%
Restaurants	5,110	8%
Clothing Stores	1,920	3%
Hardware and Bulky Goods Stores	3,500	6%
Other Personal & Household Goods	2,500	4%
Selected Personal Services	3,100	5%
Occupied Non-Retail Floorspace	34,321	55%
Accommodation	6,000	10%
Pubs, Taverns & Clubs	6,250	10%
Rental, Hiring & Real Estate Services	922	1%
Health Care & Social Assistance	5,681	9%
Financial & Insurance Services	380	1%
Administrative & Support Services	495	1%
Arts & Recreation Services	3,825	6%
Manufacturing	287	0%
Transport, Postal & Warehousing	406	1%
Education and Training	4,795	8%
Industrial	1,180	2%
Other	4,100	7%
Vacant Space	9,311	15%
Total Floorspace	62,152	100%

Source: HillPDA Desktop Audit, 2019

Employment floor space demand

The Section 7 forecast for demand and supply of retail floor space shows that an additional 9,000sqm (approx.) of retail floor space (gross lettable area) is required by 2036 across Balmain and Rozelle centres. Demand for retail floor space already outstrips supply across both centres.

The proposed Balmain Leagues Club redevelopment at Rozelle will provide a approximately 5,000sqm of retail floor space as part of a supermarket and other retail options.. If approved, this will cover a substantial portion of the required retail floor space (March 2018, Location IQ).

In order to cover the rest of the shortfall in retail floor space, additional retail floor space will need to be accommodated across Balmain-Rozelle.

In addition to the above, it is forecast that an additional 25,000qm of non-retail commercial space (predominantly office space) will need to be accommodated across Balmain and Rozelle over the next 18 years (2018-2036). This forecast will need to be reviewed to carefully understand the nature of the demand and how to accommodate for this.

Development activity

A number of recent developments have been approved including:

- 731-735 Darling Street - D/2017/491. 4 storey mixed use development, approved by Council in 2017, proposed to consist of 370sqm of ground floor retail space and 16 apartments above. It will replace a large 1 storey commercial building
- 112 Victoria Road - D/2015/738. 3 storey mixed use development, approved by Council in 2016, proposed to contain a ground floor commercial space and 5 apartments above. It will replace an existing 1-2 storey commercial building
- 114 Victoria Road - D/2017/98. 2 storey conversion, approved by Council in 2018, to change use to a mixed use development containing a boarding house and ground floor commercial tenancies. The development will not significantly decrease the previous commercial space of the site
- 70 Victoria Road - D/2013/570. 3 storey mixed use development, approved by the Land and Environment Court in 2015, and currently (September 2019) under construction, it will consist of ground level commercial space and 2 apartments above. The development will not significantly decrease the previous commercial space of the site.

These developments will provide the centre with revitalised commercial floor space.

Notably the Balmain Leagues Club redevelopment, currently proposed could provide:

- 5,093sqm retail – including a 2,886sqm supermarket
- 3,010sqm club
- 173 residential units (18,528sqm)
- 1,251sqm non-retail commercial floorspace

If built, this would result in a substantial increase in employment floorspace in the Rozelle centre, as well as providing a new town square.

Issues and recommendations

A number of issues and recommendations in Rozelle Centre relate to the appropriateness of zoning within the centre and surrounds. The map below provides more detailed context behind this discussion.



Size of Petersham Centre

Formation of a nearby centre

The recent redevelopment around Nagurra Place and Terry Street, on the north-western edge of the centre, contains general retail, services and numerous restaurants and cafes. This area has been successful and is performing well, though it may have reduced demand for retail space along Darling Street. Considering this area now includes employment floorspace, this will need to be reflected in the LEP. Therefore, future investigation to establish the appropriate zoning for this precinct is required. The precinct is illustrated on the contextual map above.

Discussion above notes its success in attracting tenants and benefits associated with parking availability, public domain and quality of retail space is worth noting when considering how to improve the performance of existing centres.

Recommendation:

Rezoning the area identified as 'rezoning investigation area' to B1 Neighbourhood Centre

Appropriateness of B2 zone along Victoria Road

The majority of the centre along Victoria Road does not contribute to the function of Rozelle Centre and is more representative of an enterprise corridor function.

Retaining this strip as B2 Local Centre could result in the further loss of industrial and urban services uses over time, through the redevelopment of sites to mixed use. Potential new retail spaces along this strip as part of redevelopment would have a negative impact on the Rozelle Centre. The corridor is also not an attractive location for retail due to access constraints.

Recommendation:

Rezone the area identified above as 'proposed B6 Enterprise Corridor'

9.2.19 Stanmore Centre

Role and function

Stanmore Centre is located on either side of the railway line, with the majority of the centre situated on the northern side. The centre provides an estimated 2,730sqm of employment floorspace and is serviced by Stanmore railway station and bus routes. The centre also contains a Council owned car park.

The centre consists of general retail, boutique retail, services, pubs, restaurants and cafes. There is also an IGA supermarket.

Stanmore centre has a primarily serves the local catchment.

The centre is primarily located in a heritage conservation area, though there are some large newer developments. The building stock is generally in a reasonable to good condition. The public domain is of a reasonably high quality, though the centre lacks a public focal area. Stanmore Reserve, which includes a small library, adjoins the centre.

Centre map



Planning controls

Stanmore is located within a heritage conservation area. The centre is zoned B1 Neighbourhood Centre. Under Marrickville LEP 2011, the Centre has an FSR of between 0.85:1 and 1.2:1 and a height of 9.5-11 metres. This does not allow light industry within the zone. With the recent amendments to the Standard Instrument, neighbourhood supermarkets are now permitted within the zone.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	2,510	92%
Supermarkets & Grocery Stores	490	18%
Specialty Food Stores	350	13%
Restaurants	70	3%
Other Personal & Household Goods	1,600	59%
Occupied Non-Retail Floorspace	220	8%
Other	220	8%
Grand Total	2,730	

Source: HillPDA desktop audit

Development activity

From 2014-2019 Stanmore centre experienced low development activity, including:

- 105-107 Percival Road – DA201500013. 3 storey development, approved by Council in 2008 and completed in 2016, that consists of 2 ground floor retail spaces and 9 apartments. It replaced a former service station.

Issues and recommendations

Stanmore is performing its designated function within the Centre hierarchy.

9.2.20 Summer Hill Centre

Role and function

Summer Hill centre is a smaller centre with an estimated 13,000sqm of employment floorspace. It is situated on both sides of the railway line with most of the centre located on the southern side. The centre is serviced by Summer Hill railway station and also has a large council owned at-grade open car park, which is located adjacent to the Darrell Jackson Gardens.

The centre consists of general retail, services, pubs, restaurants, cafes and a large gym. The centre also has a strong assemblage of independent boutique retail outlets, including clothing and toys. The area has a large IGA supermarket that has a distinctive offering, specialising in cheese and gourmet products, as well as hosting an in-store café.

Summer Hill centre has a primarily local catchment area. The nearby Lewisham Station precinct has resulted in the construction of a large number of apartments only 300m from the centre. This has significantly increased the local catchment population.

Located largely within a heritage conservation area, the centre has a distinctive historic character. The retention of 19th and early 20th Century architecture and its low scale built form provides a sense of place which attracts visitors. It has an attractive public plaza that features outdoor dining set amongst public art murals. The centre also hosts several community events throughout the year.

Notably, the centre also features office space, including a standalone commercial office building on the northern side of the train station.

Centre map



Planning controls

The centre is zoned B2 Local Centre and is primarily located within a heritage conservation area. Under Ashfield Local Environmental Plan, the Centre has an FSR of 1.5:1 and a height limit of 10m. 'Light Industry,' 'artisan food and drink industry' and 'local distribution premises' are prohibited within the zone.

Floorspace

Category	GFA	Proportion
Occupied Retail Floorspace	7,700	58%
Supermarkets & Grocery Stores	3,150	24%
Specialty Food Stores	820	6%
Restaurants	1,020	8%
Clothing Stores	400	3%
Hardware and Bulky Goods Stores	170	1%
Other Personal & Household Goods	2140	16%
Occupied Non-Retail Floorspace	5,440	41%
Pubs, Taverns & Clubs	300	2%
Rental, Hiring & Real Estate Services	400	3%
Health Care & Social Assistance	2,700	20%
Financial & Insurance Services	250	2%
Administrative & Support Services	240	2%
Arts & Recreation Services	200	1%
Transport, Postal & Warehousing	250	2%
Education and Training	100	1%
Other	1,000	7%
Vacant Space	220	2%
Total Floorspace	13,360	100%

Source: HillPDA desktop audit

Development activity

No recent development activity has been identified.

Issues and recommendations

Summer Hill centre is performing its designated function within the Centre's Hierarchy.

9.2.21 Sydenham Centre

Role and function

Sydenham is a relatively small centre located around the intersection of Unwins Bridge Road, Railway Road and Gleeson Avenue. Commercial properties within the centre are contained to addresses fronting Unwins Bridge Road, Railway Road, Gleeson Avenue, Burrows Avenue and Swain Street. The commercial properties are a mix of traditional shopfronts within two storey terraces, modern shop top housing developments, a converted cinema, specific purpose industrial buildings and a corner pub. The buildings vary from good to poor condition, across approximately 13,000sqm.

Limited street parking is available, including timed parking for visitors on Unwins Bridge Road and Burrows Avenue. Surrounding streets either have no parking or the parking is timed and included in the residential parking permit scheme.

The centre is well serviced by public transport, being directly adjacent Sydenham Station. It offers frequent connections on the T3, T4 and T8 rail lines. The station is also a bus interchange for the 418, 425 and M30

services. The centre is also a short distance from the 422 and 348 bus services running along the Princes Highway.

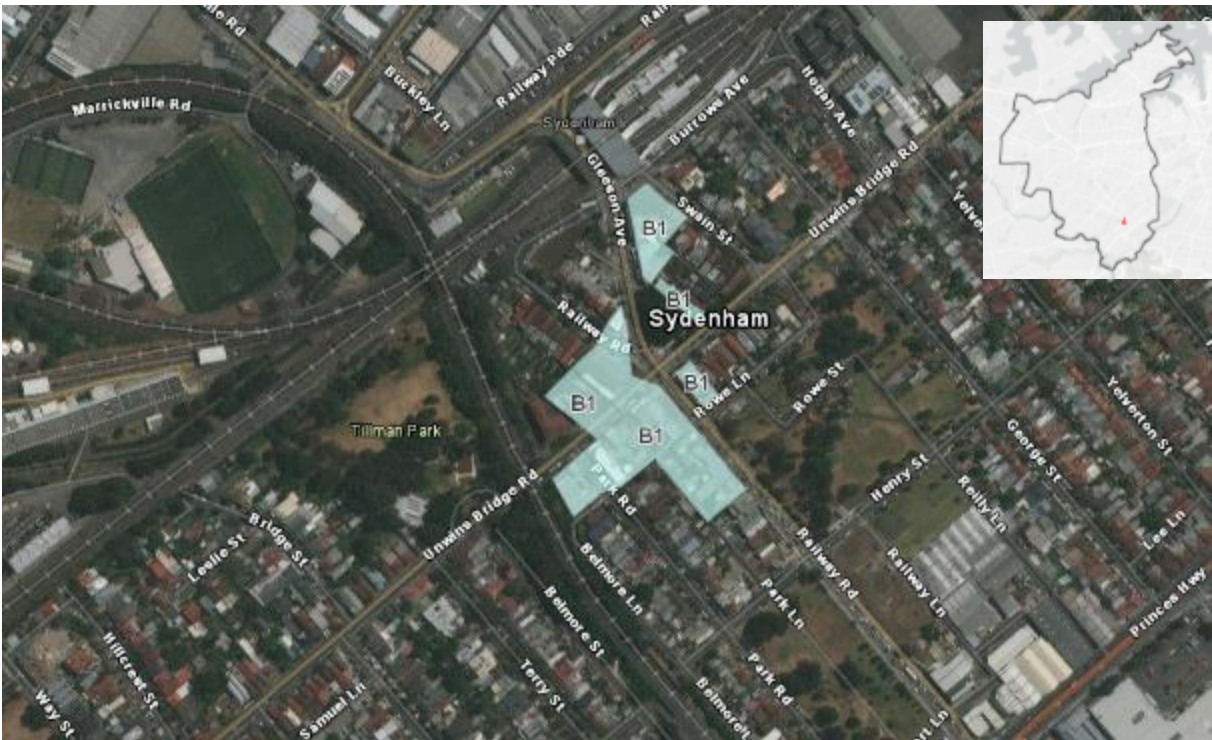
Sydenham Station is currently undergoing redevelopment to convert the T3 line into a metro, scheduled to be operation by 2024. This will provide more frequent train services. A new concourse connecting the platforms is also being constructed at the northern end which will also create new entrances to the station and activate the public realm at this end of the station.

The centre is considered relatively minor, providing retail and business services to the local residential and working population. Businesses in operation include four cafes, business services, an indoor recreation facility, take away food and drink premises, medical consulting rooms, a liquor shop, a vehicle repair centre and some shops. There are also a number of dwellings within the centre, including multiple houses on Unwins Bridge Road zoned B1.

Whilst there are a number of established businesses, there are also a number of properties, particularly on the eastern extent of Railway Road opposite Sydenham Green that are in poor condition, seem poorly tenant and are likely being used as residential without authorisation. In July 2018, the long operating General Gordon Hotel was significantly damaged by fire during extensive renovations. A DA has since been approved in August 2019 to complete the renovations, as well as restoring the heritage façade and awning.

The public domain in the area is also of relatively poor quality with narrow footpaths. This is due to the area being a busy traffic thoroughfare along Railway Road, Gleeson Avenue and Unwins Bridge Road. The centre has good access to quality open spaces including Sydenham Green, Tillman Park and small green reserve on the corner of Unwins Bridge Road and Gleeson Avenue.

Centre map



Development activity

There are a number of recent developments in the area, typically being shop top housing development on Unwins Bridge Road. Some notable developments are discussed below.

- 264 Unwins Bridge Road, Sydenham (DA201400349)
In November 2016 Council approved the demolition of a two storey shopfront and construction of a three storey shop-top housing development including four one bedroom apartments and a ground floor commercial tenancy. It was completed in February 2018. The ground floor commercial space is currently vacant.
- 266 Unwins Bridge Road, Sydenham (DA201500550)
In February 2016 Council approved the demolition of existing improvements on site and the construction of a three storey shop top housing development including four dwellings on the upper floors and a ground floor commercial tenancy fronting Unwins Bridge Road. It was completed in February 2018. The ground floor tenancy is currently tenanted as a barber (business premises).
- 268-270 Unwins Bridge Road, Sydenham (DA201100036)
In September 2011 Council approved the demolition of existing improvements on site and the construction of the three storey shop top development including seven dwellings on upper floors and a ground floor commercial tenancy fronting Unwins Bridge Road. It was completed in 19 December 2012. The ground floor tenancy is currently tenanted by a massage parlour (business premises).
- 20 Swain Street, Sydenham, the General Gordon Hotel (DA201900071)
In August 2019 Council approved alterations and additions to the General Gordon Hotel, including a full restoration of the building that was significantly damaged from fire. Works also included renovations on the Hotel and updating the interior from its original layout prior to the fire. The majority of these works were previously approved under another DA prior to the fire. It will continue to operate as a pub on the ground floor with tourist and visitor accommodation on the first floor. Hours approved are between 10am and 3am, with a 12-month trial for hours between midnight and 3am.

Planning controls

The centre is predominantly zoned B1, and is surrounded by R2, SP2, RE1 and a patch of R3. The limits of precinct are confined to the B1 zoned area, as well as a tract of dwellings with additional permitted uses for business and office premises on Railway Road and two sites, 11 Swain Street and 136 George Street which are zoned R2 although improvements on site are current and former shopfronts.

The zoning reflects the strategic intent of the area, as well permitting the range of uses that suit the precinct. Consideration should be given to extending the B1 zone along Burrows Avenue. This should include the few purpose-built shopfronts that are zoned R2, as well as other sites so as to take advantage of the new Sydney metro concourse and public plaza currently under construction.

FSR controls are typically 1.5:1 within the B1 zone. Height limits are typically 11m. These controls are consistent and appropriate within the precinct. Consideration should be given to increasing the FSR and height of sites along Burrows Road if they are re-zoned to B1.

Consideration could also be given to raising the height and FSR controls applying to the R2 zoned sites along Railway Avenue to be in line with the heights and FSRs in the commercial area of the centre.

Additional permitted uses

The residential zoned land on Railway Road, which includes 34, 36, 38, 40, 42, 44, 46, 48, 50, 52, 54 and 54A Railway Road has been specifically included within this precinct due to additional permitted uses on these properties. In accordance with Clause 19 under Schedule 1 of the MLEP 2011, business premises and office premises are permitted on these R2 zoned sites.

These buildings are typically single or two storey period terraces and all seem to be utilised for residential purposes. Two of the sites, 34 and 36 Railway Road, are former shopfronts that could more readily accommodate such uses.

Due to the location of these dwellings, directly under a low flying flight path and fronting a busy road making it a poor amenity area for residential uses, it is not unlikely that if required, the floor space could be utilised for office or business premises.

Issues and recommendations

The precinct is considered resilient and maintains a relatively low number of vacancies. There are several food and drink premises in the centre that have operated for some time and are considered established.

The Sydney Metro project and the new concourse associated with it present opportunities for further commercial growth in the area. This will create a significant interchange between various modes and its likely additional bus services will connect to Sydenham in conjunction with this project.

Recommendation:

Adapt the land use controls in coordination with the provision of new infrastructure.

9.2.22 Waterview Wharf Workshops

Role and function

Waterview Wharf Workshops is a heritage listed former shipping company workshop at 37 Nicholson Street, Balmain. It is a small precinct comprising 28 separate office spaces, primarily comprised of boutique consulting firms. Examples of types of industries that the office precinct comprises of include graphic design, architecture, finance and marketing.

The location is highly attractive for office tenants, due to the waterfront location the appeal of the adaptively reused heritage buildings. Its proximity to the Balmain East shops and ferry wharf provides employees of the precinct with close access to transport, services and amenities.

Centre map



Planning controls

The precinct is zoned B2 Local Centre under Leichhardt LEP 2013. The floor space ratio control applying to the precinct is 1:1. A maximum floor space ratio of 1.5:1 can be achieved, subject to a number of considerations including that all floor space on the ground floor of the building facing the street is used for a purpose other than residential accommodation. 'Light Industry' and 'artisan food and drink industry' are permitted within the zone. Local distribution premises are prohibited within the zone.

The site is listed as a State heritage item.

Issues and recommendations

Rezone precinct appropriately

A B2 Local Centre zone is not appropriate to support this standalone employment precinct. A different zone should apply to exclude its use for residential accommodation.

Recommendation:

Rezone to B5 – Business Development, provided the future zone does not include residential uses.

9.3 Parramatta Road Corridor Urban Transformation Strategy Precincts

Released in November 2016, the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) is the NSW Government's 30-year plan to drive and inform land use planning and development decisions as well as long-term infrastructure delivery programs in the Parramatta Road Corridor. The Strategy is given statutory weight through a section 9.1 Ministerial Direction (Environmental Planning and Assessment Act 1979).

This section considers the employment and retail zoned land located in the PRCUTS precincts having regard to:

- The proposals set out in the Parramatta Road Corridor Urban Transformation Strategy (2016)
- Subsequent Government Policy including the Greater Sydney Commission's Eastern City District Plan and policy paper *A Metropolis that Works* which supports the retention of industrial and urban services land (see Section 3.3)
- The projected capacity of Inner West LGA to accommodate future demand for employment land

The employment floorspace analysis is based on the capacity and demand projections in Chapter 7 of this study.

Council supplied two forecast scenarios:

- PRCUTS corrected projections if PRCUTS zoning and density controls are adopted as recommended. The projections are corrected to reflect the accurate Gross Floor Areas (GFAs). Inaccuracies in PRCUTS projections were identified through the work done by Council for joint Council/DPIE PRCUTS Traffic study (currently underway).
- Council's possible alternative approach of protecting existing employment zoned land for industry and urban services while still able to meet PRCUTS dwelling projections.

It should be noted that the Eastern City District Plan reference to the PRCUTS land not being "subject to the industrial land strategies and actions of the District Plan" has been overtaken by the identification of these inaccuracies in PRCUTS dwelling and job projections for IWC precincts. These include substantial underestimates of the number of dwellings and significant overestimate of the jobs to be created. The extent of these has rendered the exclusion of PRCUTS land from the Eastern City District Plan industrial and urban services strategies and actions invalid.

It is also noted that Council has not yet adopted a formal policy position on the future of the precinct. That policy position will be guided by the outcomes of this analysis and further analysis, including the findings of its draft Housing Strategy.

