

Our Ref: 0117/13lt5 14 February 2014

Marian Pate
NSW Department of Planning and Infrastructure
PO Box 39
SYDNEY 2001

Dear Marian,

RE: SUTHERLAND DRAFT LEP REVIEW 40-44 KINGSWAY, CRONULLA

We advise that we act on behalf of the owner of the above property and have been instructed to make a submission to be included as part of the independent review of the Draft Sutherland Shire LEP 2013. In accordance with the terms of reference set out by the Minister for Planning and Infrastructure, this submission relates to a site that was included in Mayoral Minute No. 6/13-14 dated 29 July 2013.

As conveyed to the Panel during recent Public Hearing sessions, it is critical that a distinction is made between matters referred to in the Mayoral Minute of 29 July 2013 as to whether they were matters supported by Council's professional staff following submissions made on the initial public exhibition period or were changes instigated by the Mayor. We note that in relation to this submission, the Mayoral Minute was consistent with the recommendations of staff contained in their report relating to the first round of exhibition.

By way of background, Planning Ingenuity made a submission to Council in response to the first exhibited Draft LEP requesting that a Clause be included to apply an FSR bonus of 1:1 and a height bonus of 10m over and above the base FSR and height if *tourist and visitor accommodation* were provided on the site. The detailed submission is attached to this letter.

Staff was supportive of the request to include a density bonus provision in the LEP for the site. Council's report summarising submissions made the following recommendation:

"Analysis of the concept building design presented as part of this submission has resulted in a recommendation to give a bonus FSR of 1:1 and bonus height of 10 metres for development of this site, provided that the use of the development is 100% "tourist and visitor accommodation"

As discussed, the subject site was mentioned in the Mayoral Minute as follows:

- " iii. For 40-44 The Kingsway (Lot 506 DP1109821) Cronulla, bonus height and FSR be offered for 100% tourist accommodation through the following:
 - iv. Clause 4.4(3) be amended by the insertion of subclause (f) as indicated in italics below:

 Amendment to subclause 4.3(7) by addition of subclause (f) as indicated in italics below:

 (7) Despite clause 4.3(2) the height of a building may exceed the maximum height shown for the land on the Height of Buildings map by an additional.....
 - "(f) 10 metres if the building is at 40-44 The Kingsway Cronulla (Lot 506 DP1109821) identified on the Height of Buildings map and the development of the site is 100% "tourist and visitor accommodation"

- Amendment to subclause 4.4(3) by addition of subclause (f) as indicated in italics below:
- (3) Despite clause 4.4(2) the floor space ratio of a building may exceed the maximum floor space ratio allowed under that subclause by up to:
- "(f) 1:1 if the building is at 40-44 The Kingsway Cronulla (Lot 506 DP1109821) and the development of the site is 100% "tourist and visitor accommodation"

The changes to the Draft LEP, as exhibited in the second round, were therefore made as a result of thorough analysis and the request by Planning Ingenuity in their submission on behalf of the land owner. The request was considered by professional Council staff and was supported. The site was included in the Mayoral Minute to reinforce the views of staff.

It is therefore abundantly clear that the changes to the LEP in relation to the subject site are both appropriate and are agreed as acceptable by Planning Ingenuity, professional staff and the Mayoral Minute.

We therefore request that the panel endorse the Mayoral Minute as it relates to the subject site, that is, allow FSR and height bonus of 1:1 and 10m respectively for the site, subject to the provision of 100% tourist accommodation.

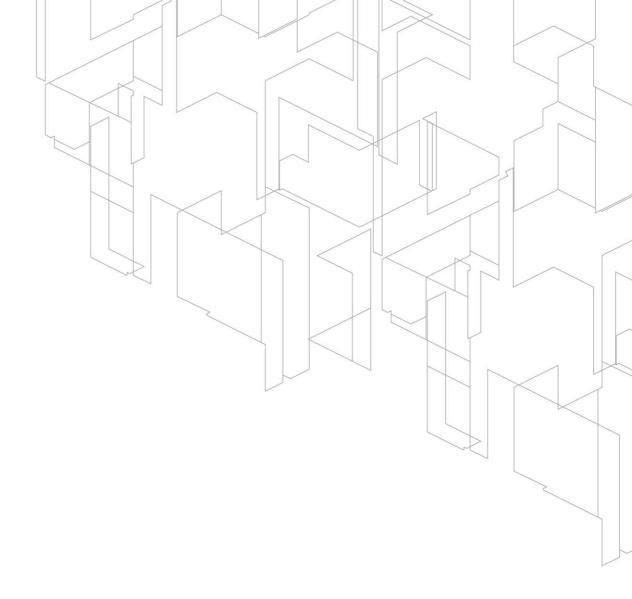
Should you wish to discuss any of the above, please feel free to contact the undersigned.

Yours faithfully,

Planning Ingenuity Pty Ltd

J. Mead

Jeff Mead **DIRECTOR**



ANNEXURE A

COPY OF INITIAL SUBMISSION ON DRAFT SUTHERLAND LEP 2013





Our Ref: 0082/13lt1 30 April 2013

Council Ref: LP/03/252376

The General Manager Sutherland Shire Council Locked Bag 17 SUTHERLAND NSW 1499

Attention: Environmental Planning Unit,

SUBMISSION ON THE DRAFT SUTHERLAND SHIRE LEP 2013 NO. 40-44 THE KINGSWAY, CRONULLA

INTRODUCTION

We refer to the *Draft Sutherland Shire LEP (SSLEP) 2013* which is on exhibition from 19 March to 1 May, 2013. We act on behalf of the owner of the subject site and have been instructed to make a submission in relation to the Draft LEP to request that Council provide additional height and density incentives for development that incorporates *tourist and visitor accommodation* on the subject site.

We note that *tourist facilities* and *backpackers' accommodation* are currently permissible with development consent on the site which is identified in *Zone 8* under SSLEP 2006, and that *tourist and visitor accommodation* is permissible under the draft *B3 Commercial Core* zone which applies to the site. However, despite a wide range of tourist facilities being permissible on the site under the existing and draft controls, this has not been a sufficient incentive for a viable redevelopment of the site for *tourist and visitor accommodation*.

Council has historically acknowledged a clear regional shortfall in *tourist and visitor accommodation* in the Sutherland Shire and identifies Cronulla as the premier tourist destination. Recent initiatives of Council to encourage tourist accommodation by identifying particular sites in North Cronulla for a special uses zone (SP3 Tourist Zone) under the DSSLEP 2013 have been rejected on the basis of a wide range of tourist facilities being permissible in the Cronulla Centre, identified as *B3 – Commercial Core*. This has not however encouraged any new tourist facilities in the Cronulla Centre.

Council resolved in a meeting of 15 August 2011 to acknowledge support for local tourism and invite proposals for *tourist and visitor accommodation* on appropriate sites. Planning Ingenuity identifies the strategic location of the subject site and potential to accommodate a "gateway" tourist facility. The potential of the site as a gateway to the Cronulla Centre has also been acknowledged in the *Draft Cronulla Centre Strategy*.

The subject site has a history of short stay accommodation and the basis of this request is to seek market driven incentives, beyond relying solely on permissibility, to continue and expand the *tourist and short stay accommodation*. The property owner has engaged an architect to produce concept designs of a viable *tourist and visitor accommodation* development which provides an indication of the possible appearance of a "gateway" building on the subject site.

In forming our opinion on the suitability of increased height and density on the subject site as an incentive for the provision of tourist and visitor accommodation, we have visited the site and locality and considered the SSLEP 2006 and Draft SSLEP 2013 controls in the context of the local and state strategic planning framework. We have also considered Council's resolution (15 August 2011) to encourage local tourist accommodation on appropriate sites as well as Council's general invitation for suitable tourist related proposals. We have also considered Council's Employment Strategy and the Draft Cronulla Centre Strategy which are supplementary documents also on public exhibition.

SITE & LOCATION

The subject site is located on the south-eastern corner of the Kingsway and Wilbar Avenue and is identified as Nos. 40-44 Kingsway, Cronulla (Figure 1). The site has a legal description of Lot 506 in DP 1109821.



The subject site is occupied by an existing two storey building containing two ground floor tenancies, one being a retail shop and the other being a restaurant. The first floor contains YHA backpackers' accommodation.

An older style single storey building is located at the western portion of the site, facing each street frontage and is used in conjunction with the backpackers' accommodation. A large tree (fig species) is located adjacent to the north-western corner of the site and is identified as a heritage item (L168 street tree) pursuant to SSLEP 2006.