9.3.1 Kings Bay Precinct (IWC part)

Role and function

The Kings Bay Precinct, as defined by PRCUTS, is partially located along the western boundary of the LGA, along Parramatta Road. It is split between Inner West Council, Burwood Council and Canada Bay Council.

Within Inner West Council, the precinct is subdivided into Kings Bay Precinct (core) and Kings Bay Frame Area. The precinct serves a local catchment and is currently characterised by low scale light industrial, commercial and residential uses. The traditional industrial area is declining, opening up land for transformation that can capitalise on future mass transit connections to Sydney CBD and Burwood.

The PRCUTS vision for the precinct is a compact local centre, with mixed uses and new high streets located around Spencer Street in Canada Bay Council. Within Inner West Council, the precinct is expected to support six to seven storey commercial frontages along Parramatta Road, with low residential areas transitioning to medium density. The proposed zoning for the precinct is shown in the figure below **Error! Reference source not found.**, with land outside of the Council area shaded white.

Figure 19: Extract of PRCUTS Kings Bay Precinct proposed zoning



The PRCUTS anticipated growth in the precinct to 2050 is 4,400 jobs and 206,000 sqm employment GFA.

The assumptions for these projections are unclear from the available documentation. As the precinct is split between multiple councils, these headline figures are of limited relevance for direct analysis. However, a consideration of potential jobs and additional floorspace arising for the proposed changes is provided below.

The PRCUTS recommended land use zones, building heights and density controls will require detailed review and consideration through evidence base studies for the new LEP such as this one for employment land plus others for traffic and transport, housing and place making.

9.3.1.1 Kings Bay Core Precinct

Role and function

Kings Bay Core Precinct is a mixed commercial and industrial area located along Parramatta Road, dominated by car dealerships, auto repairs and other urban services. Car dealerships are generally unroofed, with shops largely paired with shop-top housing. This has reduced the employment floorspace of the area, though the unroofed areas of the car dealerships support employment.

Ashfield LEP 2013 Planning controls

Zoning	Height of building	Floor space ratio
B6 – Enterprise Corridor	10m	1.5:1



Figure 20: Kings Bay Core Precinct Employment zoned land

Table 40: Existing Employment Floorspace

Employment use	Total floorspace	Proportion
Industrial	2,513	15%
Electricity, Gas, Water and Waste Services	2,308	14%
Manufacturing	205	1%
Knowledge intensive	537	3%
Financial and insurance services	72	0%
Professional, scientific and technical services	184	1%
Rental, hiring and real estate services	281	2%
Urban services	12,321	73%
Accommodation and food services	1,193	7%
Arts and Recreation Services	88	1%
Construction	512	3%
Other services	487	3%
Retail trade	10,041	60%
Vacant	1,473	9%
Grand Total	16,845	

Source: HillPDA Desktop Audit, 2019

Development activity

No recent development activity.

Scenario analysis

Scenario 1 - Base case

Council has provided an estimate of the existing floorspace capacity of the precinct, based on existing B6 land use zoning and FSR of 1.5:1. The theoretical floorspace capacity has been translated into employment capacity, using employment densities from Chapter 7. The outcomes of this analysis are shown below.

Table 41: Kings Bay Core Precinct GFA capacity – Base case

Zoning	Estimated existing floorspace capacity (GFA sqm)	Estimated existing job capacity
B6	25,594	674
Total	25,594	674

The current controls for the precinct could result in a theoretical employment floorspace capacity of 25,594 sqm, with a potential to supply 674 jobs. Realisation of this floorspace would require conversion of unroofed dealerships to other uses, potentially showrooms with a higher capacity to dedicate above ground floor uses to associated offices. It would also require existing shop-top housing to be converted into employment areas.

Existing occupied floorspace in the precinct totals to approximately 16,845 sqm, with 2036 demand for total floorspace expected to be approximately 18,300 sqm.

After calculating take-up rate scenarios, the precinct has a potential shortfall in the ability to meet future demand. This shortfall is estimated to be up to 7,155 sqm employment GFA.

Scenario 2 - PRCUTS Recommended controls

PRCUTS recommendations for the precinct are unclear with references to a proposed B5 Business Development zone in text while the relevant map indicates a B6 Enterprise Corridor zone. This analysis assumes that the status quo of B6 is recommended to be maintained. Areas currently zoned as B6 are recommended to have an increased height and FSR controls of 21 m and 2.4:1. The B6 zone is also to be expanded to several residential properties on Scott Street. R2 zoned land is recommended to be upzoned to R3, with increased heights and FSRs of 12 m and 1.4:1.

The theoretical floorspace and job capacity for the PRCUTS scenario is shown below.

Table 42: Kings Bay Core Precinct GFA capacity – PRCUTS Recommendation

Recommended Zoning	Estimated future floorspace capacity (GFA sqm)	Estimated future job capacity
B6	36,067	949
Total	36,067	949

The PRCUTS recommendations would increase the theoretical floorspace capacity by 9,076 sqm and job capacity by 275 in the precinct. While PRCUTS recommends a green edge setback to Parramatta Road, and high pedestrian movement, a commercial frontage is anticipated to remain. This would likely conflict with the current dealerships and zero-setback shops in the precinct, which rely on ground-floor commercial areas and street presentation.

Scenario comparison

The table below describes HillPDA's employment capacity estimates between the current and PRCUTS scenarios.

Table 43: Scenario comparison

	Current (Scenario 1)	PRCUTS (Scenario 2)	
	Capacity	Capacity	Change from Base
GFA	25,594	36,067	+9,076 sqm +40.9%
Jobs	674	949	+275 +40.8%

Source: Inner West Council, 2019, HillPDA

9.3.1.2 Kings Bay Frame Area

Role and function

Kings Bay Frame Area forms the east part of the Kings Bay precinct and contains a variety of uses, including mixed-use, commercial and industrial components located along Parramatta Road. It is dominated by car dealerships, car servicing and a range of one and two storey shops. Car dealerships are generally unroofed, with shops largely paired with shop-top housing. This has reduced the employment floorspace of the area, though the unroofed areas of the car dealerships support employment.

There is an isolated IN2 zone at the southern edge of the precinct, containing warehouses with access past several residential properties and through West Street, a narrow side street.

Ashfield LEP 2013 Planning controls

Zoning	Height of building	Floor space ratio
B4 Mixed Use	23m	1.5:1
B6 – Enterprise Corridor	10 to 15m	1.5:1 to 2:1
IN2 - Light Industrial	10m	1.5:1



Figure 21: Kings Bay Frame Area Employment zoned land

Table 44: Existing employment floorspace

Employment use	Total floorspace	Proportion
Industrial	3,393	26%
Electricity, Gas, Water and Waste Services	2,308	18%
Manufacturing	607	5%
Wholesale trade	478	4%
Knowledge intensive	353	3%
Financial and insurance services	72	1%
Rental, hiring and real estate services	281	2%
Urban services	8,266	63%
Accommodation and food services	551	4%
Construction	321	2%
Other services	478	4%
Retail trade	6,916	53%
Vacant	1,099	8%
Grand Total	13,111	

Source: HillPDA Desktop Audit, 2019

Development activity

No recent development activity.

Scenario analysis

Scenario 1 - Base case

Council has provided an estimate of the existing floorspace capacity of the precinct, based on the existing B4, B6 and IN2 land zoning and FSRs. The theoretical floorspace capacity has been translated into employment capacity, using employment densities from Section 7. The outcomes of this analysis are shown in the table below.

Table 45: Kings Bay frame area GFA capacity – Base case

Current Zoning	Estimated existing floorspace capacity (GFA sqm)	Estimated existing job capacity
B4	1,825	65
B6	48,127	1,267
IN2	3,430	35
Total	53,382	1,367

The current controls for the precinct could result in a theoretical employment floorspace capacity of 53,382 sqm, with a potential to supply 1,367 jobs. Realisation of this floorspace would require conversion of car dealerships and repair facility to other uses, potentially showrooms with a higher capacity to dedicate above

ground floor uses to associated offices. It would also require shop-top housing to be converted into employment areas.

Occupied floorspace in the precinct totals to approximately 13,111 sqm, with 2036 demand for total floorspace (occupied and vacant) expected to be approximately 14,000 sqm.

After calculating take-up rate scenarios, the precinct has a potential excess capacity to meet future demand, estimated at 5,542 sqm employment GFA, assuming low take-up.

Scenario 2 - PRCUTS Recommended controls

PRCUTS recommends that the B4 and B6 portions of the precinct transition to a single business zone. The recommended zone is not clear with a B5 Business Development zone being proposed in text while the relevant map indicates a B6 Enterprise Corridor zone. For this analysis, it has been assumed that the status quo of B6 is recommended. Areas currently zoned as B4 and B6 are recommended to have increased height and FSR controls of 21 m and 2.4:1. The current R2 and IN2 zones are recommended to be rezoned to R3, with height and FSR controls of 12 m and 1.4 m.

The floorspace and job capacity associated with these controls is provided below.

Table 46: Kings Bay Frame Area capacity analysis – PRCUTS Recommendation

PRCUTS Zoning	Estimated future floorspace capacity (GFA sqm)	Estimated future job capacity
B6	64,126	1,688
Total	64,126	1,688

The PRCUTS recommendation would significantly increase the theoretical floorspace capacity of the precinct, with the potential for an additional 10,744 sqm employment GFA and 321 jobs in the precinct. This includes the loss of 3,430 sqm of capacity associated with existing IN2 land.

Redevelopment would likely occur over the medium to long term, with recent development along the eastern side of the precinct and more established premises at the western side. While the central areas of the precinct may be suited for redevelopment, the fragmented lot size and ownership, combined with the requirement for a green edge setbacks to Parramatta Road, would require lot consolidation and longer term planning to be achieved.

The proposal to rezone IN2 land to R3 is inconsistent with more recent *Eastern City District Plan*, which requires the retention and growth/management of existing industrial lands. It is also noted that PRCUTS recommends rezoning the B4 zoned land, currently occupied by a four-storey mixed use development, to B6 even though it is highly unlikely that this development would transition to a strictly commercial development within the 2050 horizon.

Scenario 3 - Modified PRCUTS recommended controls

Council has requested an analysis of the following scenario:

- B6 land is retained with an increased FSR of 2.4:1, and no residential uses permitted as also recommended in PRCUTS
- IN2 land is retained with the current FSR of 1.5:1
- Retain B4 as existing with an FSR of 1.5:1

The goal of this scenario is to retain existing IN2 land, while promoting intensification of uses along Parramatta Road. The table below presents estimates of theoretical capacity for commercial gross floor area and employment based on this modified scenario.

Table 47: Kings Bay Frame area capacity analysis – Modified scenario

Zoning	Estimated floorspace capacity (GFA sqm)	Estimated job capacity
B4	1,825	65
B6	62,301	1,640
IN2	3,430	35
Total	67,556	1,740

This scenario would maintain the focus on increasing employment floorspace density along Parramatta Road, aligning with the recommendations of PRCUTS. It also retains the IN2 zoning along West Street, adjacent to Iron Cove Creek, at its current density. The modified scenario also assumes that the current mixed use development at the eastern side of the precinct will retain focused on retail uses, as opposed to the enterprise uses associated with B6.

This scenario represents a significant increase in the provision of employment land in the precinct, with an anticipated employment capacity higher than the PRCUTS scenario by 3,430 sqm. This is driven by retaining IN2 zoning which can continue to provide the employment floorspace of 3,430 sqm.

As with the PRCUTS scenario, full utilisation of the 2.4:1 FSR would likely be delayed to the medium to long-term and would likely require amalgamation of lots.

Scenario comparison

The table below describes HillPDA's employment capacity estimates between the three scenarios.

Table 48: Kings Bay Frame Area Scenario comparison

	Current (Scenario 1)	PRCUTS as recommended (Scenario 2)		Modified (Scenario 3)	
	Capacity	Capacity	Change from Base	Capacity	Change from Base
GFA	53,382	64,126	+10,744 sqm +20.1%	67,556	+14,174 sqm +26.6%
Jobs	1,367	1,688	+321 +23.5%	1,740	+373 +27.3%

Source: Inner West Council, 2019, HillPDA

9.3.1.3 Implications

The PRCUTS controls represent a substantial increase in theoretical floorspace and job capacity across Kings Bay. Currently, employment floorspace is well below capacity, owing to low-density commercial floorspace and residential uses. While there is potential under existing controls for capacity to meet 2036 floorspace demand across the combined precinct, this would require a major change in the built form characteristics of the area.

The capacity increases proposed by PRCUTS represents a further change in character, with a fundamental shift away from the existing low-density uses and introduction of large green setbacks. Realisation of the green

setbacks would be dependent on a reduction of vehicle crossovers, which may require fundamental changes to how sites are accessed.

The Kings Bay Industrial areas are only a subset of the larger PRCUTS Kings Bay precinct, with transformation being reliant on the implementation of PRCUTS across the three councils. Given the expansion of the B6 zone to include existing residential and mixed use buildings, there may be impacts on development potential and land values. Loss of industrial land, while minor in size and restricted in access, would remove the only industrial zone land in Kings Bay (IWC).

9.3.1.4 Recommendations

The PRCUTS scenario would result in a higher theoretical employment floor area and potential job capacity in the precinct. The realisation of the PRCUTS vision within the precinct would require an evolution of the existing low-density automotive-centric and shop uses to larger and taller built forms that are setback from the street.

In order to achieve the commercial floorspace uplift anticipated, a coordinated approach is required that would:

- Expand the B6 zone in consultation with affected landowners
- Review the PRCUTS recommended B6 height and FSR controls and investigate provision of potential bonuses to promote green edge setbacks and lot consolidation
- Retain the B4 zone
- Engage with landowners, Burwood Council and State agencies to arrange for side and rear access to reduce vehicle crossovers.

Retention of IN2 land along West Street is a preferred outcome, though it is noted that access and potential for redevelopment is limited due to the size of the lot and surrounding residential uses. Further consideration should be given to the viability of non-warehouse IN2 uses in the area, with the potential to transition to B6, which allows for warehousing and business premises activities similar to the existing use.

9.3.2 Taverners Hill Precinct

The Taverners Hill Precinct is located towards the north-west of the LGA along Parramatta Road, between Iron Cove Creek and Flood Street. The precinct has been split into Taverners Hill Core Precinct and Taverners Hill Frame Area.

The core and frame areas serve two distinct purposes:

- Core Precinct is a mixed commercial and industrial precinct, focusing on Parramatta Road, surrounded by low-density dwellings and access to rail services at Taverners Hill and Lewisham stations
- Frame Area is a mixed residential and commercial corridor with alternating clusters of low/medium density housing and shops/urban services.

The PRCUTS vision for the precinct focuses on Taverners Hill as an urban village, capitalising on public and active transport links to support future mixed use character. This is expected to be complemented by neighbourhood parks, squares and leafy streets. Tebbutt Street is anticipated to include small-scale street-oriented shops, catering to an expanded residential population with the establishment of a main-street environment. Creative industries are expected to become more popular in the area, uplifting existing and supporting new building stock.

This future development is expected to be supported by:

strong regional active transport links via the adjoining GreenWay and Hawthorne Canal
a revitalised neighbourhood centre supported by mixed-use development

investment in public transport modes and high amenity public open space.

In the 2050 long term horizon, PRCUTS identifies a:

Proposed growth projection of 4,100 jobs

Proposed indicative land use mix (additional employment GFA) of 70,000 sqm in Taverners Hill Core Precinct and 315,000 sqm in Taverners Hill Frame Area.

The assumptions for these projections are unclear from the available documentation. However, a consideration of potential jobs and additional floorspace arising for the proposed changes is provided below.

The proposed zoning for the precinct is shown in below.



Figure 22: Extract of PRCUTS Taverners Hill precinct proposed zoning

9.3.2.1 Taverners Hill Core Precinct

Role and function

The Taverners Hill core precinct is located to the east of Hawthorne Canal and Inner West Light Rail line on both sides of Parramatta Road in Leichhardt and Lewisham.

It is a classic urban services precinct that is also home to important industrial, office, creative enterprises and world leading biotechnology research and development activities.

The precinct contains workshops, industrial premises, a meat supplier, smash repairers, stone mason, car dealership, offices, printers, warehouses, hotel, a biotechnology centre, fitness facilities, catering supplier, builder and plumber supplies, photographic studio and the multi-use Lords Road industrial and urban services estate, apartments, low scale workers cottages and terrace housing. There are ground floor shops in the recent B4 Mixed Use development between George Street and Upward Street. These have been available since early 2018, but as of September remain vacant.

The built character of the area includes one and two storey light industrial warehouses with zero setbacks from the street, single houses and a modern mixed use apartment block. There are distinct patterns of land use through the Precinct, with industrial buildings fronting Parramatta Road, the important employment centre at Lords Road industrial estate and some residential on Hathern and Tebbut Streets, plus apartments above the B4 zone ground floor retail premises.

The recent residential and mixed use development between George and Upward Streets is the tallest building within the precinct, with a central eight storey element.

The precinct is strategically located along Parramatta Road within close proximity of Taverners Hill Light Rail Station, Lewisham railway station and bus services, which gives it good accessibility into surrounding areas.



Figure 23: Taverns Hill Core Precinct Employment zoned land (existing)

Marrickville LEP 2011 and Leichhardt LEP 2013 Planning controls

Zoning	Height	FSR
IN2 Light Industrial	None	1:1
B4 Mixed Use	32 m	2.15:1
B6 Enterprise Corridor	None	0.95:1

Table 49: Taverners Hill Core Precinct existing employment floorspace

Employment Centre	Total floorspace (sqm)	Proportion
Industrial	13,892	36%
Electricity, gas, water and waste services	1,134	3%
Manufacturing	3,416	9%
Wholesale trade	9,342	25%
Urban services	20,408	54%
Accommodation and food services	3,221	8%
Arts and recreation services	3,687	10%
Construction	2,597	7%
Other services	9,184	24%
Retail trade	1,116	3%
Transport, postal and warehousing	602	2%
Vacant space	644	2%
Vacant space	644	2%
Health and education	1,786	5%
Education and training	1,786	5%
Knowledge intensive	1,387	4%
Professional, scientific and technical services	1,387	4%
Grand Total	38,117	

Source: HillPDA Desktop Audit, 2019

Development activity

The precinct has been subject to two large scale rezoning and redevelopment proposals in recent years. The first was for a residential and mixed use apartment development at the combined former Kolotex and Labelcraft industrial sites. The second has taken the form of two Planning Proposals to rezone the Lords Road industrial estate from IN2 - Light Industrial to R3 - Medium Density Residential.

There is also a current development application for proposed alterations and additions to an existing three storey commercial building at 776 Parramatta Road for the purpose of a boarding house consisting of 17 single boarding rooms.

The Kolotex / Labelcraft scheme has been completed and incorporates the existing B4 Mixed Use zone.

The Lords Road 2014 Planning Proposal was not adopted after a re-zoning review, Gateway determination and public exhibition. This is largely due to being unable to meet PRCUTS Implementation Plan requirements. The Lords Road 2018 Planning Proposal was not supported by Council and is currently the subject of a rezoning review. In June 2019, the Sydney Eastern City Planning Panel did not support the rezoning review in their recommendation to the Minister.

In its assessment of the planning proposals, Council found that the dwellings that could be built at Lords Road are not required to meet PRCUTS dwelling targets and that the industrial zoning is necessary to maintain employment and provide urban services in the Taverners Hill precinct.

Scenario analysis

Scenario 1-Base case

Council has provided an estimate of the existing floorspace capacity of the precinct, based on existing planning controls. Floorspace has been divided into each zone, representing the likely employment outcomes. Floorspace capacity has been translated into employment capacity, with the outcomes of this analysis shown in the table below.

Table 50: Taverners Hill Core Precinct GFA capacity – Base case

Existing Zoning	Estimated existing floorspace capacity (GFA sqm)	Estimated existing job capacity
B4	4,391	157
B6	8,665	234
IN2	35,780	365
Total	48,836	756

Reviewing existing controls, the currently controls for the precincts could result in a theoretical capacity of 48,836 sqm, with a potential to supply 756 jobs.

Occupied floorspace in the precinct totals approximately 38,117 sqm, with 2036 demand for total floorspace expected to be approximately 44,500 to 45,000 sqm.

Considering capacity take up, it is estimated that there will be a shortfall of up to 21,500 sqm employment GFA in the precinct. Locally, this may manifest in smaller commercial or residential IN2 zoned properties not being converted to denser employment uses.

As such, there is a need to increase floorspace capacity to meet projected future needs

Scenario 2 - PRCUTS Recommended controls

PRCUTS recommends rezoning IN2, B6 and certain R1 lands to B4 and R3. This would mean a shift from urban services land to mixed-use/shop-top housing or medium density housing. Council has provided an estimate of the floorspace capacity associated with the recommended planning controls, with capacity translated to employment. The outcomes of this analysis are shown in the table below.

Table 51: Taverners Hill GFA capacity – PRCUTS Recommendation

PRCUTS Zoning	Estimated future floorspace capacity (GFA sqm)	Estimated future job capacity
B4	27,948	998
Total	27,948	998

The PRCUTS recommendation will reduce the theoretical floorspace capacity in the precinct by approximately 20,888 sqm. This is largely associated with the loss of the Lords Road industrial site. Further, primary employment lands that current permit secondary dwelling uses (eg MLEP 2011 B6 lands) would be replaced with B4 lands, typically characterised by a primary residential use with ground floor businesses and shops.

The theoretical job capacity is increased by approximately 150. This is driven by the higher employment densities associated with B4 lands, compared to B6 and IN2 lands. As such, while the recommendation would reduce employment floorspace capacity, it would have the potential to result in further employment. However, it is unclear if there is demand for floorspace associated with B4 lands, given that B4 employment land associated with the Kolotex development has remained vacant for approximately two years.

The proposal to rezone IN2 land to B4 and R3 is inconsistent with more recent *Eastern City District Plan*, which requires the retention and growth/management of existing industrial lands. This proposal is also inconsistent with the findings of this study which demonstrates shortage of industrial land in the LGA.

Given these factors, the recommended transition away from urban services land in the precinct, as recommended by PRCUTS, is not supported. This is particularly true north of Parramatta Road, where Tebbutt Street is proposed to transition to a main-street environment.

Scenario 3 - Modified recommended controls

Council has supplied an alternative to the PRCUTS recommendations, address the anticipated shortfall between original PRCUTS job growth projections and the smaller job growth likely to be generated from a much reduced employment zoned area to balance an increase in density with maintaining the urban services focus of the land. Council has requested an analysis of the following scenario:

- B6 land is retained with an FSR of 1.5:1, and no residential uses permitted
- IN2 land is retained with an FSR of 1.5:1
- A portion of R1 land is rezoned to B4 with an FSR of 1.5:1.

The table below presents estimates theoretical capacity for commercial gross floor area and employment based on this modified scenario.

Table 52: Taverners Hill GFA capacity - Modified (Scenario 3)

Proposed Zoning	Estimated future floorspace capacity (GFA sqm)	Estimated future job capacity
B6	13,682	360
IN2	52,426	535
B4	5,484	196
Total	73,592	1,091

Source: Inner West Council, 2019, HillPDA

The proposed scenario represents a significant increase in the provision of employment land in the precinct, with an anticipated employment capacity higher than the existing and PRCUTS scenarios.

This is driven by:

- Retaining B6 zoned land
- Prohibiting residential accommodation in B6 land

Increasing the FSR of IN2 and B6 land from approximately 1:1 to 1.5:1

Rezoning a portion of R1 to B4 land adjacent to Kegworth Public School playground with an FSR of 1.5:1.

The scenario would lift the employment floorspace capacity to approximately the maximum amount required to meet anticipated demand to 2036. Given the fragmentation and constraints of land within the precinct, a high capacity is beneficial. It would allow for demand to be met by opportunistic development across the precinct in the medium term, without relying on specific sites to redevelop in a short period.

Retention of IN2 and B6 land along Parramatta Road would allow for the retention of the existing character of the precinct being focused on urban services. This would be reinforced by the removal of residential accommodation as a permissible use in the B6 zone, requiring entire buildings to be dedicated to employment generating uses. Full utilisation of the 1.5:1 FSR would likely require amalgamation of lots in order to achieve, given the mix of building stock and generally small lot size may make full utilisation on individual lots unfeasible.

Restriction of B4 land to the area south of the Kegworth Public School playground is a reasonable short-term implementation of the main-street use proposed by PRCUTS, providing an opportunity of a through site link between Upward Street and Tebbutt Street. Limited implementation of the ground-floor retail uses associated with the B4 use would help prevent over-provision of floorspace and long-term vacancies.

Scenario comparison

The table below describes HillPDA's employment capacity estimates between the three scenarios.

Table 53: Taverners Hill Scenario comparison

	Current (Scenario 1)	PRCUTS (Scenario 2)		Modified (Scenario 3)	
	Capacity	Capacity	Change from Base	Capacity	Change from Base
GFA	48,836	27,948	- 20,888 sqm -42.8%	71,592	+22,756 +46.6%
Jobs	756	998	+242 +32.0%	1,091	+335 +44.3%

Source: Inner West Council, 2019, HillPDA

The modified scenario offers the highest employment capacity, both in terms of GFA and job capacity. While the PRCUTS would also offer an increased job capacity with a smaller GFA, it is unclear if there is short to medium term demand for space associated with the B4 land proposed by that scenario.

The modified scenario increases the theoretical employment GFA and job capacity by half. While the modified scenario increases the employment floorspace by almost 90%, compared to the PRCUTS scenario, job capacity is only increased by approximately 12%. This is due to the large proportion of floorspace associated with the IN2 zone which will have a relatively lower job density than B4 and B6 zones, on average. This does not mean the IN2 zone land has lower economic value than B4 or B6 zones. As noted in the Region Plan, urban services land, such as IN2, provides economic benefits beyond jobs, supporting residents and businesses.

9.3.2.2 Taverners Hill Frame Area

Role and function

Taverners Hill Frame Area is a 2.6 km strip on both sides of Parramatta Road between Hawthorne and Dobroyd Canals.

The employment areas of the precinct are zoned B6 Enterprise Corridor, and provide a range of industrial, commercial and specialty retail premises within both new and older building stock. This is accompanied by residential accommodation in the form of residential flat buildings and separate houses.

Commercial building heights generally range between two to three storeys. The types of uses currently in operation are generally in line with the objectives of the zone. There is little distinction between the types of uses across the corridor. The enterprise corridor would service both a local and broader district function considering its strategic location and important role of the road as an east-west link.

The precinct is bound by residential areas with evidence of higher density residential and mixed-use development abutting the precinct. Heritage conservation areas also apply to areas within and surrounding the precinct.

Ashfield LEP 2013 Planning controls

Zoning	Height of building	Floor space ratio
B6 Enterprise Corridor	10-15m	1.5-2.0:1

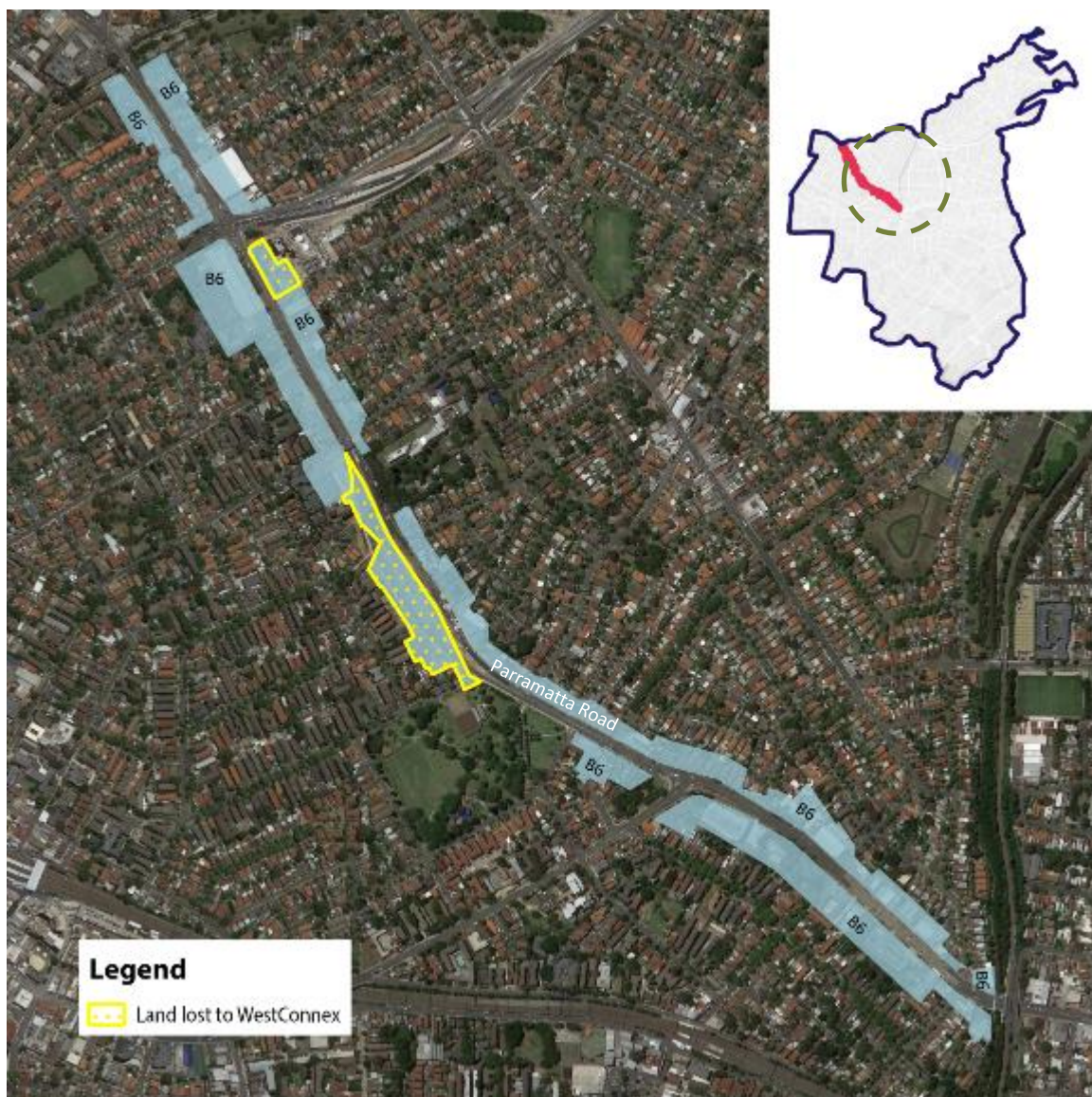


Figure 24: Taverners Hill Frame Area Employment zoned land

Table 54: Existing Employment Floorspace

Employment Centre	GFA (sqm)	Proportion
Industrial	21,893	16%
Electricity, gas, water and waste services	66	0%
Manufacturing	1,075	1%
Wholesale trade	20,752	15%
Urban services	21,737	16%
Accommodation and food services	6,419	5%
Arts and recreation services	292	0%
Construction	175	0%
Other services	5,541	4%
Retail trade	8,512	6%
Transport, postal and warehousing	797	1%
Vacant space	10,602	8%
Health and education	8,572	6%
Education and training	2,471	2%
Health care and social assistance	6,101	4%
Knowledge intensive	7,256	5%
Professional, scientific and technical services	5,463	4%
Public administration and safety	1,793	1%
Grand Total	140,118	

Source: HillPDA Desktop Audit, 2019

Development activity

The table below provides additional evidence of developer interest over recent years.

Site and name	Development application	Description	Status
PARRAMATTA ROAD SERVICED APARTMENTS & CAR SHOWROOM 181 Parramatta Rd (Lot 1 DP170937)	DA 2017.159	Demolition of existing structures. Construction of a 3 storey mixed use building comprising a 479sqm ground floor car showroom & 21 serviced apartments above. Basement car parking for 31 vehicles. Total floor area: 816sqm	Development approved - Anticipated completion date Mid 2020
PARRAMATTA ROAD MIXED USE DEVELOPMENT 124 Parramatta Rd (Lots 7- 8 DP439 & Lot B DP343029)	DA2018/140.1.	Proposed demolition of existing structures. Construction of 4 x 4 storey mixed used development buildings to comprise 45 serviced apartments, 128.1sqm dining area & 120.1sqm ground floor shop. Car parking for 59 vehicles including 12 bicycle & motorcycle spaces. Serviced apartments Total retail employment area: 248sqm	Application assessment - Possible completion date Mid 2020

Source: Cordell Connect, 2019

Scenario analysis

Scenario 1 -Base case

Council has provided an estimate of the existing floorspace capacity of the precinct, based on existing planning controls. The theoretical floorspace capacity has been translated into employment capacity.

Due to constraints in availability of data for lot analysis, land lost to WestConnex construction has not been removed from the capacity analysis.

Table 55: Taverners Hill Frame Area – Base case (Scenario 1)

Zoning	Estimated floorspace capacity (GFA sqm)	Estimated job capacity
B6	334,452	8,801
Total	334,452	8,801

The current controls for the precincts could result in a theoretical capacity of 334,452 sqm, with a potential to supply 8,801 jobs. For context, the 2016 Census identified 2,903 people working in SA1 areas surrounding the precinct.

Occupied floorspace in the precinct totals approximately 70,000 sqm, with 2036 demand for total floorspace expected to be approximately 79,000 to 80,000 sqm.

The precinct has excess capacity to meet 2036 demand. This exceedance is estimated to be between 15,032 and 77,644 sqm employment GFA, depending on take-up rates. However, this exceedance may be difficult to achieve, given the high level of vacancies in the area, and the low potential for residential building stock to transition to employment land. Realisation of theoretical capacity that relies on conversion of these properties to employment lands is unlikely in the medium to long term, without significant market demand or large-scale development associated with higher FSRs.

Scenario 2 - PRCUTS recommended controls

The PRCUTS recommendation is to increase the height and FSR controls for B6 zoned land on the north side of Parramatta Road to 16 m and 2:1, the same as the south side. The floorspace and job capacity associated with these controls is provided in the table below.

Table 56: Taverners Hill Frame Area – PRCUTS Recommendation (Scenario 2)

Zoning	Estimated floorspace capacity (GFA sqm)	Estimated job capacity
B6	373,071	9,818
Total	373,071	9,818

The PRCUTS recommendation would significantly increase the theoretical floorspace capacity (38,619 sqm) and job capacity (1,017) in the precinct.

Notably, Parramatta Road in this area is designated as a 'movement' area, primarily focused on efficient movement of vehicles along the corridor, with commercial frontages behind 6 m green edge setbacks. This foreshadows a major change in character from the mixed residential and parking frontages that currently characterise the area.

Scenario comparison

The table below describes HillPDA's employment capacity estimates between the current and PRCUTS scenarios.

Table 57: Taverners Hill Frame Area Scenario comparison GFA capacity

	Current (Scenario 1)	PRCUTS (Scenario 2)	
	Capacity	Capacity	Change from Base
GFA	334,452	373,071	+38,619 sqm +11.5%
Jobs	8,801	9,818	+1,017 +11.6%

Source: Inner West Council, 2019, HillPDA

9.3.2.3 Implications

PRCUTS has identified two separate visions for the Taverners Hill Precinct. The first, Taverners Hill Core Precinct, is a transition from an established commercial/industrial area to mixed-use precinct where mixed and creative uses are supported by an increased residential population and proximity to transit options. The second, Taverners Hill Frame Area, is anticipated to transition from a mixed residential and commercial area to a movement corridor that supports medium density enterprise corridor uses.

PRCUTS anticipates 4,110 new jobs in the Taverners Hill Precinct, with an additional 350,000 sqm of employment floorspace. There is currently theoretical capacity for 383,288 sqm and 9,557 jobs, with PRCUTS recommendations potentially that to 401,019 sqm GFA and 10,816 jobs. However, the bulk of this growth is along the Ashfield Employment Corridor, which has lower demand for floorspace and is not as accessible as Taverners Hill. The alternative scenario for Taverners Hill seeks to balance this by maintaining the employment-centric nature of current business and industrial zones, increasing the theoretical capacity to 446,663 sqm GFA and 10,929 jobs.

In addition, in this context of the PRCUTS recommended reduction in employment floorspace (in the core precinct) and the consequent estimated job capacity of 1,259 in the Precinct (core + frame), it is difficult to identify how the PRCUTS growth projection of 4,100 jobs by 2050 was arrived at.

Table 58: Taverners Hill Precinct (core + frame area) scenario comparison

	Current (Scenario 1)	PRCUTS (Scenario 2)		Modified (Scenario 3)	
	Capacity	Capacity	Change from base	Capacity	Change from base
Core area GFA	48,386	27,948	-20,438	71,592	23,206
Frame Area GFA	334,452	373,071	38,619	373,071	38,619
Total GFA	382,838	401,019	18,181	444,663	61,825
Core area jobs	756	998	242	1,091	335
Frame area jobs	8,801	9,818	1,017	9,818	1,017
Total Jobs	9,557	10,816	1,259	10,909	1,352

Additional information for the implications of these scenarios are provided below.

Taverners Hill Core Precinct

The Connectory biotechnology hub at 701-203 Parramatta Road, Leichhardt epitomises some of the key problems that arise from PRCUTS recommendation that IN2 and B6 land in the precinct be rezoned to B4 or retained as B6 (if residential uses are permitted).

The Connectory which is a cluster of biotechnology businesses at 701 – 703 Parramatta Road, Leichhardt made up of the IDE group Horten Medical and Atomo Diagnostics is of global importance. When it opened in 2015, the Connectory was described as a new space where businesses and entrepreneurs can connect and cross-pollinate to discover new opportunities, develop new ideas and build better futures for health. It has a vision to become Australia's leading centre for design, innovation and advanced manufacturing. The Connectory offers new capabilities for 3D printing, large scale prototyping and pilot assembly.

The Connectory is in the block bounded by Parramatta Road, Tebbutt, Hathern and Brown Streets to that PRCUTS recommends for rezoning from IN2 to B4 Mixed Use on the Parramatta Road frontage and R3 Medium Density Residential zone. The Connectory site would be half in the B4 and half in the R3. That rezoning could put the operation of this innovation centre and the businesses it houses at risk as they occupy an older, industrial, probably inexpensive property and might find it difficult to maintain their presence in this location should the site be the subject of a redevelopment scheme.

Transition from B6 to B4 land is generally not supported, as it does not appear that there is sufficient demand for significant increases in employment uses associated with B4 land within the precinct.

The widespread permissibility of residential uses in B6 land is not supported, nor is rezoning industrial land to residential uses. The alternative, being precinct-specific additional permitted uses or similar controls, presents long-term policy complications of maintaining site specific additional permitted uses strictly within the precinct. Further, inclusion of residential uses would reduce the theoretical employment capacity of the precinct. As such, the inclusion of residential uses on B6 land in the precinct is not supported.

The PRCUTS and modified Taverners Hill Scenarios (2 and 3) are expected to increase in theoretical job capacity, though only Scenario 3 was able to achieve the employment GFA of 70,000 sqm. The PRCUTS scenario resulted in a loss of theoretical employment floorspace by recommending rezoning large areas of light industrial urban services land to mixed-use or residential only land. While this would have the potential to increase job capacity in the precinct, it would eliminate a substantial quantity of urban services land along Parramatta Road. Also, the increase in employment capacity is theoretical, given that existing commercial spaces in B4 zones have been vacant for two years.

As described in the *Greater Sydney Regional Plan* (Greater Sydney Commission, 2018), urban services lands may have a lower number of associated jobs but provide significant operational and functional benefits for surrounding businesses and residents.

This report documents a projected shortage in land zoned for industrial purposes includes urban services land. Capacity modelling identifies that the current supply of industrial zoned land in the LGA is insufficient to meet future demand. In part, the projected shortage of industrial land arises from the cumulative effect of recent centre-based rezonings, like those recommended by PRCUTS. Future rezoning of industrial land in the LGA in this way is not supported.

The transition of B6 to B4 land on the south side of Parramatta Road would generally limit employment capacity to ground levels. This is likely to increase the proportion of retail and business services uses, compared to office, warehousing uses or other urban services uses. Retention of the B6 zoned land, without residential accommodation uses, would help retain and expand the existing mix of uses in the future as land consolidated

is redeveloped. This process would be aided by FSRs of 1.5:1, with the potential of increased FSRs be required to aid in the feasibility of development in the near term.

The primary constraining feature for redevelopment to achieve the capacities identified is the fragmentation of lots. With frontages ranging from approximately 6 m on IN2 zoned residential lots to between 12 m and 20 m on employment generating land, lot consolidation will likely be required to achieve significant uplift.

Taverners Hill Frame area

As a frame area, realisation of the theoretical capacity is largely anticipated in the medium to long term, with PRCUTS anticipating development post 2023. The realisation of that capacity will require a major change in character, from a mix of residential and commercial uses to a green-edged movement corridor that supports over three times the current employment in the immediate area.

Capacity and projected demand in the frame area is discussed in Section 7, with the area's capacity expected to exceed demand. In the short to medium term, this would mean a delay in redevelopment to realise the capacity of the area, as new development would not easily attract buyers and tenants. Redirection of LGA-wide demand to the area would require a coordinated and long-term commitment.

Given the PRCUTS's frame area designation, this long-term transformation is reasonable and potentially achievable in the next thirty years. Coordination would likely require community, local and State partnerships to achieve the PRCUTS vision. Particular attention should be given to the potential of combining lots and promoting off-Parramatta road access to reduce crossovers and improve on-site circulation of future development. Increased FSR and height controls may be required to incentivise redevelopment of residential flat buildings, where strata title is an issue.