The subject site is a key 'gateway' site when entering the Cronulla Centre from the west via the Kingsway. The site is currently underutilised and adopts a weak presentation to The Kingsway in light of the potential for the site to host an iconic building.

Figure 2 below, depicts an aerial photo of the site and surrounds overlaid with a number which matches Table 1: Description of Adjoining Land uses.



Figure 2: Aerial photograph of the site

TABLE 1: DESCRIPTION OF ADJOINING DEVELOPMENT			
ID No.	ADDRESS	LAND USE	SITE AND BUILDING FEATURES
1	51-53 The Kingsway, Cronulla	Convenience store	Located to the north, on the opposite side of The Kingsway, at the intersection with Gosport Street. This is a typical single storey 7 Eleven outlet with parking along the Kingsway frontage and access off Gosport Street only.
2	47-49 The Kingsway, Cronulla	Retail premises	Located adjacent to the north, on the opposite site of The Kingsway. The existing building comprises a single storey seafood retail premises. Parking is available on the western side of the site.
3	43-45 The Kingsway, Cronulla	Place of public worship	To the north, on the opposite side of The Kingsway, is a two storey Masonic hall/church building. This building is an identified heritage item.
4	38 The Kingsway, Cronulla	Mixed-use building	Adjoining the site to the east is a two storey mixed-use development, containing retail premises at the ground floor located on nil setback to the street with shop top housing above.
5	2 Wilbar Avenue, Cronulla	Commercial premises	To the south of the site, on the opposite side of Wilbar Lane, is a 2 storey commercial premises fronting Wilbar Avenue with a flat roof form.
6	1 Wilbar Avenue, Cronulla	Residential flat building	To the south-west of the site on the opposite side of Wilbar Avenue is an older style 2 storey residential flat building with a pitched tiled roof.
7	46-50 The Kingsway, Cronulla	Service station	To the south of the site, on the opposite side of Wilbar Avenue, is a petrol station located on the corner of The Kingsway and Wilbar Avenue. Vehicular access to the petrol station site is gained via Willbar Avenue and The Kingsway.

BACKGROUND

Council's *Economic Development Committee* has consistently recognised and supported the benefits of growing a tourism sector in the Sutherland Shire and has worked on various marketing initiatives and strategies in partnership with local tourism operators to sustain growth of tourism in the Sutherland Shire. As part of a review of tourism in the Sutherland Shire, The Environmental Planning Unit produced a *Draft Planning for Tourism Report* identifying areas for strategic planning potential. The Report focused on factors affecting the growth of local tourism and noted that the most significant factor limiting growth in local tourism is the *regional shortage of tourist and visitor accommodation* during periods of peak demand. The shortage is particularly apparent in the Sutherland Shire's premier tourism destination – Cronulla.

It was resolved by Council on 27 September, 2010 to conduct a Tourism Workshop that, amongst other things, would:

- Identify appropriate localities for hotel or motel accommodation; and
- Explore whether tourist accommodation (hotel or motel accommodation, serviced apartments, backpackers' accommodation) should be permitted in areas/zones in the Shire other than the centre zones.

The findings of the Workshop were presented to Council in a *Discussion Paper: Planning for Tourism in the Draft Standard Instrument LEP* on 6 June, 2011. Notably, Recommendation 1 of the discussion paper stated that:

"The SP3 Tourist Zone be applied to a prescribed area of North Cronulla to encourage the development of hotel accommodation and related activities along this under-performing stretch of prime beach front."

A Working Party reviewed the feasibility of the North Cronulla zoning proposals in light of alternative locations and reported back to Council on 15 August 2011, recommending that:

"The working party concluded that the zoning for tourism was unlikely to yield the desired result in North Cronulla and was unnecessary in Cronulla Centre where hotel development is permissible under the existing zone. Therefore the application of the SP3 Tourist Zone is not recommended. In the future, should Council be approached with proposals for a specific site that would benefit from the application of this zoning, this decision will be reconsidered."

Council resolved in the meeting of 15 August, 2011:

- " 1. That the SP3 Tourist Zone within its draft Standard Template LEP, not be utilised; and
 - 2. That support be acknowledged for the local tourism sector and that operators of tourist and visitor accommodation be invited to bring Planning Proposals before Council for new facilities in appropriate locations."