9.3.2.4 Recommendations

The PRCUTS scenario would result in a higher theoretical employment floor area and potential job capacity in the precinct when compared to the baseline Scenario 1 but it does not align with current Greater Sydney Commission and State Government policies regarding the retention and management of employment lands. The implementation of the PRCUTS in Taverners Hill would result in a loss of potential industrial and urban services land, which is in short supply. The modified approach in Scenario 3 would instead increase employment land capacity, protect important existing businesses such as the biotechnology hub and is more appropriate to help drive appropriate redevelopment. This position is:

- Consistent with the district and regional strategies which strongly promote the retention of urban services land
- Important for the protection of urban services land for its role and function, as indicated in *A Metropolis that Works*
- Necessary to avoid further shortfalls in the supply of IN1 and IN2 zoned land.

PRCUTS recommends an increase in the height and density in the Taverners Hill Core Precinct, with mixed use development of between four and six storeys and over double (2.2 to 2.4:1) the current FSR. The modified scenario considers a lower FSR increase of 1.5:1. A review of the built form in the IN2 land shows that sites either meet or exceed the 1.5:1 FSR currently (east of Upward Street), or are fragmented to the point where a 1.5:1 FSR development would be difficult to achieve without consolidation (west of Upward Street, particularly dwellings opposite Hathern Street).

While this would increase the potential of redevelopment in Taverners Hill, there are significant barriers to large-scale redevelopment in the precinct, largely related to land fragmentation and street frontages. The potential for an increased FSR beyond 1.5:1 to encourage redevelopment should be considered. The increased

FSR should be connected to positive design outcomes that reduce fragmentation, enhance site access and are sensitive to surrounding non-employment uses.

PRCUTS recommended controls in the Taverners Hill Frame Area are modest, with a 0.5:1 increase in the FSR of land to the north of Parramatta Road. This is unlikely to result in large-scale delivery of employment floorspace in the near term but will help achieve the long term vision. Before the potential capacity is delivered, unique challenges for revitalisation will be required to be addressed, with historic residential land uses and WestConnex construction resulting in an inconsistent character.

There is potential for the Taverners Hill Frame Area to assist with meeting future expected LGA-wide employment floorspace demand. Adoption of the increased height and FSR controls along the northern side of Parramatta Road is a positive first step that has the potential to encourage opportunistic redevelopment. However, additional steps are required to:

- Promote the corridor as a suitable alternative for floorspace demand shortfalls across the LGA
- Arrange for side and rear access to solidify the Parramatta Road 'movement' function
- Undertake precinct-wide feasibility site testing to determine appropriate long-term design and planning controls.

Further feasibility and site testing should be undertaken across the entire PRCUTS Taverners Hill Precinct to determine the height and FSR necessary to balance the need for a financial return on development with the need to achieve good urban design outcomes. Noting that there will likely be a need to consolidate multiple lots, Council could consider bonus height/GFA/FSR where consolidation in IN2 areas is provided, in order to prioritise the long-term function of the industrial zoned land.

9.3.3 Leichhardt Precinct

Leichhardt Precinct is located in central portion of the LGA, along Parramatta Road, between Flood Street to the west and Johnston Street/Northumberland Avenue to the east. PRCUTS splits the precinct into two parts - Leichhardt Core Precinct and Leichhardt Frame Area.

The core Leichhardt precinct comprises the intersection of Norton Street and Parramatta Road, including both sides of Parramatta Road oriented properties between Renwick Street and Balmain Road, and several prorates on Crystal Street. The frame area extends to the east and west of the core precinct along Parramatta Road, and generally to the adjoining parallel streets.

The PRCUTS vision for the precinct is a vibrant, mixed use entertainment precinct attracting visitors from the Greater Sydney area. Rejuvenation and redevelopment is expected along Norton Street and Parramatta Road. The northern portion of the precinct will be dedicated to civic uses, while small shop frontages will provide a mix of shops and uses. Norton Street will be further supported by east-west linkages to neighbouring streets, complemented by improvements in the streetscape and additional public open space.

This transition is expected to be supported by:

- Capitalising on improved high-capacity public transport connections along Parramatta Road
- Intensifying residential and retail uses to create a critical economic mass
- Dedication of land to a network of pocket parks, plazas and other connected open spaces
- Breaking up long blocks and create through-site links perpendicular to Norton Street and Parramatta Road
- Enhancing north-south links to Petersham Station
- Incorporating car parking into future development and repurposing at-grade car parking where possible.

In the 2050 long-term horizon, PRCUTS identifies a:

Proposed growth projection of 3,602 jobs

Proposed indicative land use mix (additional employment GFA) of 74,000 sqm in Leichhardt core precinct and 111,000 sqm in Leichhardt frame area.

The assumptions for these projections are unclear from the available documentation. However, a consideration of potential jobs and additional floorspace arising for the proposed changes is provided below.

The proposed zoning for the precinct is shown in the figure below. **Error! Reference source not found.**



Figure 25: Extract of the PRCUTS proposed zoning for Leichhardt precinct

9.3.3.1 Leichhardt Core Precinct

Role and function

Leichhardt Core Precinct is zoned B2 Local Centre and contains a mix of residential buildings, restaurants, cafés and eateries (notable proportion of Italian themed businesses), and retail outlets. Retail options include clustering of bookstores and grocery shops. There are also hotels, a Palace Cinema, Norton Street Grocer and Norton Plaza as one of the suburb's two shopping centres. The other being Market Place to the north of Taverners Hill.

Norton Plaza is a modern building housing a food court and retail and commercial uses typical of an indoor shopping centre. Businesses outside of the shopping centre are located on both sides of Norton Street stretching north from Parramatta Road up to Pioneers Memorial Park. At the southern end of the street is the Italian Forum, notable for its design which seeks to emulate the feel of a Mediterranean town piazza featuring a fountain, ringed by cafés and upmarket fashion shops. At present, the Italian Forum has a very high level of vacancies.

Norton Street is 5 kilometres west of the Sydney CBD and is the main commercial street in the suburb. The centre competes with MarketPlace Leichhardt, Ashfield Mall and Broadway, although it has diversified retail and dining offerings with strong local character.

The core precinct includes a portion of Parramatta Road to the south, which is a major transport link and arterial route from Sydney's east to west. The closest train station is Petersham 500m south of the centre. Taverners Hill, Marion Street and Leichhardt North light rail stations are all within 20 minutes' walk of Norton Plaza. The centre is well-served by buses running north-south along Norton Street (436, 438, 439, 440, 445, M10) and east-west along Parramatta Road (413, 436, 438, 439, 440, 461, 480, 483, M10, N60, N61, N70, N71, N80, N81). There is underground parking in Norton Plaza, however there is limited on-street parking.



Figure 26: Leichhardt Core Precinct Employment zoned land

Zoning	Height	FSR
B2 Local Centre	None (north of Parramatta Road) 14 m (south of Parramatta Road)	North of Parramatta Road - 1:1 and additional 0.5:1 for active frontage uses South of Parramatta Road - 1.5:1

Table 59: Leichhardt Core Precinct existing floorspace

Category	GFA	Proportion
Occupied retail floorspace	33,582	57%
Supermarket/grocery	4,000	7%
Speciality food	3,000	5%
Fast Food	3,000	5%
Café/restaurant	1,878	3%
Clothing	6,722	11%
Other personal and household goods	10,000	17%
Selected Personal services	4,982	8%
Occupied non-retail floorspace	36,263	33%
Accommodation	408	1%
Pubs, Taverns & Clubs	463	1%
Rental, Hiring & Real Estate Services	3,288	6%
Health Care & Social Assistance	150	0%
Financial & Insurance Services	550	1%
Administrative & Support Services	770	1%
Arts & Recreation Services	4,410	7%
Transport, Postal & Warehousing	864	1%
Education and Training	1,605	3%
Industrial	1,957	3%
Other	4,982	8%
Vacant space	6,054	10%
Total	59,803	

Source: HillPDA Desktop Audit, 2019

Development activity

Table 60: Development activity in Leichhardt Core Precinct

Site and name	Address	Development application	Description	Status
NORTON ST MIXED USE DEVELOPMENT - 51 NORTON	47-51 (Lot 1) Norton St (DP538629)	DA-D/2015/348	Demolition of existing structures including an open carpark. Construction of a 4 storey mixed use building comprising 2 commercial units of 126sqm & 38.5sqm on the ground floor & 3 x 1, 10 x 2 & 2 x 3 bedroom units with balcony above.	Complete
PARRAMATTA ROAD MIXED USE DEVELOPMENT	361 Parramatta Rd (Lot 1 DP89488)	D/2019/65	Proposed demolition of existing structures. Construction of a 4 storey mixed use development. Ground level - Hotel reception lobby, office & apartment. Levels 1-3 - 12 hotel rooms.	Application refused
DOT LANE APARTMENTS	355-357 Parramatta Rd	DA 2014/205	Demolition of existing buildings. Construction of a mixed use development comprising 12 residential apartments and ground floor commercial unit 97sqm fronting Parramatta Rd.	Completed
PARRAMATTA	377 Parramatta	D/2016/331	Demolition of existing structures.	Development

Site and name	Address	Development application	Description	Status
ROAD MIXED USE DEVELOPMENT	Rd (Lot 2 DP534872)		Construction of a 5 storey mixed use development with 2 ground level retail tenancies & 7 apartments.	Approval

Scenario comparisons

Scenario 1 - Base case

Council has provided an estimate of the existing floorspace capacity of the precinct, based on existing planning controls. Floorspace has been divided into each zone, representing the likely employment outcomes. Floorspace capacity has been translated into employment capacity, using employment densities from Chapter 7. The outcomes of this analysis are shown in the table below..

Table 61: Leichhardt core precinct GFA capacity – Base case (Scenario 1)

Current Zoning	Estimated existing floorspace capacity (GFA sqm)	Estimated existing job capacity
B2	25,492	1,159
Total	25,492	1,159

Reviewing existing controls, the currently controls for the area could result in a theoretical capacity of 25,438 sqm, with a potential to supply 1,159 jobs. Note that this is well below the current estimated floorspace of approximately 60,000sqm.

PRCUTS Recommended controls (Scenario 2)

PRCUTS recommends retaining the bulk of the B2 zoned land, with the exception of several properties along Crystal Street and Balmain Road, which are recommended to be rezoned to R3. A portion of R1 zoned units that back onto B2 land on McDonald Street, as well Leichardt Public School currently zoned SP2, are recommended to be rezoned to B2. Otherwise, R1 land is recommended to be rezoned to R3. The proposed rezoning of the school appears to be a mapping error and is not included in the estimates of future floorspace capacity and jobs below.

Densities across the precinct are recommended to be increased, with the west side of Norton Street increased to 1.9:1 and 17 m, and the eastern side generally increased to 3:1 and 22 m. The exception to this is the Italian Forum, which is to remain 1:1, with a height of 17 m and around the school, which would be increased to 1.9:1 and 17 m. Otherwise land fronting Parramatta Road is recommended to be increased to 3:1.

The recommended changes represent a significant uplift to the area, transitioning from one-three stories to five-seven stories. The primary intensification in use would likely be residential, with an increase in shop-top housing.

Council has provided an estimate of the floorspace capacity associated with the recommended planning controls, with capacity translated to employment. The outcomes of this analysis are shown in the table below.

Table 62: Leichhardt Core Precinct – PRCUTS Recommendation (Scenario 2)

PRCUTS Zoning	Estimated future floorspace capacity (GFA)	Estimated future job capacity
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	sqm)	
B2	41,257	1,875
Total	41,257	1,875

The PRCUTS recommendation has the potential to increase the theoretical employment floorspace capacity in the precinct by approximately 15,765 sqm. This increase is associated with new B2 lands, assuming 25% of the B2 land will be used for commercial purposes. The theoretical job capacity is increased by approximately 716, associated with additional B2 floorspace.

The effects of rezoning B2 land along Crystal Street to R3 has been included in the above analysis. This area supports a range of automotive and business services. Rezoning of Crystal Street for residential purposes would result in a loss of approximately 1,818 sqm of theoretical employment floorspace and the potential for 83 jobs.

A significant portion of Norton Street is characterised by repurposed single story and terrace residential buildings. Some of these opposite Norton Plaza are in a heritage conservation area as are those fronting Parramatta Road. Redevelopment of these prosperities may not achieve the full floorspace capacity that implementation of PRCUTS controls might suggest.

Given these factors, it appears that the desired outcome of PRCUTS is unlikely to be achieved without significant changes to the character of Norton Street.

Scenario comparison

The table below describes HillPDA's employment capacity estimates between the three scenarios.

Table 63: Leichhardt Core Precinct Scenario comparison

	Current	PRCUTS	
	Capacity	Capacity	Change from Base
GFA	25,492	41,257	+15,765 sqm +61.8%
Jobs	1,159	1,875	+716 +61.8%

Source: Inner West Council, 2019, HillPDA

9.3.3.2 Leichhardt Frame Area

Role and function

The Leichhardt Frame Area is part of the large local centre stretching east-west along Parramatta Road and Norton Street bisected by Norton Street itself. The area is characterised by specialised retail businesses and a limited number of food and personal services businesses.

The area has a road connection to Sydney CBD and Western Sydney via Parramatta Road/Great Western Highway with strategic transport connections to Sydney CBD and Parramatta. The area is within 15 minutes walk of Petersham Station and 20 minutes walk form Taverners Hill Light Rail Station. It has numerous east/west and limited north/south bus services.

The built form comprises two and three story commercial buildings on small lots with retail businesses on the ground floor. The first and second floors are made up of a mixture of commercial office space, storage space, used by ground floor businesses and some residential apartments. The buildings are of aging stock in middling to poor condition.

LLEP 2013 and MLEP 2011 Planning controls

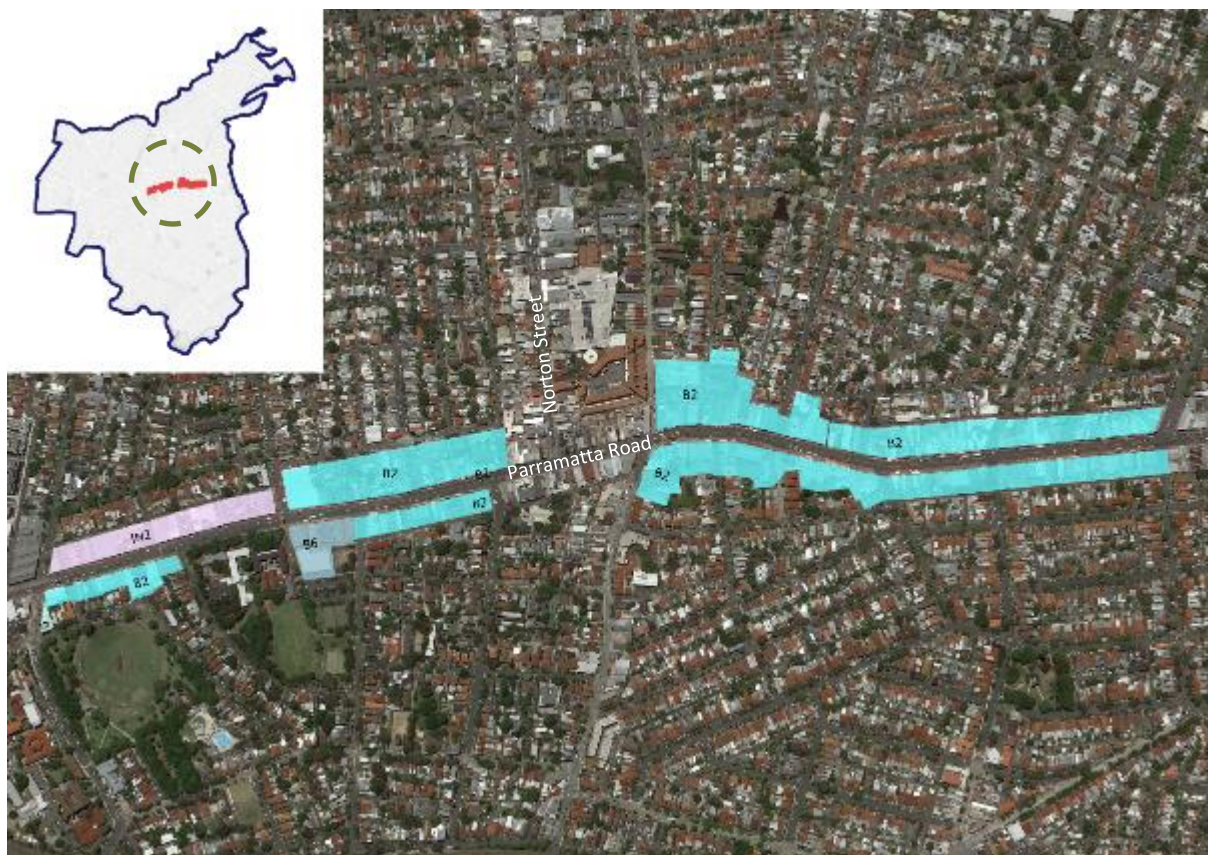


Figure 27: Leichhardt Frame Area employment zoned land

Zoning	Height	FSR
IN2	-	1.0
B2	-	1.0
B2	14.0	1.5
B6	-	0.95

Table 64: Leichhardt Frame area Employment floor space

Category	GFA	Proportion
Occupied Retail Floorspace	29,105	42%
Specialty Food Stores	2,526	4%
Fast-Food Stores	545	1%
Restaurants	1,476	2%
Clothing Stores	3,811	6%
Hardware and Bulky Goods Stores	10,372	15%
Other Personal & Household Goods	7,268	11%
Selected Personal Services	3,107	5%
Occupied Non-Retail Floorspace	31,605	46%
Pubs, Taverns & Clubs	2,102	3%
Rental, Hiring & Real Estate Services	2,018	3%
Health Care & Social Assistance	6,309	9%
Financial & Insurance Services	411	1%
Arts & Recreation Services	1,292	2%
Transport, Postal & Warehousing	5,477	8%
Education and Training	273	0%
Industrial	758	1%
Other	12,965	19%
Vacant Space	7,868	11%
Total Floorspace	68,578	

Source: HillPDA Desktop Audit, 2019

Development activity

The following table overviews the developer interest over recent years.

Table 65: Development activity in Leichhardt Frame area

Site and name	Address	Development application	Description	Status
ATELIER LEICHHARDT	12 Jarrett St & 447-451 Parramatta Rd	D/2015/744	Consolidation of 447-451 Parramatta Rd & 32 Jarrett ST, Leichhardt. Demolition of all existing improvements on site (excluding part of the Parramatta Road facade which is to be retained & conserved). Construction of a mixed use development.	Completed
PARRAMATTA ROAD MIXED	337 Parramatta Rd (Lot 1)	PRED/2018/314.	Proposed demolition of existing structures. Construction of a 4 storey mixed use	Pre-development

Site and name	Address	Development application	Description	Status
USE BUILDING	DP89335 & Lot 337 DP1108547)		building to comprise 15 units & a shop.	application
PARRAMATTA RD MIXED USE DEVELOPMENT	442 Parramatta Rd	DA201600094.	Demolition of existing improvements. Use of the existing building & construction of a part 5/part 6 storey mixed use development connected by walkways containing a ground floor commercial tenancy of 74sqm & 21 boarding rooms.	Development Approval
PARRAMATTA RD MIXED USE DEVELOPMENT - ESTELLE PETERSHAM	446-448 Parramatta Rd	DA201500260.	Demolition of existing structures. Construction of a part 5/part 6 storey mixed use development consisting of 2 ground floor commercial tenancies & 27 units above.	Construction
CHARLES STREET MIXED USE DEVELOPMENT	1-3 Charles St (Lot 1 DP838817)	DA201600419	Demolition of part of the existing warehouse & adaptive re-use by retaining & repairing the existing southern & eastern perimeter walls & the provision of a metal roof feature. Construction of a part 3/part 4 storey mixed use development.	Development Approval
PARRAMATTA ROAD MIXED USE DEVELOPMENT	180 Parramatta Rd (Lot A DP344528)	DA201800149.	Demolition of existing building improvements. Construction of a 3 storey mixed use development to comprise 4 residential units & a retail tenancy on the ground floor.	Development Approval
PARRAMATTA ROAD MIXED USE DEVELOPMENT	315-323 Parramatta Rd (Lot 1 DP995753)	PREDA/2018/141.	Proposed construction of a 7 storey mixed use development consisting of 20 apartments and 75 place child care centre.	Pre-development application
PARRAMATTA RD MIXED DEVELOPMENT	109-111 (Lot 1) Parramatta Rd (DP91868)	DA201700110	Demolition of existing building. Construction of a 4 storey mixed use development comprising a ground level commercial/retail area of 78sqm & 12 units.	Building Approval

Scenario analysis

Base case - Scenario 1

Council has provided an estimate of the existing floorspace capacity of the precinct, based on existing planning controls. Floorspace has been divided into each zone, representing the likely employment outcomes. Floorspace capacity has been translated into employment capacity, using employment densities from Section 7. The outcomes of this analysis are shown in the table below

Table 66: Leichardt Frame Area GFA capacity – Base case Scenario 1

Existing Zoning	Estimated existing floorspace capacity (GFA sqm)	Estimated existing job capacity
B2	39,395	1,791
B6	5,136	135
IN2	12,498	128
Total	46,356	1,991

Reviewing existing controls, the currently controls for the area could result in a theoretical capacity of 46,356 sqm, with a potential to supply 1,991 jobs. Note that this is well below the current estimated floorspace of approximately 68,000sqm.

PRCUTS Recommended controls - Scenario 2

PRCUTS recommends retaining and expanding B2 zoned land to include IN2 and B6 zoned land towards the west of the frame area, as well as rezoning certain R1 lands on Catherine Street to R3. The IN2 zoned land is currently used primarily by speciality auto services and dealerships, with a mix of established and new development. The B6 land is used for self-storage and specialty shops.

Densities across the frame area are generally recommended to be increased primarily to 3:1 and 22 m, with the notable exception of certain lands to the west of the precinct, which are recommended to be increased to 1.5:1 and 12 m, and lands around Jarrett and Catherine Street that will retain their 1:1 and 0.5:1 FSR, respectively.

The recommended changes represent a significant uplift along Parramatta Road, with the built form increased from two to three stories to five to seven stories.

Council has provided an estimate of the floorspace capacity associated with the recommended planning controls, with capacity translated to employment. The outcomes of this analysis are shown in the table below

Table 67: Leichardt Frame Area GFA capacity – PRCUTS Recommendation (Scenario 2)

PRCUTS Zoning	Estimated existing floorspace capacity (GFA sqm)	Estimated existing job capacity
B2	79,319	3,605
Total	79,319	3,605

The PRCUTS recommendation would increase the theoretical floorspace capacity in the frame area by approximately 32,963 sqm. This is associated with significant increases in floorspace associated with B2 uses and includes a loss in floorspace of approximately 12,498 sqm from transitioning IN2 lands to B2 lands.

The theoretical job capacity is increased by approximately 1,614, associated with the increase in ground and first floor commercial uses. Further, while the rezoning of IN2 land would reduce floorspace capacity, it would increase job capacity due to higher employment densities.

The proposal to rezone IN2 land to B2 is inconsistent with more recent *Eastern City District Plan*, which requires the retention and growth/management of existing industrial lands. This proposal is also inconsistent with the findings of this study which demonstrate shortage of industrial land in the LGA. Given the clustering of automotive services businesses, the economics effects of the potential loss may be further compounded.

Modified controls - Scenario 3

Council has supplied an alternative to the PRCUTS recommendations, which retains the IN2 zone in the western portion of the frame area at an increased FSR of 1.5:1. The scenario is consistent with PRCUTS recommendation to rezone two properties zoned B6 on Parramatta Road to B2.

The table below presents estimates theoretical capacity for commercial gross floor area and employment based on this modified scenario.

Table 68: Leichhardt Frame Area GFA capacity - Modified Scenario 3

Zoning	Estimated floorspace capacity (GFA sqm)	Estimated job capacity
B2	71,717	3,260
IN2	18,747	191
Total	90,464	3,451

Source: Inner West Council, 2019, HillPDA

The proposed scenario represents an increase in employment floorspace associated with the densification of IN2 lands. Realisation of this capacity may be difficult, given the established nature of the cluster of businesses.

Scenario comparison

The table below describes HillPDA's employment capacity estimates between the three scenarios.

Table 69: Leichhardt Frame Area GFA capacity - Modified

	Current Scenario 1	PRCUTS Scenario 2		Modified Scenario 3	
	Capacity	Capacity	Change from Base	Capacity	Change from Base
GFA (sqm)	46,356 sqm	79,319sqm	+32,963 sqm +71.1%	90,464	+44,108 sqm +95.2%
Jobs	1,991	3,605	+1,614 +81.1%	3,260	+1,269 +63.7%

Source: Inner West Council, 2019, HillPDA

The modified Scenario 3 offers the highest theoretical employment floorspace capacity, but a lower theoretical job capacity. This is due to the retention of the IN2 lands, which are associated with lower job density than B2 lands.

9.3.3.3 Implications

The vision for PRCUTS is for the Leichhardt Precinct including the frame area to build on the current Leichhardt Core Precinct as a vibrant people-oriented area, with increased amenity on Parramatta Road in the form of streetscape upgrades and pedestrian permeability.

PRCUTS anticipates 3,602 new jobs in the Leichhardt Precinct, with an additional 114,000 sqm of employment floorspace. There is currently theoretical capacity for 71,848 sqm commercial GFA and 3,150 jobs, with PRCUTS recommendations potentially increasing that to 120,576 sqm GFA and 5,480 jobs.

Table 70: Leichhardt Precinct (core + frame area) scenario comparison

	Current Scenario 1	PRCUTS Scenario 2		Modified Scenario 3	
	Capacity	Capacity	Change from base	Capacity	Change from base
Core area GFA	25,492	41,257	15,765	41,257	15,765
Frame Area GFA	46,356	79,319	32,963	90,464	44,108
Total Precinct GFA	71,848	120,576	48,728	131,721	59,873
Core area jobs	1,159	1,875	716	1,875	716
Frame area jobs	1,991	3,605	1,614	3,260	1,269
Total precinct jobs	3,150	5,480	2,330	5,135	1,985

The alternative scenarios for the Leichhardt Precinct instead seeks to increase the density of the B2 lands in line with the PRCUTS density controls, and increasing IN2 density to 1.5:1. This would have the effect of increasing the residential capacity and commercial capacity across the precinct, without reducing industrial lands. The modified combined theoretical capacity is 131,721 sqm GFA and 5,135 jobs.

As noted in PRCUTS, the precinct is heavily constrained with small blocks, heritage considerations and a car-dominated environment. The built form around Norton Street and Parramatta Road presents barriers to permeability, which is partially offset by the low-scale nature of existing development in the area. There is potential for uneven development of the precinct, which would impact the character of the area without delivering the amenity benefits required to realise the PRCUTS vision.

9.3.3.4 Recommendations

The Leichhardt Precinct offers many of the benefits associated with a pedestrian-friendly local centre, including a mix of small and large retail and business options across a variety of industries. This in contrast to businesses fronting Parramatta Road, which is a major impediment to accessibility and the PRCUTS proposed vibrant character. However, significant revitalisation is required to ensure the frame area perform well in the future.

The previous Leichhardt Council produced an urban design and local centre study that examined the Parramatta Road and Norton Street areas. This study can be built on to determine:

- The qualities of the precinct that are valued by the community
- Improvements to the public domain and activities to support local businesses, including the night time economy
- How Council land can be used to catalyse development opportunities

- A review of heritage characteristics that are to be preserved, including direction regarding development compatible with heritage sites/areas
- Feasibility analysis to determine the most appropriate commercial/residential floorspace, with consideration of ground floor and podium businesses
- Bonus floorspace incentives that could be used to deliver public, creative or co-working spaces.

These, or similar actions should be undertaken in order to understand and communicate, at a fine level, the preferred development outcomes in Leichhardt. The broad stroke rezoning approach recommended by PRCUTS may have unintended consequences for the integrity of the precinct.

Collaboration is required with State agencies to deliver the PRCUTS vision for a revitalised Parramatta Road, with a priority on the following matters:

- Align streetscape and transport infrastructure upgrades
- Arrange for rear/side access for areas prioritised for additional capacity
- Permeability along long blocks
- Side consolidation opportunities
- Setback requirements to promote pedestrian amenity

Within this context, Council should pursue the revitalisation of Norton Street by:

- Investigating opportunities to utilise Council land such as car parks to catalyse development opportunities
- Increasing opportunities for mixed-use developments
- Incorporating ground floor retail and podium business spaces by establishing minimum non-residential FSRs
- Strengthening the night-time economy
- Investigating bonus floorspace incentives for public, creative and co-working spaces
- Undertake a feasibility study into appropriate heights and FSRs on Parramatta Road based on former Leichhardt Council's 2016 Urban Design study for the centre.

9.3.4 Camperdown Precinct

Camperdown Precinct is located in the eastern portion of the LGA, along Parramatta Road, generally between Johnstons Creek and Mallett / Booth Streets. The core precinct is defined as Camperdown precinct, with the parts to the west and south defined as the Frame Area.

The core precinct includes the area around the intersection of Parramatta Road, Pyrmont Bridge Road, and Dennison Street and is characterised by semi-business park style development to the south, with mixed light industry and urban services to the north. The frame area extends to the east and west of the core precinct along Parramatta Road, as well as a stretch of light industrial uses on the eastern side of Bridge Road. The bulk of the eastern portion of the frame area is within City of Sydney Council.

The PRCUTS vision for the precinct is a transition from light industrial and warehousing uses to a high-quality residential and employment precinct on the edge of the Sydney CBD. The precinct would capitalise on connections to the city, parklands, health and education facilities. The built form would include taller residential and business buildings, with an innovative business and research hub. Parramatta Road would remain focused on retail and commercial activities, while the northern and southernmost portions of the core precinct would transition to medium to high density residential uses.

This transition is expected to be supported by:

- Encouraging residential redevelopment of the Horden Place industrial estate to address and enliven O'Dea Reserve, while delivering new open space for residents and workers
- Requiring new development to deliver through-site links with additional north-south and east-west connections
- Rehabilitating the Johnston's Creek corridor, connecting to the Bicentennial Parklands and harbour foreshore walks with active transport options
- Improving linkages to rail stations to the south
- Reducing car parking rates and incorporating at grade car parking into new developments

In the 2050 long-term horizon, PRCUTS identifies a:

Proposed growth projection of 2,285 jobs

Proposed indicative land use mix (additional employment GFA) of 108,000 sqm in the core precinct and 28,000 sqm in the frame area.

The assumptions for these projections are unclear from the available documentation. As the precinct is split with City of Sydney, these headline figures are of limited relevance for direct analysis. However, a consideration of potential jobs and additional floorspace arising for the proposed changes is provided below.

The proposed zoning for the precinct, with land outside of the Council area shaded white, is shown in the table below.

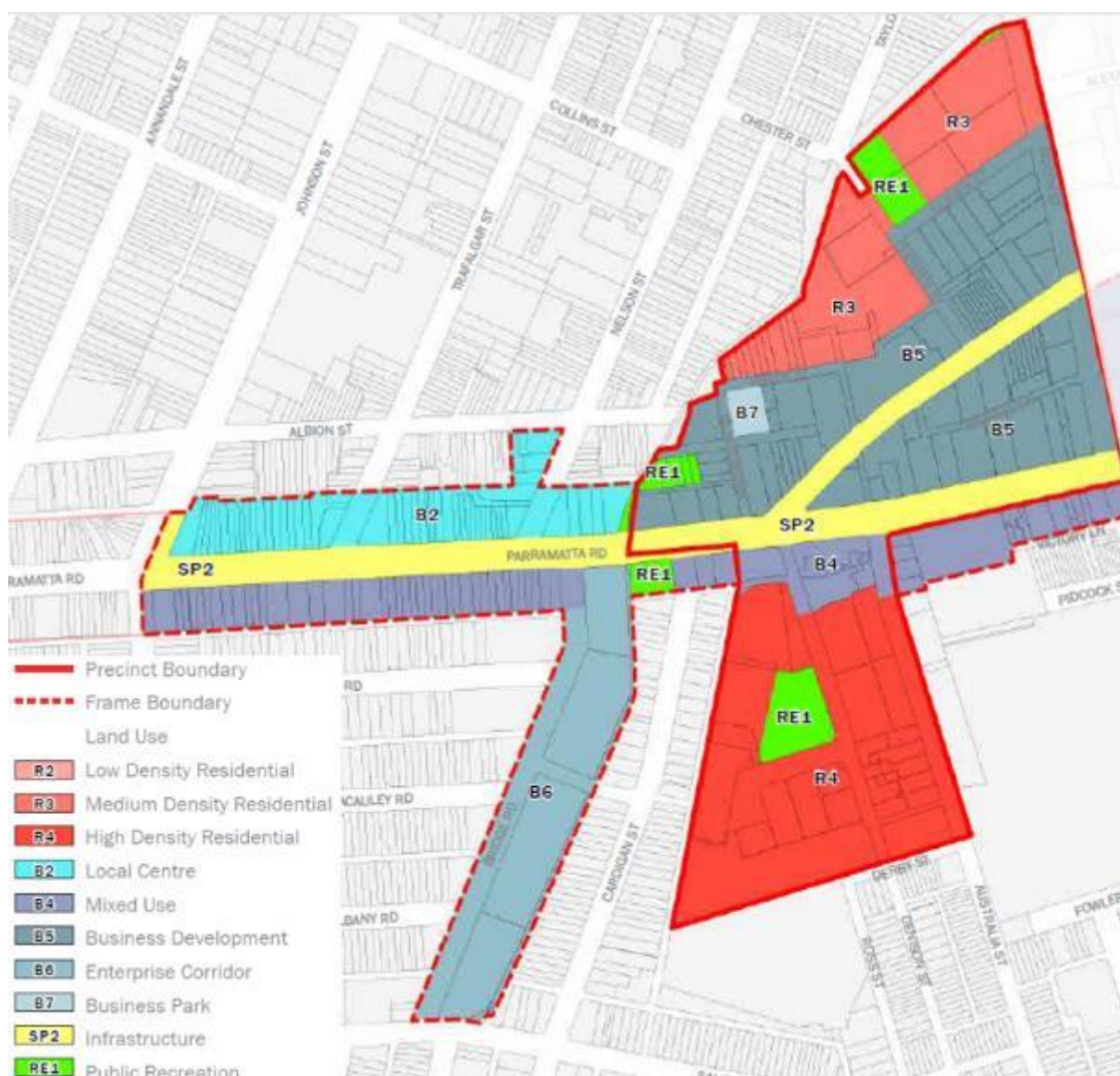


Figure 28: Extract of the PRCUTS Camperdown precinct proposed zoning

9.3.4.1 Camperdown Core Precinct

Role and function

Parramatta Road Camperdown Precinct is on the eastern edge of Inner West LGA, comprising primarily industrial areas to the north and south of Parramatta Road. There is a small amount of high street retail fronting the southern side of Parramatta Road and c some bulky goods on Pymont Bridge Road.

MLEP 2011 and LLEP 2013 Planning controls



Zoning	Height	FSR (n:1)
IN2 Light Industrial (north)	None - north of Parramatta Road	1- north of Parramatta Road
IN2 Light Industrial (south)	9.5m - south of Parramatta Road	0.95 - south of Parramatta Road
B7 Enterprise Corridor	None	1
B2 Local Centre	14m - 23m	0.95 - 2.05

Table 71: Camperdown Core precinct existing floorspace

Employment uses	GFA	Proportion
Health and education	8,623	5%
Education and training	1,186	1%
Health care and social assistance	7,437	5%
Industrial	18,138	11%
Electricity, gas, water and waste services	33	0%
Manufacturing	13,569	9%
Wholesale trade	4,537	3%
Knowledge intensive	50,146	32%
Administrative and support services	206	0%
Financial and insurance services	5,569	4%
Professional, scientific and technical services	39,375	25%
Rental, hiring and real estate services	4,996	3%
Urban services	76,756	49%
Accommodation and food services	3,133	2%
Arts and recreation services	10,834	7%
Construction	4,938	3%
Retail trade	19,939	13%
Transport, Postal and Warehousing	20,023	13%
Other services	17,889	11%
Vacant	4,219	3%
Total	157,883	

Source: HillPDA Desktop Audit, 2019

Business uses (B2 zone)	GFA	Proportion
Non-food retailing	978	71%
Bulky goods	978	71%
Vacant space	401	29%
Total	1,379	

Source: HillPDA Desktop Audit, 2019

Development activity

A small IN2 site at 1- 5 Chester Street on the northern edge of the precinct has been the subject of two recent Planning Proposals. The first sought to rezone the site from IN2 Light Industry to R3 Medium Density Residential, increase the FSR from 1.1 to 2.61 and introduce a 17m height control. This proposal was not supported by the Inner West Local Planning Panel (IWLPP) or Council, largely because of inconsistencies with the PRCUTS Implementation Plan and some Council policies.

The second Planning Proposal is current and seeks to amend LLEP 2013 to allow "boarding house" as a permissible use on this IN2 zoned site, increase the FSR to 2.75 : 1 with a minimum FSR of 0.75:1 for non-residential employment uses on the ground and first floors and a 17m height limit.

The IWLPP declined to support this proposal, but did support a Council officer recommended alternative approach of re-zoning the site to B7 Business Park, an FSR of 2:1 with a minimum non-residential FSR of 0.75:1 and a 17m height limit, subject to consideration after completion of the current PRCUTS Traffic and Transport Study. This alternative is seen as being consistent with the intention of the Camperdown Ultimo Collaboration Area Place Strategy and the PRCUTS Camperdown Precinct vision. Preparation of an amended Planning Proposal to reflect this approach is being negotiated with the proponent as of September 2019.

Scenario analysis

Base case - Scenario 1

Council has provided an estimate of the existing floorspace capacity of the precinct, based on existing planning controls. Floorspace has been divided into each zone, representing the likely employment outcomes. Floorspace capacity has been translated into employment capacity, using employment densities from Chapter 7. The outcomes of this analysis are shown in the table below.

Table 72: Camperdown Core Precinct GFA capacity – Base case Scenario 1

Current Zoning	Estimated existing floorspace capacity (GFA sqm)	Estimated existing job capacity
IN2	93,059	950
B2	2,363	107
B7	873	15
Total	96,295	1,072

Reviewing existing controls, the current controls for these three zones could result in a theoretical capacity of 96,295 sqm, with a potential to supply 1,072 jobs.

Occupied floorspace in the precinct totals approximately 157,883 sqm, with 2036 demand for total floorspace expected to be approximately 190,896 to 218,929 sqm. The existing floorspace is over 60% more than capacity under current controls. This reflects many of the industrial buildings taking up whole lots and being two or more stories, a mismatch between the environment and controls.

Considering that occupied floorspace already exceeds capacity, the area's supply is expected to fall short of demand by up to 136,000 sqm.

Therefore, floorspace capacity will need to be increased to meet projected future needs.

PRCUTS Recommended controls - Scenario 2

PRCUTS recommends rezoning the entirety of IN2 and B2 land to a mix of R2/R3 Residential, B4 Mixed use, and B6 Enterprise Corridor, and retaining the B7 zoned land. FSR based densities would vary, with the medium and high density residential areas being increased to 1.6:1 and businesses zones generally between 2 and 2.1:1. The exception would be businesses fronting the northern side of Parramatta Road, which would be 4:1. Heights would transition down, away from Parramatta Road, with the tallest buildings being at the intersection of Parramatta Road and Pyrmont Bridge Road at 32 m, dropping down 24 m away from the intersection and 16 to 17 m to the northern and southern fringes.

The recommendations represent a significant change to the character of the area, currently characterised by one to three storey shops and warehouses.

Council has provided an estimate of the floorspace capacity associated with the recommended planning controls, with capacity translated to employment. The outcomes of this analysis are shown below.

Table 73: Camperdown Core Precinct – PRCUTS Recommendation Scenario 2

PRCUTS Zoning	Estimated future floorspace capacity (GFA sqm)	Estimated future job capacity
B4	2,363	95
B5	126,666	3,333
B7	873	23
Total	129,902	3,451

The PRCUTS recommendation would increase the theoretical employment floorspace capacity in the precinct by approximately 33,607 sqm. This is associated with significant increases in floorspace as a consequence of transitioning IN2 lands to B5 uses with higher FSR controls. This has offset the loss of approximate 50,000 sqm of IN2 lands to R3 and R4 uses.

The theoretical job capacity is increased by approximately 2,379 because of this transition to more employment-dense B5 floorspace.

While the transition from IN2 lands to B5 could be appropriate in the precinct, rezoning IN2 land to residential uses is inconsistent with by the *Eastern City District Plan*, which requires the retention and growth/management of existing industrial lands. This proposal is also inconsistent with the findings of this study which demonstrate shortage of industrial land in the LGA.

Modified recommended controls - Scenario 3

Council has supplied an alternative to the PRCUTS recommendations, which retains the IN2 zone in the western portion of the precinct at an increased FSR of 1.5:1.

The table below presents estimates theoretical capacity for commercial gross floor area and employment based on this modified scenario.

Table 74: Camperdown Core Precinct GFA capacity - Modified Scenario 3

Proposed Zoning	Estimated future floorspace capacity (GFA sqm)	Estimated future job capacity
B4	2,363	95
B5	189,402	4,984
B7	873	23
Total	192,637	5,102

Source: Inner West Council, 2019, HillPDA

The proposed scenario represents an increase in employment floorspace associated with the transition of IN2 lands to more job-dense B5 lands, with an FSR of 1.5:1. The delivery of these lands is aligned with a strategy to

redevelop Camperdown as a biotechnology hub, as outlined in actions E8 of the District Plan and 27 of the *Camperdown-Ultimo Collaboration Area Place Strategy*.