The subject site is located within *Zone 8 – Urban Centre* pursuant to SSLEP 2006. The site is currently subject to an FSR of 1.8:1 (GFA – 1,566m²) and has a maximum building height of 4 storeys. Amongst other things, *backpackers' accommodation, hotels, motels, tourist facilities* and *tourist information centres* are permissible uses with development consent.

Under the Draft LEP 2013, the subject site is located within the Zone B3 – Commercial Core and is identified as having an FSR of 2.5:1 (an increase in 609m² of GFA) and a maximum building height of

20m (an increase of 2 storeys). Amongst other things, *tourist and visitor accommodation* is permissible with development consent.

The subject site is occupied by the only backpackers' accommodation in the Sutherland Shire and one of the few short stay accommodation facilities in Cronulla. The site has an established presence in the area as *tourist and visitor accommodation* and contributes to the promotion of tourism within the limited accommodation available. The existing backpackers' accommodation appeals to a distinct tourist market and is clearly limited in terms of viable growth or potential to expand under the existing density and height provisions.

Planning Ingenuity acknowledges the increase in height and density afforded to the site under the Draft LEP, however, give the current market conditions, the draft height and density presents a more viable mixed use or residential flat development on the subject site. The owner of the site has engaged Bentley Architects to explore opportunities to expand the tourist accommodation, however, under the draft planning controls significant doubt is placed on the viability of expanding the tourist and visitor accommodation use.

The basis of this request is to highlight the limitations of the approach of encouraging tourist and visitor accommodation by relying solely on permissibility. Planning Ingenuity contends that permissibility without appropriate density and height incentives will not yield the desired results in meeting the acute shortfall in *tourist and visitor accommodation* in Cronulla.

We request that Council show commitment to increasing the supply of short term accommodation by providing market driven development incentives on the subject site.

In proposing an increase in height and density, we have also considered the strategic location of the subject site in the Cronulla Centre and the opportunity to provide a "gateway" development that provides a legible presence and clear transition into the Cronulla Centre. The proposed form of development has been requested with sufficient regard to the built form and public domain objectives of the West Mixed Use Precinct of the Draft Cronulla Centre Strategy.

THE REQUEST

This submission requests that an additional Clause be inserted into Part 6 – Local Provisions of DSSLEP 2013 identified as *Cronulla Tourism and Visitor Accommodation Site*. We request that the Clause identify the subject site and apply an FSR bonus of 1:1 and a height bonus of 10m on the basis of a providing *tourist and visitor accommodation*. Provided below is a suggested Clause format:

6.23 Cronulla Tourism and Visitor Accommodation Site

- (1) This clause applies to Lot 506 DP 1109821, 40-44 The Kingsway, Cronulla.
- (2) The objectives of this clause are as follows:
 - (a) To encourage tourism and visitor accommodation in the Cronulla Centre, and
 - (b) To encourage a gateway building form on the strategically located site, and
 - (c) To ensure that the type, bulk, scale and size of development is appropriate for the location and protects and residential amenity of the surrounding area.
- (3) Despite clause 4.3(2), the maximum height of a building may exceed the maximum height shown for land on the Height of Buildings Map by an additional 10m if:
 - a) At least 2 storeys are dedicated to tourist and visitor accommodation; and

b) The development provides an attractive corner form providing a gateway presentation to the Cronulla Centre.

(4) Despite clause 4.4(2), the maximum floor space ratio may exceed the maximum floor space ratio on the Floor Space Ratio Map in respect of the subject site by an additional 1:1 if:

- a) A floor space ratio of at least 1:1 is dedicated to tourist and visitor accommodation; and
- b) The development provides an attractive corner form providing a gateway presentation to the Cronulla Centre.

The owner of the subject site has engaged *Bentley Architects* to prepare concept designs of a functional and viable *visitor* and tourist accommodation development. The concept design forms the basis of this request to provide an FSR bonus of 1:1 (total FSR 3.5:1) and height bonus of 10m (2 storeys).

The resultant scale and form of a development is indicated in the Concept Plans provided by *Bentley Architects* accompanying this submission. It is in our view that the difference in built form that would result from the draft controls, compared with our request would be minimal. Due to the strategic location of the subject site, the requested form of development provides an opportunity to achieve a "gateway" building that contributes to meeting the acute deficiency in short stay accommodation in the region in the Shire's premier tourism destination.