Scenario comparison

Table 75: Camperdown Core Precinct Scenario comparison

	Current Scenario 1	PRCUTS Scenario 2		Modified Scenario 3	
	Capacity	Capacity	Change from Base	Capacity	Change from Base
GFA (sqm)	96,295	129,902	33,607 34.90%	192,637	96,342 50.01%
Jobs	1,072	3,451	2,379 221.92%	5,102	4,030 375.93%

9.3.4.2 Camperdown Frame Area

Role and function

The Camperdown Frame Area is characterised by smaller specialised non-food retailers, bulky goods and a limited number of food and entertainment businesses.

The area has a road connection to Sydney CBD and western Sydney via Parramatta Road/Great Western Highway and numerous bus services to Sydney CBD and the west via Parramatta Road. The precinct is not served by a train line.

The built form comprises two and three story commercial buildings on small lots with retail businesses on the ground floor. The first and second floors are made up of a mixture of commercial office space, storage space, used by ground floor businesses and some shop-top residential apartments. Excluding a limited number of newer developments throughout the centre, the buildings are of aging stock in middling to poor condition.

Table 76: Camperdown frame area existing employment floorspace

Employment use	GFA	Proportion
Industrial	8,069	35%
Manufacturing	793	3%
Wholesale trade	7,276	31%
Knowledge intensive	6,137	26%
Administrative and support services	863	4%
Financial and insurance services	396	2%
Professional, scientific and technical services	4,877	21%
Urban services	9,161	39%
Accommodation and food services	1,259	5%
Arts and recreation services	396	2%
Construction	2,148	9%
Retail trade	2,435	10%
Transport, Postal and Warehousing	2,922	13%
Total	23,366	

Source: HillPDA Desktop Audit, 2019

Business use	GFA	Proportion
Accommodation and entertainment	5,061	11%
Pub/hotel	4,253	9%
Café/restaurant	808	2%
Food retailing	261	1%
Speciality food	163	0%
Supermarket/grocery	99	0%
Health and education	2,936	6%
Education	2,547	6%
Medical	389	1%
Non-food retailing	19,662	43%
Bulky goods	11,026	24%
Clothing	1,386	3%
Homewares	4,406	10%
Speciality non-food	2,845	6%
Commercial general	4,054	9%
Other	7,573	16%
Automotive	677	1%
Other retail	4,280	9%
Other Type	2,559	6%
Utility	58	0%
Personal services	3,319	7%
Personal service	1,741	4%
Recreation/Fitness	1,578	3%
Carpark	283	1%
Vacant space	2,935	6%
Total	46,085	

Source: HillPDA Desktop Audit, 2019

MLEP 2011 and LLEP 2013 Planning controls



Figure 29: Camperdown frame area employment zoned land

Zoning	Height	FSR
B2 Local Centre (north)	N/A	1.0:1
B2 Local Centre (south)	14m - 23m - south of Parramatta Road	1.5:1 - 2.05:1 (south of Parramatta Road)
B4 Mixed Use	14m	1.5:1
SP2	N/A	-
IN2	9.5m	0.95:1

Development activity

There was a long-standing intention of the current draft MLEP 2011 Housekeeping Amendment to rezone 5 - 43 Bridge Street, Stanmore to B5 Business Development with increases in the FSR and building height controls to encourage innovative uses. This element was removed from the LEP Amendment after its exhibition to facilitate re-consideration of its employment land implications through this study.

Other recent development activity is tabulated below.

Site and name	Address	Development application	Description	Status
PARRAMATTA ROAD MIXED USE DEVELOPMENT	113-117 Parramatta Rd (Lot 1 DP76503)	DA201600538.	Construction of a 5 storey mixed use building comprising 10 x 1 bedroom, 11 x 2 bedroom & 1 x 3 bedroom units & a retail tenancy 110sq m & a 46sq m commercial tenancy on the ground	Development Approval

Site and name	Address	Development application	Description	Status
			floor.	
PARRAMATTA ROAD MIXED DEVELOPMENT	1-13 Parramatta Rd (Lots 3-4 DP814 & Lot 50 DP456784)	D/2017/162	Demolition of existing structures. Construction of a 9 storey mixed use development comprising 2 x retail tenancy over 368sqm & 41 residential units.	Development Approval
PARRAMATTA RD BOARDING HOUSE	30-32 (Lots 7-8) Parramatta Rd (DP3526)	DA2013/457.	Construction of a mixed use development with 2 shops and a 33 room boarding house.	Completed
NELSON ST MIXED DEVELOPMENT - ANNANDALE PLACE	33-53 Nelson St	D/2016/109.	Demolition of existing commercial/office buildings. Construction of a mixed commercial/residential development with shop-top housing fronting Nelson St GFA 540sqm & SOHO commercial spaces 350sqm with residential above fronting Susan St.	Completed
PARRAMATTA RD MIXED USE DEVELOPMENT	371-375 (Lots 1 & 14) Parramatta Rd (DP554320 & DP1012098)	DA/2014/390.	Construction of a 3 storey mixed use development comprising 4 commercial tenancies with storage on the ground floor & 10 x 1 bedroom units above with a floor area from 41-44sqm.	Construction
PARRAMATTA ROAD MIXED USE DEVELOPMENT	38-40 Parramatta Rd (Lot A DP16870, Lots 14, 15 & 16 DP3526)	DA201700587.	Demolition of existing buildings. Construction of a 5 storey mixed use development to comprise of 2 commercial/retail spaces and 30 units.	Development Application
PARRAMATTA ROAD UNITS	568-572 (Lots 21, 22 & 1) Parramatta Rd (DP3063 & DP976422)	DA201500704	Construction of 2 residential towers. Tower A contains 6 units & retail area. Tower B contains 4 units.	Development Approval
HAY STREET MIXED USE DEVELOPMENT	Hay St	PRED/2017/280. S	Proposed construction of a 5 storey mixed use building to comprise affordable housing & 100sqm retail.	Pre-development application

Scenario analysis

Base case - Scenario 1

Council has provided an estimate of the existing floorspace capacity of the precinct, based on existing planning controls. Floorspace has been divided into each zone, representing the likely employment outcomes. Floorspace capacity has been translated into employment capacity, with the outcomes of this analysis are shown in the table below.

Table 77: Camperdown Frame Area GFA capacity – Base case (Scenario 1)

Zoning	Estimated floorspace capacity (GFA sqm)	Estimated job capacity
IN2	18,085	72
B2	7,021	409
B4	8,996	360
Total	25,013	840

Reviewing existing controls, the current controls for the precincts could result in a theoretical capacity of 25,013 sqm, with a potential to supply 840 jobs.

Occupied floorspace in the precinct totals to approximately 23,366 sqm, with 2036 demand for total floorspace (occupied and vacant) expected to be approximately 27,093 to 31,216 sqm.

Considering capacity take up, it is estimated that there will be a shortfall of up to 19,570 sqm employment GFA in the precinct.

As such, there is a need to increase floorspace capacity to meet projected future needs.

PRCUTS Recommended controls - Scenario 2

PRCUTS recommends rezoning the entirety of the eastern portion of the frame area from B2/SP2 to B4, and the IN2 area to B6 Enterprise Corridor. FSRs and heights along Parramatta Road would transition from 1.5:1 and 14 m in the west and 3:1 and 22 m in the east, with B6 land on Bridge Road being 2.1:1 with a height of 17 m.

Council has provided an estimate of the floorspace capacity associated with the recommended planning controls, with capacity translated to employment. The outcomes of this analysis are shown in the table below **Error! Reference source not found..**

Table 78: Parramatta Road Camperdown Frame GFA Capacity – PRCUTS Recommendation Scenario 2

PRCUTS Zoning	Estimated future floorspace capacity (GFA sqm)	Estimated future job capacity
B2	8,552	389
B4	8,739	350
B6	30,396	894
Total	47,687	1,633

The PRCUTS recommendation would increase the theoretical floorspace capacity in the precinct by approximately 22,674 sqm. This change is associated with significant increases in floorspace by transitioning IN2 lands to B6 uses with higher FSR controls.

The theoretical job capacity is increased by approximately 793, associated with the transition to more employment-dense B6 floorspace.

Modified recommended controls - Scenario 3

Council has supplied an alternative to the PRCUTS recommendations, is identical to the PRCUTS scenario, with the exception of retaining B2 land at the corner of Cardigan St and Parramatta Road instead of transitioning it to RE1.

The table below presents estimates theoretical capacity for commercial gross floor area and employment based on this modified scenario.

Table 79: Camperdown Frame GFA Capacity - Modified scenario 3

Proposed Zoning	Estimated future floorspace capacity (GFA sqm)	Estimated future job capacity
B2	8,552	389
B4	9,254	370
B6	30,396	894
Total	48,203	1,653

Source: Inner West Council, 2019, HillPDA

Scenario comparison

Table 80: Camperdown Frame area Scenario comparison

	Current Scenario 1	PRCUTS Scenario 2		Modified Scenario 3	
	Capacity	Capacity	Change from Base	Capacity	Change from Base
GFA (sqm)	25013	47,687	22,674 90.65%	48,203	23,190 92.71%
Jobs	840	1,633	793 94.40%	1,653	813 96.79%

9.3.4.3 Implications

Camperdown is the most complex of the PRCUTS IWC area precincts because the GSC and Council policy positions have evolved since adoption of PRCUTS. The Camperdown Ultimo Collaboration Area Place Strategy adopted in 2019 prioritises supporting the role and function of employment lands in the precinct through a series of actions including:

- Safeguarding business zoned land from conversion to zonings that might allow residential uses
- Establishing a biotechnology hub in the Parramatta Road, Mallett Street and Pyrmont Bridge Road triangle
- Safeguarding existing and potential innovative, incubator and research activities from residential or unrelated commercial activities until the precinct is master planned.

Further, development in the area is more intense than the current controls permit, with an increased demand for floorspace capacity expected. 2036 demand may be as high as 250,000 sqm, representing a significant

increase in both supply and capacity to deliver that supply. A comparison of the scenarios potential to increase capacity is provided below.

Table 81: Camperdown precinct (core + frame area) scenario comparison

	Current Scenario 1	PRCUTS Scenario 2		Modified Scenario 3	
	Capacity	Capacity	Change from base	Capacity	Change from base
Core area GFA	96,295	129,902	33,607	192,637	96,342
Frame Area GFA	25,013	47,687	22,674	48,203	23,190
Total Precinct GFA	121,308	177,589	56,281	240,840	119,532
Core area jobs	1,072	3,451	2,379	5,102	4,030
Frame area jobs	840	1,633	793	1,653	813
Total precinct jobs	1,912	5,084	3,172	6,755	4,843

Council and its partners, the City of Sydney Council, Sydney Local Health District (RPA) and the University of Sydney are currently (at September 2019) preparing a Camperdown Innovation Precinct Land Use and Strategic Employment Study to facilitate the next steps in the planning of this precinct.

The PRCUTS recommendation to re-zone the IN2 land on Bridge Road to B6 Enterprise Corridor could have unintended implications for innovative, incubator and research activities, especially in terms of the affordability of property.

9.3.4.4 Recommendations

Council should apply the prospective conclusions of the current Camperdown Innovation Precinct Land Use and Strategic Employment Study to prepare a master plan for the IWC part of the Camperdown Precinct. The master plan should provide advice on the planning controls and policies that should be incorporated in the IWC LEP to implement the Council's Inner West Retail and Employment Land Strategy, the Camperdown Ultimo Collaboration Area Place Strategy and the PRCUTS vision for the precinct becoming a health, education and biotechnology research and development neighbourhood.

Within the above master plan context Council should consider:

- Introducing a minimum percentage requirement for affordable space for tech start-ups and creative industries in new developments
- Restricting commercial and mixed use land uses that are unrelated to innovative, incubator and research activities
- Maintaining existing industrial land zoning to encourage provision of affordable employment spaces.

Council should pursue the deferred MLEP 2013 Housekeeping Amendment to re-zone 5 - 43 Bridge Road from IN2 to B5. In the context of the history of this Amendment, the protection of opportunities for innovative, incubator and research activities and maintaining existing industrial land zoning to encourage provision of affordable employment spaces consideration could be given to whether only a partial re-zoning to B5, perhaps for the central section of the IN2 zone should be introduced.

9.4 Other employment areas

9.4.1 Employment outside of Business and Industrial zones

A large amount of employment takes place outside of the business and industrial zones in the Inner West Local Government Area. Key land uses represented include:

- Health – private hospitals, medical practices, aged care and other specialist services
- Education – public and private schools, as well as TAFE and other training colleges
- Home businesses/home industries – eg artists, graphic design, information media.

The land use zones that these uses are located in range from residential special purpose zones.

Employment outside of business and industrial zones are important to consider and understand as they play a crucial role in supporting the daytime economy within the Inner West's local centres. For those that have home businesses, it provides an affordable alternative to renting out office space within a business centre.

Home businesses

6.4 per cent of local workers in the Inner West work from home, which equates to 4,000 people (Census 2016). This number could include people that have home businesses/industries or individuals who have flexible work arrangements with their employers.

Notably, 25.4 per cent of local workers who identify as being part of the arts and recreation services category identified as working from home (Census 2016). 21.5 per cent of those in the Information Media and Telecommunications sector worked from home. [Note there are other sectors with 20-25% work from home statistics]

Percentages of local workers working from home in these sectors are significantly higher when compared with proportion of local workers who work from home across Greater Sydney. Employment in key industry sectors in the Inner West are being accommodated within the residential zones rather than the business and industrial zones.

There are benefits associated with those who either work from home and/or operate a home business or industry. It supports the local centres near these homes, as it is the local source of services and retail.

The Balmain Peninsula had a substantially higher proportion of those who identified as working from home compared with the Greater Sydney average including Birchgrove (10%), Balmain East (7.2%), and Balmain 7.3%.

How to support this trend

While home businesses and home industries can operate out of dwellings, the encouragement of 'live-work' type developments can also support the growth of office space within a residential context.

Encouraging creative uses (that are not industries) in residential zones would have to have some interaction with the Housing Strategy, but could potentially be a solution to issues surrounding commercial floor space on ground floors (esp. sites facing a secondary road) for the B1, B2 and B4 zones.

Key employers operating outside of Centres and Employment Precincts

Health and Education are major industries that operate within the Inner West. Their customers (students/patients) as well as the staff at these locations provide the local centres with a catchment of customers. Large employers in the LGA include:

- Public schools – numerous public schools in the LGA. In addition, public schools located close to centres provide businesses with a degree of patronage.

- Private schools – for example, PLC Croydon, Newington College, Trinity Grammar. These schools support the Centres of Stanmore, Petersham and Croydon.
- Child care centres – these are able to locate in residential zones, and provide considerable employment.
- Hospitals – including Sydney Private Hospital site 63 Victoria Street Ashfield and Wesley Hospital Ashfield. These are close to Ashfield Centre.
- Nursing homes. For example, there are around 1200 nursing home beds in the former Ashfield local government. These places provide considerable employment.

The majority of these uses represent population serving, social infrastructure and these will need to cater for demand generated by increased population and an ageing population.

What does this mean?

There are implications of this trend identified within the inner west which should be acknowledged and planned for into the future. Key implications are discussed below:

- Suburbs with high proportions of people working from home and areas with large sources of employment provide catchments supporting centres, particularly during the day
- Key industries, particularly professional and creative industries are more likely to involve people working from home. This has implications with regard to suitability and affordability of employment spaces for these industries, or merely that these types of businesses are appropriate to be operated from home.
- The relatively high figures for the Balmain peninsula demonstrate its appeal for those who prefer to operate their business from home.
- Precinct planning and planning for centres should factor in the role that employment outside of business/industrial zones play in supporting the centre.
- It is important to maintain the viability of key sites in the LGA that house large employers by maintaining appropriate planning restrictions that reflect their use.

Recommendation:

- Retain and support the growth of existing large employers outside of business and industrial zones
- Undertake further research into home-business and live-work outside of centres and develop an appropriate planning response.

9.4.2 Industrial properties in residential zones

A number of properties zoned residential across the Inner West LGA were identified as currently serving an industrial and/or urban services function. This floor space is considered 'at risk' as the loss of this floor space would create a demand deficit from existing needs.

Role and function

The historical development of land in the Inner West resulted in residential, commercial and industrial uses occurring in close proximity to each other. With the advent of zoning in the twentieth century, a number of industrial properties were zoned residential in line with the prevailing land use in the area.

While most of these properties have been redeveloped for residential purposes, a number of these properties continue to serve an industrial or urban services function, with existing use rights applying. It is important to

acknowledge the land and floor space that these spaces represent, as the loss of these spaces will result in the further displacement of a number of businesses.

There are approximately 65 sites across the LGA located within residential zones that currently have an industrial and/or urban services role. This amounts to a total of 42,917sqm of land.

There is also a further 54,057sqm of land across the LGA zoned recently rezoned from industrial to residential with an existing urban services/industrial function.

Development activity

38-40 Henry Street Leichhardt

Demolition of existing structures and erection of a three storey boarding house building comprising 22 rooms with basement car park and associated works

Currently in the Land and Environment Court

40-76 William Street, Leichhardt – “Cyclops toy factory”

This site contains a number of industrial and warehouse buildings ranging from single to four storey buildings with a site area of 6,931sqm. It contains a self-storage facility as well as other smaller businesses across 10,060sqm of floor space. The site has a R1 General Residential zone and a FSR development standard of 0.5:1.

The site is currently for sale. It is being marketed for the residential development potential. It is likely to be sold on for residential redevelopment purposes.

Analysis

Due to the high levels of development pressure on these sites to convert to residential, they are considered to be at a high risk of loss. The slow loss of these sites creates further pressure on existing employment lands to accommodate the business in these sites.

Due to this, further accommodation needs to be made for this floor space in existing employment areas, or new employment areas must be identified. This additional space needs to be made on top of the forecast demands. The loss of these spaces is unlikely to be captured in forward demand estimates made by the Greater Sydney Commission.

This has the potential to lead to a greater shortfall in employment land than currently expected.

Issues and recommendations

Use of purpose-built buildings for non-residential uses

Currently, light industrial uses are permissible in the Leichhardt LEP 2013 R1 General Residential zone, for purpose built non-residential buildings. This allows a range of uses including office premises, business premises and multiple retail premises in existing buildings without relying on existing use rights. It also allows buildings to change their commercial nature to adapt to changing economic trends. There is also a similar clause within the Marrickville LEP 2011.

Recommendation:

- Extended the provision across the Inner West LGA in a new future LEP. The clause should also be expanded to allow for light industrial uses within purpose-built buildings.

SUMMARY OF RECOMMENDATIONS

10.0 SUMMARY OF RECOMMENDATIONS

This section presents a consolidated list of recommendations arising from this study including recommendations in the accompanying *Employment and Retail Lands Strategy*.

10.1 Recommended actions by precinct

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
Annandale Centre	Rezone the buildings with employment uses currently zoned R1 – General Residential to B2 – Local Centre.	Y	S	M
Ashfield	Explore options with NSW Transport to reduce the speed limit of Liverpool Road and introduce calming measures to improve amenity impacts of this road on the Centre.	N	S	H
	In the longer term, work with NSW Transport to have the portion of Liverpool Road running through the Centre returned as a local road.	N	L	M
	Review height and FSR controls to incorporate non-retail commercial floorspace and provision of land for public space.	Y	S	H
	Rezone the Ashfield centre to B2 Local centre to harmonise LEP zones.	Y	S	H
	Prohibit residential uses from being located on the ground and first floors by: <ul style="list-style-type: none"> Specifying a minimum non-residential FSR of 1.3:1 Requiring development applications demonstrate no net loss in employment floor space. 	Y	S	H
	Undertake a place based study to plan for retention of and possible expansion of existing commercial uses by safeguarding employment floorspace from inappropriate residential or associated development. This should aim to meet the projected demand in this Study.	N	M	M
	Review DCP controls to have buildings sited to take advantage of improved public domain and increased pedestrian use for business opportunities.	N	S	H
	Undertake a place based study is required to continue the programme of delivering public domain outcomes for Ashfield Town Centre to the south of Liverpool Road and Cavill Lane.	N	M	M
Balmain	Address the high vacancy levels by: <ul style="list-style-type: none"> Marketing and promotion of the centre as a place to establish businesses Strengthening the night time economy Public domain improvements that activate the centre and facilitate outdoor dining. 	N	S	H

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
	Implement the actions of the Inner West Land and Property Strategy including reviewing existing Council assets and whether they can be repurposed to facilitate or support employment uses and amenity.	N	S	H
	Review the Balmain Precinct Parking Strategy and consult with Transport NSW to consider options for increasing turnover of on-street parking, improving circulation and encouraging active and public transport.	N	M	M
Balmain East	Retain B1 zoning to maintain and encourage commercial development in the village area.	N	S	H
Croydon	Promote the centre as a location for office and other specialist services, with complimentary uses to increase amenity for workers (e.g. open space and activities between the Centre and the train station)	N	S	H
Dulwich Hill – Centre and Station Centre	Capitalise on the benefits of the Sydney Metro, Greenway and Dulwich Hill Station upgrade (including Dulwich Hill Station Detail Master Plan) through preparing a Master Plan and identifying further opportunities for public domain enhancement, particularly if centres expand.	N	S	H
	Prepare a place based plan that considers the long term strategic role of Dulwich Hill Centre and Dulwich Hill Station together with the delivery of Sydney Metro. Consider: <ul style="list-style-type: none"> Increasing the diversity of employment outcomes in proximity to the light rail and metro stations Undertaking a feasibility tipping point analysis to determine controls required to secure commercial floorspace at ground floor and in podiums Consolidating the number of applicable zones The economic impact of expanding the Dulwich Hill Station centre on the broader trade catchment. 	N	M	H
Dulwich Hill Centre	Review DCP controls to have buildings sited to take advantage of improved public domain and increased pedestrian use for business opportunities.	N	S	H
	Undertake place-based study to define the ways that the centre should plan for retention and expansion of existing commercial uses.	N	M	H
	Explore options with NSW Transport to reduce the speed limit of New Canterbury road and introduce calming measures to reduce the amenity impacts on Dulwich Hill centre.	N	S	H
	Consolidate and rationalise the zoning in the centre and expand permissible uses.	Y	S	H
	One property adjacent the Dulwich Grove Light Rail Station currently houses a restaurant and would be more appropriately zoned B2 Local Centre, to align with its existing use.	Y	M	L
Dulwich Hill Station Centre	Rezone Dulwich Hill Station from B1 – Neighbourhood Centre to B2 – Local Centre.	Y	S	H

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
	Review LEP and DCP controls to have buildings sited to take advantage of improved public domain and increased pedestrian use for business opportunities.	Y	S	H
	Undertake a place based study is required to continue the programme of delivering public domain outcomes if the footprint of the Centre expands.	N	M	M
	Consider expanding footprint of Centre, based on the outcome of a future master plan for the three Dulwich Hill centres.	N	M	M
	Undertake a place based study to define the ways that this Precinct should plan for retention of and expansion of commercial uses including office floorspace and safeguarding employment from inappropriate residential development. This should aim to meet the projected demand as identified in this Study.	N	M	M
Haberfield	Engage with local businesses to understand their needs and whether there would be a take-up of new outdoor dining spaces if they were provided. Explore successful examples nearby such as Concord and Five Dock.	N	S	H
Lewisham Station	Review LEP and DCP controls applying to this centre.	Y	S	H
	Rezone dwellings to match their current use as residential.	Y	S	M
	Consider the closure of Jubilee Lane to provide for enhanced public domain.	N	S	H
	Explore ways to improve pedestrian connectivity between the centre and Lewisham West.	N	M	M
	Ensure the Economic Development Strategy considers how to strengthen the role of this centre as a location for office and other specialist services.	N	S	H
Lilyfield Road centre	Rezone 47-51 Lilyfield Road from B2 - Local Centre to B1 Neighbourhood Centre to better reflect its role.	Y	S	M
	Rezone 55 Lilyfield Road and 30 Gordon Street (currently zoned B2 Local Centre) to B5 Business Development to reflect the current uses and the proposed retail hierarchy.	Y	S	M
Marion Street	Prepare a place-based study for the Marion Street Precinct as recommended by the draft Inner West Housing Strategy (refer to draft Housing Strategy for details)	N	M	M
	Rezone the buildings with employment uses currently zoned R1 – General Residential to B2 – Local Centre.	Y	S	M

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
Marrickville	Enhance the vibrancy of Marrickville by: <ul style="list-style-type: none"> Reducing car dominance by undertaking public domain works that create opportunities for footpath dining and street trees Encouraging mixed use redevelopment at Marrickville Road that incorporates ground floor retail and podium business and office space to increase the worker and resident population in the catchment Encouraging more local events such as markets and street festivals that bring people into the area Actively marketing and promoting the centre as a place to establish businesses Facilitating the establishment of co-working spaces discouraging growth of out-of-centre retail and stand-alone shopping centres Optimise activation of high pedestrian thoroughfares Consideration of bonus floorspace incentives Investigating minimum non-residential FSR provisions. 	N	S	H
	Undertake a place based study to define the ways that this Precinct should plan for retention of and expansion of commercial uses including office floorspace. This should involve incorporating ground floor retail and podium business and office space along Illawarra Road.	Y	M	M
	Implement the actions of the Inner West Land and Property Strategy including reviewing existing Council assets and whether they can be repurposed to facilitate or support employment uses and amenity.	N	S	H
	Residential zoned properties adjacent to the centre that comprise employment uses should be considered for rezoning to B2 – Local Centre.	Y	S	H
Marrickville Metro	Rezone the land comprising the extension of Marrickville Metro from IN1 General Industrial to B2 Local Centre.	Y	S	H
Newtown-Enmore	Explore options with NSW Transport to reduce the speed limit of the King Street and Enmore Road and introduce calming measures to reduce the amenity impacts on Newtown-Enmore	N	M	M
	Implement minimum non-residential FSR provisions. Undertake design and feasibility testing to determine appropriate minimum non-residential provision.	Y	S	H
	Continue to support a night-time economy in Newtown-Enmore through establishing: <ul style="list-style-type: none"> A clear policy position on the rights of existing venues and neighbouring residents (see ‘agent of change principle - Action 1.4.6) 	N	S	M

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
	<ul style="list-style-type: none"> Information on venue management practices to minimise risks of land use conflict Complaints handling and mediation practices to resolve conflicts between residents and venues, if they occur Public domain improvements including improved lighting and street furniture Safety, accessibility and connectivity to the train and bus stations. 			
	Explore opportunities for revitalisation at South King Street and The Hub theatre site.	N	S	M
Norton Street North	Undertake a review of current development patterns and existing LEP zonings for the B2 – Local Centre sites north of Allen Street in the Norton Street North precinct.		S	H
	Review the <i>Leichhardt Precinct Parking Strategy</i> and consult with Transport NSW to consider options for increasing turnover of on-street carparking, improving circulation and encouraging active and public transport.	N	M	M
	Review of the DCP Leichhardt Precinct Parking Strategy to identify options for reduced/eliminated off-street parking requirements and alternative and delivery arrangements for properties without secondary vehicular access. This can be considered as part of the review of current development patterns and existing LEP zonings for the B2 Local Centre sites north of Allen Street in the Norton Street North precinct recommended above.	N	M	M
Orange Grove Centre	Rezone from B2 Local Centre to B1 Neighbourhood Centre	Y	S	L
	Invest in streetscape improvements and active transport links to promote foot traffic	N	M	L
Petersham	Explore planning provisions that allow for and encourage flexible floorplates.	N	S	M
	Implement the actions of the <i>Inner West Land and Property Strategy</i> including reviewing existing Council assets and whether they can be repurposed to facilitate or support employment uses and amenity.	N	M	M
	Work with State Government to designate New Canterbury Road as a Vibrant Street to achieve a greater balance between vehicle movement and place making.	N	S	M
	Review land use zones applying in Petersham Centre, including B2 Local Centre, B4 Mixed Use, B1 Neighbourhood Centre and R4 High Density Residential, considering how new mixed-use developments are shaping the role and function of the Petersham centre.	N	S	H
Rozelle	Rezone the area identified as 'rezoning investigation area' (refer to precinct profile) to B1 Neighbourhood	Y	S	M

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
Rozelle	Centre			
	Rezone the area identified along Victoria Road (refer to Precinct Profile) to B6 – Enterprise Corridor	Y	S	M
Sydenham	Adapt the land use controls in coordination with the provision of new infrastructure.	Y	M	M
Lewisham West Renewal Precinct (refer to Summer Hill Industrial - Lewisham West Precinct employment precinct profile)	Elevate Lewisham West to a Local Centre in the hierarchy of centres.	N	M	M
	Explore rezoning land zoned IN2 Light Industrial, B5 Business Development B4 Mixed Use and R4 High Density Residential to B2 Local Centre to reflect the role of Lewisham West in the retail hierarchy.	Y	M	M
	Explore rezoning the adaptively reused Mungo Scott building to B5 Business Development to reflect its employment role and prevent conversion to residential.	Y	S	H
PRCUTS profiles: Kings Bay Taverners Hill Norton Street Camperdown	Detailed considerations on the future planning framework for the Parramatta Road corridor are provided within the precinct profiles.	N/A	N/A	N/A
Addison Road Industrial	Investigate rezoning the existing B5 Business Development zone on Addison Road to B4 Mixed Use to not detract from the hierarchy of centres and more appropriately reflect the current uses on site.		S	H
	Establish a policy position of no rezoning on industrial lands within the Addison Road precinct. This also applies to no inclusion of residential uses as additional permitted uses.	N	S	H
	Establish a minimum subdivision lot size (including restricting strata subdivision) in IN1 General Industrial zone in the order of 10,000sqm to reduce further fragmentation. This zone currently has a good diversity of lot sizes that enable opportunities for various size businesses. Protecting the larger lots from further fragmentation, secures a pipeline of diverse land parcels to cater to changing industry needs.	Y	S	H
Balmain East Working Waterfront	Rezone the Mort Bay IN2 Light industrial zones to IN4 Working Waterfront. This would require the addition of the IN4 Working waterfront zone to LEP.	Y	S	M
	Consider long term feasibility of industrial uses on land with residential uses, and potential rezoning.	Y	S	M
	Develop options for providing pedestrian access to the waterfront.	N	M	H
Balmain Road Industrial Precinct	Protect the precinct from proposals to introduce residential and other uses, in order to maintain the supply of industrial and urban services activities.		S	H
Canal road	Actively pursue the following policies and actions: <ul style="list-style-type: none"> Ensure the SP1 Special Activities zoning is retained for specialist film and arts uses 	N	S	H

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
	<ul style="list-style-type: none"> Encourage the State government to agree long term leases and consider affordable rents and rent controls to protect creative businesses In collaboration with the existing businesses in the precinct, investigate the possibility of a wider range of live audience performances Work with the CRFC to boost the marketing, branding and investment in the area as a specialist film service precinct. 			
Canterbury Road Enterprise	Remove shop-top housing as an additional permitted use	Y	S	M
	Undertake a feasibility tipping point analysis for B6 Enterprise Corridor land on Canterbury Road and Parramatta Road, Ashfield to determine controls required to incentivise redevelopment for commercial use.	N	M	M
Carrington Road	Adopt the "no regrets" approach to the planning of this precinct by: <ul style="list-style-type: none"> Retaining the industrial zoning of the entire precinct Protecting it from encroachment by residential and unrelated commercial uses Considering increasing the FSR to encourage appropriate enlargement of the industrial floorspace in the precinct, as long as the affordability of such development is incorporated in the relevant decisions. 	N	S	H
Dulwich Hill Industrial Precinct	Protect the precinct from proposals to introduce residential and other uses, in order to maintain the supply of industrial and urban services activities.	N	S	H
Lewisham Industrial	Protect the precinct from proposals to introduce residential and other uses, in order to maintain the supply of industrial and urban services activities.	N	S	H
	Retain the IN2 Light Industrial zone applying in the precinct.	N	S	H
Lilyfield Industrial	Rezone 60-62 Justin Street from B2 Local Centre to B7 Business Park to enable redevelopment of existing dwelling house for live-work.	Y	S	H
	Rezone 77-79 Lilyfield Road from B2 Local Centre to B7 Business Park to reflect its existing use.	Y	S	M
Marion Street Industrial	Rezone 237 Marion Street from IN2 Light Industrial to R1 General Residential to reflect its use as an aged care facility.	Y	S	M
	Retain 245 Marion Street as IN2 Light Industrial and Establish a position of no additional permitted residential uses on this site.	N	S	H
Marrickville-Sydenham Employment	Review the FSR development standard for sites zoned IN1 and IN2 and consider its increase.		S	H
	Develop a strong policy position that industrial and employment land is not to be further lost to	N	S	H

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
	competing land uses, particularly residential.			
	Advocate for excess land at the end of the Sydney metro project to be made available for industrial uses after public domain considerations are made.	N	M	H
	Pursue compliance action on premises violating their development consent in terms of floor space allocation for industrial retail outlets.	N	M	M
	Remove dwelling house permissibility within the area.	Y	S	H
Milton Street	Establish a position of no rezoning of land on employment lands within the Milton Street North precinct. This also applies to no inclusion of residential uses as additional permitted uses.	N	S	H
Moore Street Industrial	Maintain Council owned depot site for industrial uses as a single parcel.	N	M	H
	Rezone land in the core of the Moore Street Industrial precinct from IN2 Light Industrial to IN1 General Industrial.	Y	S	H
	Establish a minimum subdivision lot size (including restricting strata subdivision) in the Moore Street Industrial precinct (particularly to the area recommended for rezoning to IN1 General Industrial) in the order of 10,000sqm to reduce further fragmentation.	Y	S	H
	Advocate for the Department of Planning, Industry and Environment to amend the criteria for Site Compatibility Certificates to exclude industrial land.	N	M	M
	Establish a policy position of no additional permitted residential uses. Extension of existing residential uses in employment lands should be discouraged.	N	S	H
Precinct 75	Retain Light Industrial Zone and provide for land uses that reflect the current uses on the site. Provide for the space needs of various contemporary business uses associated with a Light Industry zoned sites and providing urban services.	N	S	H
	Consider increasing the maximum floor space ratio for this precinct to 1.25:1.		S	H
	Prepare site specific provisions that require improvements to vehicle/pedestrian access as part of any intensification of development on the site	Y	S	H
Princes Highway and Airport	Rezone 745 Princes Highway to SP2 Infrastructure	Y	S	M
	Remove objective relating to 'allowing for residential uses' from the B6 Enterprise Corridor zone, remove 'serviced apartments' as a permitted use.	Y	S	H
	Land that forms part of Sydney Airport should be rezoned to SP2 Infrastructure	Y	S	H
	Implement minimum subdivision lot size requirement and retain IN1 General Industrial zone for these two sites, to protect their current role in supporting Sydney's Trade Gateway.	Y	S	H

Profile	Recommendation	LEP Amend. (Yes/No)	Time (Short/Medium/ Long term)	Priority (High/Medium/Low)
	Explore expanding permissibility of 'specialised retail premises' in the B6 Enterprise Corridor zone.	Y	S	H
St Peters Triangle	Do not permit live-work within employment zones such as B5, B6, IN1 and IN2, due to the risk of compromising the industrial and urban services role and function of remaining employment lands in the Inner West.	Y	S	H
Stanmore Bridge Road West	Prohibit 'serviced apartments' in the B5 Business Development zone	Y	S	H
Edward Street Mixed Use Precinct	Consider rezoning properties along Edward Street currently zoned B4 Mixed Use to B5 Business Development		S	M
Smith Street Industrial Precinct (refer to Summer Hill Industrial - Lewisham West Precinct)	Retain the IN2 Light Industrial zoning of Smith Street Industrial.	N	S	H
Terry Street Industrial	Establish a position of no rezoning on industrial lands within the Terry Street Industrial precinct. This also applies to no inclusion of residential uses as additional permitted uses.	N	S	H
	Undertake a feasibility tipping point analysis for land in Terry Street Industrial (fronting Crystal and Wellington Streets) to determine controls required to incentivise redevelopment for employment use.		S	H
Victoria Road, Marrickville	Remove 'serviced apartments' as a permitted use from the B5 Business Development zone.	Y	S	H
Waterview Wharf Workshops	Rezone to B5 Business Development, provided the future zone does not include residential uses.	Y	S	H
White Bay Industrial	If redevelopment plans for the Bays Precinct are announced, establish multi-stakeholder engagement to reinforce the important role of White Bay Industrial and advocate for its retention as industrial land.	N	M	H

APPENDICES

APPENDIX A: COMMUNITY ENGAGEMENT SUMMARY

A.1 Democracy Workshop Minutes: Inner West Employment Lands Strategy Workshop

Location: Ashfield Administrative Centre

Date: Wednesday 20 March, 6:00 pm –7:30 pm

Attendees:

Workshop attendees consisted of members from the Planning and Heritage Advisory Committee as well as Arts and Culture Advisory Committee.

- | | |
|--|--------------------------------------|
| ■ Marjorie O’Loughlin | ■ Tony Clapton |
| ■ Ali Wright | ■ Subash Gurram |
| ■ Hellen Morgan-Harris | ■ John Weston |
| ■ Paul Hurst | ■ John Osmond |
| ■ Kath Wawatai | ■ Sharon Laura |
| ■ Terri Southwell (Inner West Council) | ■ Gibran Khouri (Inner West Council) |
| ■ Barbara Becker (Inner West Council) | ■ Billy Cotsis (Inner West Council) |
| ■ Elizabeth Griffin (HillPDA) | ■ Alex Peck (HillPDA) |

Purpose of workshop

The purpose of the workshop was to seek local perspectives on issues regarding land used for employment and retail. This feedback will inform the development of the Inner West Employment and Retail Lands Strategy.

A number of key issues were foreshadowed in the invitation to the workshop as matters for discussion including:

- Local business trends
- Challenges to locating and expanding a business here
- Opportunities and constraints for our centres, industrial and employment areas
- The future of ground floor retail and our industrial lands
- Commercial rent affordability
- The role of artisan food and drink industry

Format of workshop

The workshop was structured in the format of a round table discussion. Attendees were divided into three groups to provide their feedback on:

- What is good about our retail centres and employment lands?
- What could be improved within our retail centres and employment lands?

The Inner West LGA was divided into three separate areas, with these maps rotated amongst the three groups to ensure that feedback was evenly allocated across the area.

Council staff were distributed across the three groups to provide assistance with identification of locations containing employment lands and to capture feedback.

The workshop concluded with a general discussion of the key issues affecting employment lands and retail centres.

Feedback summary

An outline of workshop feedback is detailed in the tables below. It is a collation of the written notes which formed part of the round-table discussions. More detailed summaries of the key issues raised in discussion have also been provided.