STRATEGIC PLANNING

In preparing this submission, we have considered the strategic planning framework within which the Draft LEP has been prepared. It is our opinion, that this framework at state and local level supports the promotion of viable tourist accommodation across the state and particular focus is given to Cronulla at a local level. We make the following observations in relation to the strategic planning framework:

1. Draft Metropolitan Strategy

The Draft Metropolitan Strategy identifies actions to promote the development of tourism within Sydney. Action number 11.3 states the following: "Identify key tourism opportunities through Economic Development Plans supported by the Visitor Economy Taskforce". This is identified as being a short term action to be completed by the Department of Planning and Infrastructure and Councils in conjunction with NSW Trade and Investment and Destination NSW.

2. Draft Employment Strategy - January 2013

On exhibition, as supplementary information, is Council's *Employment Strategy*. The purpose of the Strategy is to evaluate the underlying potential for employment growth and to ensure that the planning framework supports good economic, employment and social outcomes. A key objective of the Strategy is to *plan for sufficient zoned land to achieve State employment targets* of 8,000 new jobs by 2031. In relation to tourism related uses the Strategy seeks to:

" make an important contribution to the local tourism sector by ensuring the full range of 'tourist and visitor accommodation' is permitted in all higher order centres and that Cronulla is supported as the Shire's premier tourism destination."

As such, the employment strategy provides support for local tourism, particularly in Cronulla, by encouraging a range of permissible uses in the core centres. However, as previously discussed, a wide range of tourist facilities are already permissible within the Cronulla Centre under SSLEP

2006. Relying on permissibility alone under the DSSLEP 2013 is not likely to yield the additional economic activity and job creation sought by the *Employment Strategy*.

The requests of this proposal are consistent with the intention to support and encourage tourism in Cronulla, however Planning Ingenuity proposes market driven incentives to provide a catalyst for encouraging tourism to meet the acute demand for short stay accommodation.

As such, the proposal is consistent with the intent of the *Employment Strategy* and requests that additional incentives be incorporated into the DSSLEP 2031 to realise the potential for Sutherland Shire's premier tourist destination – Cronulla.

3. Draft Cronulla Centre Strategy – December 2012

On exhibition, as supplementary information, is Council's *Draft Cronulla Centre Strategy*. The relevant objectives of the Strategy are to:

" Encourage redevelopment of older buildings in Cronulla Centre while maintaining adequate solar access to public places and existing dwellings, and retaining the relaxed beachside ambience and amenity of the centre.

Balance the need to protect the amenity of existing and future residents with the economic requirement to encourage business and tourism development in Cronulla.

Encourage high quality architectural design in development that is appropriate to the scale and character of the different areas of the centre."

The request of this submission is entirely consistent with the above objectives of the Cronulla centre in that the proposal has potential to provide a distinguished and key "gateway" building on the strategically located site in the Cronulla Centre. The requested floor space bonuses would encourage business and the economic development within the Cronulla Centre by attracting a range of tourists to the area. The form of development on the site, as indicated in the concept plans prepared by Bentley Architects, will protect the amenity of the residential properties in the vicinity of the site.

In relation to building form and public domain the site is located in the *West Mixed Use Precinct*. The proposed increase in height and density on the site to accommodate additional *tourist and visitor accommodation* is entirely consistent with the intention of the precinct which notes that:

- Increased height and FSR are recommended;
- The precinct has excellent access to parking and public transport;
- It is the most accessible edge of the centre zone and forms an entrance to Cronulla (Figure 3); and
- The main block is suitably aligned to limit overshadowing and visual impacts associated with increased heights on adjacent areas.

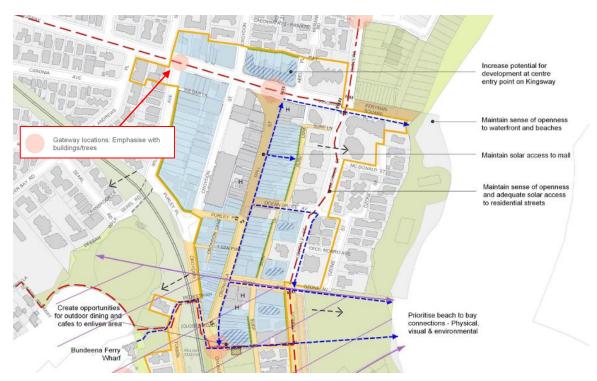


Figure 3: Acknowledging the strategic "gateway" location of the site

4. Draft LEP 2013

The subject site is located within the *B3 Commercial Core* zone pursuant to Draft Sutherland LEP 2013. The zone objectives and permissible uses are stated as follows:

" 1 Objectives of zone

- To provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.
- To encourage appropriate employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.
- To strengthen the viability of existing commercial centres through increased economic activity, employment and resident population.
- To create an attractive, vibrant and safe public domain with a high standard of urban design and public amenity.
- To enhance the centre by encouraging incidental, public domain areas with a community focus which may facilitate interaction, outdoor eating or landscaping.
- To provide for pedestrian-friendly and safe shopping designed to cater for the needs of all ages and abilities.