Feedback from round table discussion

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
Darling St, Balmain (retail/food)	<ul style="list-style-type: none"> • Old Sydney heritage • Great pub, history, heritage • Restaurant strips • Heritage pubs, shops and markets • Excellent main street • Ballast Point <ul style="list-style-type: none"> – Pleasant 	<ul style="list-style-type: none"> • Nowhere to park – businesses closing • Unaffordable rent for retail in Darling Street • Rent are high for retail • Traffic – access • Workers pushed out • Expensive supermarket and retail • Slums of the future (near the bay) • Residency overuse
Darling St-Victoria Road, Rozelle (retail/food)	<ul style="list-style-type: none"> • Restaurant strips • Shops, cafes and services • Abundant open space is positive 	<ul style="list-style-type: none"> • Limited parking • Leagues Club mess • Narrow streets for big buses • Traffic: City Westlink intersections with Norton, Balmain and James St
Booth and Johnston Street, Annandale (retail/food)	<ul style="list-style-type: none"> • Open Space: <ul style="list-style-type: none"> – Whites Creek • Johnston St – witches houses • Booth St/Annandale Rd: useful food and retail (chemists, takeaway, etc) • Fine dining • Village-like, very attractive and useful variety of businesses 	<ul style="list-style-type: none"> • Residential neighbours not as supportive as previously – demographic change • Parking • Charles Street – no more flooding at light rail bridge • Underutilised heritage buildings with potential cultural/community uses
Marrickville (retail/food)	<ul style="list-style-type: none"> • Entertainment precinct • Marrickville Road/Addison Road <ul style="list-style-type: none"> – Lots of small businesses and useful services (eg chemist, newsagents) – Community group – Restaurants – Galleries – Coffee – Fruit & veg – Transport • Marrickville Road and Livingstone Road 	<ul style="list-style-type: none"> • Difficult access to Ti Chi Mondays (across Cooks River?) • Lack of transport (north near Henson Park) • Loss of markets, community and cultural integration (north east) • Insecurity for live music venues and spaces • Overcrowding • Rental affordability in new development and for longstanding businesses • Illawarra Road <ul style="list-style-type: none"> – New development old tenants leave and retail space remains empty

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
	<ul style="list-style-type: none"> – Good food – Individual shops (ie not chain) • Cultural/retail 	<ul style="list-style-type: none"> • Not-for-profit retail needs protection
Petersham village centre (retail/food)	<ul style="list-style-type: none"> • Portuguese vibe – restaurants, culture • Petersham ethnic food centres 	<ul style="list-style-type: none"> • Rent hikes
Haberfield (retail/food)	<ul style="list-style-type: none"> • Open space <ul style="list-style-type: none"> – Wadim Bill Jegorow Reserve – Reg Coady Reserve – Haberfield Heritage Conservation Area – Algie Park active and passive sports – Yasmar Heritage Estate and Gardens • Haberfield heritage: community, leadlights, food 	<ul style="list-style-type: none"> • Parking for business loading zones • Haberfield Village <ul style="list-style-type: none"> – Empty shops to be leased out – Seats on streets – Too many empty premises – Failing businesses • Tunnelling along Parramatta Road feels like LGA is fractured
Ashfield (retail/food)	<ul style="list-style-type: none"> • Art studios, niche creative businesses • Good Asian eatery • Thirning Villa – Artists Ashfield • Great lanes, backstreets, small businesses • Pramby Park Music Hub - cultural and community role • Retail and food hub • Ashfield Park heritage park 	<ul style="list-style-type: none"> • Difficult to get through LGA on Saturdays with many people on roads and no clearways • Pratter in danger • Maintain streetscapes amidst high rise • Small sports club underutilised • Open pedestrian access and use of laneways/backstreets • Affordability • Losing the “community feel”
Summer Hill (retail/food)	<ul style="list-style-type: none"> • Creative and community-minded represented through retail • Community village feel, sweets • Creative population/ community • Lackey Street <ul style="list-style-type: none"> – Awesome for lovely and useful retail shops. My dentist, doctor and hairdresser are all here • Rare butcher still exists here (been there for a long time) 	<ul style="list-style-type: none"> • Retail under threat as more service shop fronts take over creative shops • Access <ul style="list-style-type: none"> – Traffic management required • Parking difficult on garbage day
Hurlstone Park (retail/food)	<ul style="list-style-type: none"> • Cafes and wool shop, businesses and Greek sewing school developing under the apartments 	<ul style="list-style-type: none"> •
Enmore (retail/food)	<ul style="list-style-type: none"> • Enmore Theatre, restaurants • Strip shopping • Buses Food • Great art and live music scene 	<ul style="list-style-type: none"> • Lack of infrastructure • Development potential • Public transport overcrowding
Newtown (retail/food)	<ul style="list-style-type: none"> • Diverse collection of shops • Transport • Community groups • Cafes 	<ul style="list-style-type: none"> • Very congested

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
	<ul style="list-style-type: none"> • Cinema • Great art and live music scene • Important role of old strips • Parklands, bootcamp businesses • Great music and other venues for performance 	
Parramatta Road (retail/industrial)	<ul style="list-style-type: none"> • Older industrial stock with potential • Haberfield • Parramatta Road after hours pop-up food vans in carwashes, music after hours 	<ul style="list-style-type: none"> • Dilapidation • Protect heritage awnings • Parking • Shops on Parramatta Road - restrictions on uses – tenancy • Older industrial stock under threat/ being demolished • Retail leases impossible to negotiate, area in “development limbo” • Rent hikes • Haberfield <ul style="list-style-type: none"> – More bus shelters and seating along transport route – More trees, more shelter – Building setbacks and awnings <ul style="list-style-type: none"> ▪ For chase ▪ Tree canopy – WestConnex <ul style="list-style-type: none"> ▪ Destruction of business • Ashfield <ul style="list-style-type: none"> – WestConnex <ul style="list-style-type: none"> ▪ Destruction of business ▪ Tunnelling along Parramatta Road feels like LGA is fractured • Crystal Street <ul style="list-style-type: none"> – Not utilised – Access/parking issues for businesses – Run down – Very congested at any time • Summer Hill • Art establishments under threat
Camperdown (health/education)	<ul style="list-style-type: none"> • RPA hospital, medical services and agencies • RPA excellent and convenient services • Crown lands, Art – Camperdown gallery and recreation co-located • Lots of sports and education 	<ul style="list-style-type: none"> • Medical too concentrated • Need to revitalise all aspects of Camperdown
HJ Mahoney Memorial Reserve (open space)	<ul style="list-style-type: none"> • Tempe/Marrickville Golf Course 	<ul style="list-style-type: none"> • Need to clean up and protect the Cooks River • Sporting groups are taking over public space
Leichhardt (retail/food/industrial)	<ul style="list-style-type: none"> • Transport heritage depot • Pioneer park 	<ul style="list-style-type: none"> • Needs more than just food (eg music) • Access

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
	<ul style="list-style-type: none"> Heritage scenery Artisan businesses Eat streets 	<ul style="list-style-type: none"> Parking Lack of heavy rail access to Leichhardt centre to connect with other areas Hectic – needs calming Empty shops with high ceilings being utilised Moore Street Precinct <ul style="list-style-type: none"> No secure tenants Assumption of impending development Norton Street <ul style="list-style-type: none"> Empty shops Businesses moving out Lack of seating in rest areas (particularly in shopping centres, but also around small eateries) for older residents and others – people aren't encouraged to "hang around"
Balmain East/White Bay (industrial)	<ul style="list-style-type: none"> Keep public access to waterfront Bays Precinct – spaces with potential for cultural production Good to preserve history/heritage of boat making Spaces with potential for cultural production (warehouses) 	<ul style="list-style-type: none"> High employment cruise ship area that has noise pollution issues Uncertain future over cement industry – pollution Overdevelopment of residential Cruise terminals noise pollution (diesel) – disturbance
Callan Park (creative industries)	<ul style="list-style-type: none"> Callan Park: Crown land, vital green space, creative uses and sports fields Diversity of use Casual space for creatives Historic perspective 	<ul style="list-style-type: none"> Being allowed to deteriorate Do they want to raze it? Needs protection Lack of community control Disused buildings Garden (henkise) Japanese neglected Access from the west
Canal Road (creative industrial)	<ul style="list-style-type: none"> Creative cluster Zoning reinforces use Leichhardt/Bay Walk/Canal Road – wetlands/greening Public transport/light rail Legs on the Wall, Sydney Opera House and Art Gallery storage 91 Canal Road Closeness to parks and major arterial 	<ul style="list-style-type: none"> Film centre inaccessible to some due to regular flooding Canal Road under threat Art and cultural nature spine: <ul style="list-style-type: none"> Secure leases Affordable space Lease under threat Art establishment under threat (far west)
Leichhardt (remnant industrial)	<ul style="list-style-type: none"> Older industrial stock interspersed with residential 	<ul style="list-style-type: none"> Pockets of industrial space amongst residential at risk of overdevelopment More profile and support for heritage buses (depot)
Lords Road, Leichhardt (industrial)	<ul style="list-style-type: none"> Important employment lands maintain manufacturing 	<ul style="list-style-type: none"> Certainty in zoning

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
	<ul style="list-style-type: none"> Factories 	
Petersham (creative industrial)	<ul style="list-style-type: none"> Older industrial stock – creative incubator 	<ul style="list-style-type: none"> Rent hikes
Lewisham (industrial)		<ul style="list-style-type: none"> Creative industries pushed out Insufficient understanding of cultural production New “creative spaces” utterly inappropriate
Arlington Rd, Dulwich Hill (community)	<ul style="list-style-type: none"> Heritage Community Light rail Open space <ul style="list-style-type: none"> Dog park Arlington Reserve Yeo Park Jenner Park 	<ul style="list-style-type: none"> New creative industries need protection from rent hikes Greenway must be finished to connect employment lands along Cooks River Protect new businesses from rent hikes Access <ul style="list-style-type: none"> Traffic management Arlington Reserve sports parking are taking over local streets
Stanmore village centre (retail/food)	<ul style="list-style-type: none"> Education and centres 	<ul style="list-style-type: none"> Traffic congestion impacts businesses
St Peters (industrial)	<ul style="list-style-type: none"> Open space <ul style="list-style-type: none"> Sydney Park Positive reuse of industrial spaces <ul style="list-style-type: none"> Old warehouse spaces very successful – Tortuga Studios Traditional manufacturers working with new creative Diversity of creative and cultural Industrial workspaces, small businesses The Factory live music 	<ul style="list-style-type: none"> Residential overdevelopment St Peters Triangle creative spaces all gone Negative impact of WestConnex <ul style="list-style-type: none"> No busways on WestConnex Preservation of industrial buildings as heritage significance , but for use in perpetuity St Peters industrial space at risk, seen as ugly and ripe for residential development Cost of airport trains and parking No services
Sydenham (industrial)	<ul style="list-style-type: none"> Can be open 24 hours, arts Frazer Park 24 hour license, NB live music concerts and events Get great fresh fish Warehouse Foods Many creative studios and live music venues <ul style="list-style-type: none"> Red Rattler 	<ul style="list-style-type: none"> Traffic Zoning certainty for food production/manufacturing
Tempe (industrial/bulky retail)	<ul style="list-style-type: none"> Important role of IN1 IKEA and local business 	<ul style="list-style-type: none"> Lack of fun stuff
Marrickville (industrial)	<ul style="list-style-type: none"> Important urban services 	<ul style="list-style-type: none"> Needs protection from rent hikes Potentially losing valuable work space to residential development IN1 zoning vital Victoria Road

Location	What is good about our retail centres and employment lands	What could be improved within our retail centres and employment lands?
		<ul style="list-style-type: none"> – Risk of manufacturing/urban services changing to residential zoning
Carrington Road, Marrickville (industrial)	<ul style="list-style-type: none"> • IN1 zone • Many businesses with workers from the local area, diverse, busy on weekdays 	<ul style="list-style-type: none"> • Keeping services for aerospace production/servicing • Certainty of zoning

Discussion

The following points were raised during discussion.

Loss of cultural production space

Cultural production defined as a subset of creative industries that require larger industrial spaces for their work. Significant concerns over residential overdevelopment around St Peters encroaching on these areas and pushing cultural production out. This trend has also been noted in on Carrington Road in Marrickville. A lot of industrial spaces formerly creative spaces have now disappeared. Flow on affects to smaller industries if creative industries vanish? Protecting diversity.

Suggested options:

Protect employment land from residential development.

The advantage of these areas has been in older manufacturing and industrial sites linking up with newer creative industries. This isn't seen by public necessarily.

Representation

Large group of "unknowns" in Sydenham who are often creative incubators, not captured by census (because they are employed in one off multiple role – gig economy?) and hence would often write "unemployed" on census. Individuals like this would be found in areas like the creative sublets in Carrington Road.

What about the areas where creatives don't have strong advocates?

Perception of creative spaces

Sometime a seemingly "run down" industrial area needs to be run down to attract creative industries. Noise conflicts in residential make these industries mixing with residential quite difficult. High ceilings and unusual layouts make these older spaces uniquely attractive to creative industries, generating agglomeration and fostering collaboration. Proximity to creative industries in the city like fox studios or vivid.

Suggested options:

Rent protection, protecting the zoning. Protection of some of the older buildings (eg sawtooth buildings). Protecting first use.

A more consistent commitment is needed from Government on the importance of arts and creative industries within in the hierarchy of decision making, with emphasis on a consistent commitment to maintaining and protecting arts space.

The government acquisition of spaces for use by creative industries. SP zoning of areas specifically for use by creative and cultural production industries (eg the Canal Road space). Identify key precincts for support.

Retail areas

Empty shops in Haberfield, Illawarra road, Parramatta Road. Rents become too high or 4-5 month bond with no guarantee beyond.

Traffic and parking impact on business particularly in areas like Balmain and Summer Hill. New housing has meant that there is insufficient parking to cater for extra housing (all centres).

Opportunity in Haberfield and Ashfield with rebuilding... existing heritage assets in Haberfield which could be leveraged through development of heritage industry in that area to complement these heritage items.

Live-work options

Some spaces where people have been able to do that with existing areas (live above work space). Would it be too easy to manipulate-would live and work be in competition? Council would need to closely monitor and manage any such arrangements in IN areas. Would not work for cultural production (creative manufacturers), could work for design and creative. Council should say “Shall be” not as business says “would suit”.

A.2 Key stakeholder phone calls

Key stakeholder phone calls have been undertaken to gauge the general perception of businesses and industry groups in the local government area. Businesses requested that they remain anonymous and therefore the notes from engagement have been categorised by industry types. Please note that the information is in note form and reflects the conversations that were had with businesses.

Manufacturing/other

- Lots of delivery trucks and stock, as well as container movements, this could lead to noise complaints if there were nearby residents.
- Pressure to rezone arising from increasing land values.
- There is little room for expansion, with newer developments typically comprising smaller spaces not appropriate to larger industrial use.
- Yes there is suitable space but not much available. There is a mix of older and new stock. New mixed use developments will not however support the type of space that businesses in the area need.
- Artists need cheaper rent they share warehousing space without that there is no room for them and they don't want to go out west. It isn't their vibe.
- Good mix of new developments that are more expensive to rent. You also have smaller spaces like Carrington Road where the rent is cheaper.
- The developments are putting retail areas under them and they generally remain empty – the spaces aren't working. If Carrington puts shops and supermarkets it will totally change the streetscape of the area. It will draw away the trade from other areas and you lose the character of the area.
- The B4 Mixed Use going back in doesn't work as the retail spaces doesn't have enough demand. The industrial land is more required.
- Rise of artisan spaces in industrial areas (eg St Peters), not actually industrial in nature.
- Micro-breweries are not a significant concern, but further encroachment (eg restaurants) would be detrimental, food trucks have not been an issue. Micro-breweries can also attract young people, adding more vibrancy to the area.
- Some businesses reported synergies with other artisan food. They are open to the public when the warehousing isn't at peak.
- Companies share kitchens.
- Being able to live and work in the area is beneficial.

- Beneficial availability and range of goods and expertise in area (eg designers, printers, manufacturing, design, photography film, display stands and lighting), leading to very strong synergies between businesses.
- If the industrial space begins to be fragmented by new mixed use development it will erode the whole character of the area and push out businesses.
- Need some more subsidised and key worker housing. A lot of places around station will be redeveloped and this is where the lower cost housing is.
- The developments are putting retail areas under them and they generally remain empty – the spaces aren't working. If Carrington puts shops and supermarkets it will totally change the streetscape of the area. It will draw away the trade from other areas and you lose the character of the area.
- With the pressures that are coming from the large developments – if they develop it to housing – all the warehousing on the other side of the road will also go. Victoria Road – when you look at the surrounding area there are silly gaps where there are warehousing – they will be squished out because of the new residential. Once you let one go it will continue to fragment and it will just become another Wolli Creek.
- Less than 1 per cent of underutilised industrial land in Marrickville, this is more than there was in the 50s.

Creative industries

- Parking in the area is quite limited and quite expensive – affects clients when they come and visit them. It has recently been metered.
- Public transport access is difficult. Closest bus stops are on Glebe Point Road – quite a walk from public transport to where they are. Better access to public transport closer place of work.
- Would like to see more cafes and restaurants and retail closer to their place of work. High density residential doesn't affect business.
- Rent is too high – recently gone up. Before that it was relatively affordable. Largely driven by demand. A lot of creative businesses moving to the area. In an old warehouse – there isn't many places like this left.
- Lots of good retail outlets around.
- Do utilise sole traders and contractors in the area, but don't have ongoing relationships.
- Not a retail facing business but do have very unique requirements. Would like to see more cafes and restaurants and retail closer to their place of work. High density residential doesn't affect business.
- Need loading docks for gear and sound proofing. But could move into an office space.
- Rent is too high, having recently increased from a relatively affordable level. These increases have been largely driven by demand with a lot of creative businesses moving to the area. Many of these businesses are looking for old warehouse spaces, which are increasingly rare.

Start-ups

- Attracting talent and recruiting is one of the biggest challenges for startups. A lot of people don't know how to get in to the industry and move from bigger corporates.
- The affordability of office space and warehousing is an impediment. Reducing cost in any way would really help.

- Startups require spaces that also foster collaboration. For startups to succeed they need a network around them – access to events, speaking to suppliers and customers, space to collaborate and share ideas.
- Opportunities for startups:
 - Newtown co-working spaces may work really well.
 - Camperdown has a nice combination of being close enough to the city but far enough away that rents aren't too expensive.
 - A lot of startups are already based in Pyrmont and Surry Hills
 - Camperdown has nice open areas that create a different vibe
 - Proximity to university could be attractive for startups due to access to research and new talent.

Co-working

- More parking availability would be beneficial.
- Good public transport services contribute positively to operations.
- Surrounded by similar businesses that have the same needs as them.
- Restaurants and bars in the surrounding area are good for co-workers as they create unique spaces for meetings.
- Synergies with other businesses in the area. Colocation with other businesses with similar focus makes it a lot easier to collaborate (eg creative co-working spaces situated near businesses focussing on sustainability, arts and cultural engagement).
- Some of the creative uses of the spaces should be able to have multiple tenancies in a building.
- Co-working spaces need to be able to be noisy, being located near other late night businesses creates synergies.
- Pressure to redevelop in the future – a lot of owners are thinking about selling because of the profit margin that they could get.
- Many of these operators would prefer to remain in their spaces and stated it was their intent to buy if they were able to generate sufficient capital.
- If there was something that said new developments must include creative spaces someone might just set up an office with a creative agency in it.
- If there was more flexibility in building height it would be better for operations.
- There are a lot of buildings are quite large and if they were able to be split out it would be a lot easier for smaller businesses to utilise.
- There is more demand for 200-500sqm spaces, the demand for larger spaces is significantly less. For example photography studios can need larger spaces, while others can make do with smaller.
- Having the ability to break larger spaces into smaller areas would be advantageous.
- There are probably a lot of illegal businesses that are acting as surrogate co-sharing spaces. The regulation about lifts and fire proofing and structural changes is when it creates the issues.
- Business support system and framework that have a viable business and contribute back to the economy, however the building isn't currently compliant. No motivation for building owners to become compliant. Need support from Council to navigate the system – if council came in to the business and says you can't operate business because the building is not up to code, which leads to the potential loss of the business and potential closure.

- Spaces stated that having participation in the DA process in the past has been difficult. In one instance the application was for a change of use but found that the planners didn't understand what the operator was trying to do. People thrive on diversity and there wasn't a defined use that could be easily categorised.

Night-time entertainment

- The mix of entertainment uses should not be overlooked. How do you have an industrial zoned warehouse and host a weekend event? Temporary community licensing could enable this kind of activation. Temporary change of use, legitimate alcohol license and live music. If there are vacant warehouses that people could apply for temporary usage, why not have the buildings activated to support local culture? Lease for 3 months – temporary use as cultural venue etc.
- Already warehouse parties happen all the time and often. At present they are completely illegal/unsafe. The reuse of warehouses in Sydney Fringe Festival is a good example of adaptive reuse.

Artisan food

- Residential would be undesirable in immediate area, owing to the potential increase in rents.
- Ad-hoc approach to venue restrictions (eg some microbreweries have been granted different restrictions on venue capacity than they have and are able to capitalise on that).
- Landlords are typically waiting for developer buyout and lack a long term vision for the space (eg not willing to invest in minor capacity upgrades). Some certainty from the market to demonstrate that there is a longer term plan would give long term security on the spot. More certainty from government to say that area will remain industrial and will not be changing.
- There has been a lot of pressure for redevelopment on the fringe of the industrial areas, this displaces businesses and drives up the rent as more businesses are competing for the same place. Businesses want to stay in the location however affordability will become an issue.

Key landholders and tenants

- There is uncertainty around ongoing operations of the Port in the context of continuing urbanisation in the area. An integrated solution is required to ensure that surrounding development and ongoing changes to the port's operations are responsive to each other (eg changes in operations arising from Hanson's proposal).
- State Government are looking for ways to deal with the increase in cruise ships. Growth of the White Bay Cruise Terminal is limited. It won't necessarily mean that there is an increase in cruise activities.
- There is a need to retain the area as port land, despite a lot of pressure to redevelop into high density residential.
- Agreed to continued operation of the port for at least the next 10-15 years, beyond that there is a commitment to an integrated Port outcome. This would comprise some kind of urban renewal on Glebe Island, to be then integrated with the Port. In other words, land would be rezoned to commercial and residential, with the retention of White Bay for port use. Intention is that White Bay remains the same.
- One impact of this would be reduction in employment land and port land, likely generating a potential conflict of land uses arising from the presence of residential development in a port environment. There is going to have to be a lot of work to determine how this is going to be managed and there are already a lot of problems.

- There are also significant risks associated with losing any of the remaining port land within the harbour, with the city increasingly relying on services from the port (eg back of house harbour services limited to non-seagoing vessels).
- Piecemeal zoning erodes the usefulness of industrial land, which can introduce conflicting land uses driving out industries and businesses.
- Developments in Council land are considering the port in how they may impact the port and existing operations – reverse amenity impact. Need to designate the port as a priority infrastructure area.
- Reasonable and feasible noise impact – the port is currently undertaking doing a lot of strategic noise assessment at the moment and looking at Infrastructure SEPP (buffers around the infrastructure) think there should be something similar around the Port at Glebe Island and White Bay which would trigger extra consideration both ways. Constructive engagement on this topic would be beneficial.

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