2 Permitted without consent

Home occupations

3 Permitted with consent

Amusement centres; Boarding houses; Building identification signs; Business identification signs; Car parks; Child care centres; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Environmental protection works, Flood mitigation works; Function centres; Home businesses; Hostels; Hotel or motel accommodation; Information and education facilities; Light industries; Medical centres; Mortuaries; Passenger transport facilities; Places of public worship; Public administration building; Recreation areas; Recreation facilities (indoor); Recreation facilities (outdoor); Registered clubs; Residential flat buildings; Respite day care centres; Restricted premises, Roads; Seniors housing; Service stations; Shop top housing; Tourist and visitor accommodation; Veterinary hospitals. Any other development not specified in item 2 or 4

4 Prohibited

Advertising structure; Agriculture; Air transport facilities; Airstrip; Animal boarding or training establishments; Attached dwellings; Boat building and repair facilities; Boat launching ramps; Boat sheds; Camping grounds; Caravan parks; Cemeteries; Charter and tourism boating facilities; Depots; Dual occupancies; Dwelling houses; Eco-tourist facilities; Electricity generating works; Exhibition homes; Exhibition villages; Extractive industries; Farm buildings; Forestry; Freight transport facilities; General industries; Group homes; Heavy industrial storage establishments; Heavy industries; Helipads; Highway service centres; Home-based child care; Home occupations (sex services); Industrial retail outlets; Industrial training facilities; Jetties; Marinas; Multi dwelling housing; Open cut mining; Recreation facilities (major); Restricted premises; Rural industries; Rural worker's dwellings; Secondary dwellings; Semi-detached dwellings; Sewerage systems; Sex services premises; Storage premises; Transport depots; Truck depots; Vehicle body repair stations; Vehicle body repair workshops; Warehouse or distribution centres; Waste or resource management facilities; Water supply systems; Wholesale supplies."

Tourist and visitor accommodation is permissible with development consent and is considered to be entirely consistent with the objectives of the B3 - Commercial Core zone as the proposal will provide a suitable tourist facility that will attract additional economic activity to the Cronulla Centre and enhance the public domain by providing an attractive gateway building.

CONCLUSION

We thank you for the opportunity to comment on Council's Draft LEP. For the reasons outlined in this submission, it is our view that the Draft LEP in its current form does not appropriately respond to the acute shortfall in *tourist and visitor accommodation* in the Sutherland Shire. The *DSSLEP 2013* relies solely on permissibility to encourage *tourist and visitor accommodation* in the Cronulla Centre which has historically proven to be a flawed approach in encouraging additional short stay accommodation.

Council has shown commitment to encouraging *tourist and visitor accommodation* and has extended an invitation for appropriate sites to be presented for site specific consideration in the *DSSLEP 2013*. The subject site has a history of *tourist and visitor accommodation* uses and is strategically located to provide an attractive gateway building to the Cronulla Centre.

Planning Ingenuity requests that Council shows commitment to encouraging the acute shortfall in tourist and visitor accommodation by employing a market driven approach to incentivise tourist accommodation on the subject site.

As demonstrated in this submission, the subject request is considered to be consistent with the Sydney Metropolitan Strategy, Council's Employment Strategy, the objectives and built form provisions of the Draft Cronulla Centre Strategy and the overall economic and social objectives of the Environmental Planning & Assessment Act, 1979. We therefore respectfully request that the increase in density and height incentives be applied to the site on the basis of providing *tourist and visitor accommodation*. We trust that this submission is self explanatory, however, should you require any further clarification, please do not hesitate to contact our office.

Yours faithfully,

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Planning Ingenuity Pty Ltd

Jeff Mead DIRECTOR



ATTACHMENTS

1. CONCEPT STUDY PREPARED BY BENTLEY ARCHITECTS



