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The Director General
Planning and Infrastructure
By online lodgement:
http://planspolicies.planning.nsw.gov.au/index.pl?action=view_job&job_id=6409

Attention: Director, Urban Renewal

Dear Sir/Madam,

**Re: Carter Street, Lidcombe Urban Activation Precinct Exhibition – Submission
on behalf of Suttons Motors Group and the Owners of 6 and 8 Carter Street**

We act on behalf of the owners of several parcels of land on the southern side of Carter Street, Lidcombe, which are affected by the draft proposals for the Carter Street Urban Activation Precinct, as follows:

- Winro Pty Ltd and Wolsten Investments Pty Ltd – owners of 6 Carter Street, Lidcombe;
- G M Keating, D W Kirby, W Williams Pty Ltd, P C B Clement and A E D Mears – owners of 8 Carter Street, Lidcombe;
- Suttons Motors Group – owner of 16-18, 20, 22 and 28-32 Carter Street.

Our clients have requested we review the exhibition material for the Carter Street Urban Activation Precinct (UAP) and make this submission on their behalf.

Our clients wish to express their strong objection to the draft proposals for the Carter Street UAP for the reasons set out in this submission.

Background

The Carter Street Precinct

The Carter Street precinct is a long-established location for industrial development and, more recently, business park development on the northern side of Carter Street. It enjoys excellent access to the regional road network from a central location with the Sydney metropolitan area (which cannot be replicated by alternative locations in Western Sydney) and thereby offers significant time and cost benefits to the businesses operating in the precinct.

The *West Central Draft Subregional Strategy* (DOP, 2007) contains the following description of the Carter Street precinct (referred to as “Homebush Bay”) which highlights the importance of the precinct in providing employment lands in the subregion and region:

“Homebush Bay (Freight and Logistics, Manufacturing–Light)

A large, well established precinct with large floor plate warehouses and transport terminals, this is an important and viable Employment Lands precinct. Situated on the northern side of the M4 Motorway, the precinct is bounded by the Sydney Olympic Park Specialised Centre to the north. This makes the precinct desirable for alternative land uses however, for a number of reasons it is strategically significant Employment Lands which must be protected from competing land uses. The precinct is large and forms part of a broader Employment Lands belt that has excellent access to the M4 Motorway particularly for transport coming in from the west and heading westbound via Hill Road. This is probably a contributing factor as to the prevalence of transport and logistics uses within the precinct. The M4 also provides this precinct with a buffer towards the south while Haslams Creek is an appropriate buffer towards Newington, a residential area, west of the precinct.” (p. 36)

Under the Draft Subregional Strategy the precinct was included in the Category 1 employment lands meaning that it was land to be retained for industrial purposes. The Draft Strategy states in relation to Category 1 lands that:

“These are sites which presently function as industrial areas and provide a regional/national economic role (including heavy and light manufacturing or major freight facilities) or subregional role (such as manufacturing and distribution links in supply chains or utilities such as bus depots and water supply infrastructure) or even a local role (such as auto repairs, local business services and trade supplies including building and plumbing)”. (p. 30)

The Carter Street precinct was also considered in the *Auburn Employment Lands Study* (Final Draft) prepared by Hill PDA (2008) for Auburn Council as part of the preparation of its comprehensive LEP. The Study made general recommendations about employment lands in Auburn (discussed further below) and recommended that the Carter Street precinct be zoned for B7 Business Park purposes or IN2 Light Industrial purposes under the LEP. It also noted that:

“The WCDSS identifies the area as Category 1 employment lands (i.e. land to be retained for industrial purposes) with its key functions as freight and logistics and manufacturing – light which is supported by this study”. (p. 106)

In accordance with the recommendations of the *Employment Lands Study*, the Carter Street precinct was subsequently zoned partly for B7 Business Park Purposes (north of Carter Street) and partly for IN2 Light Industrial purposes (south of Carter Street) under Auburn LEP 2010.

Our Clients' Properties

As referred to above, our clients' properties are situated at 6, 8, 16-22 and 28-32 Carter Street. They are situated on the southern side of Carter Street as shown in **Plan 1** and make up the majority of properties on that side of Carter Street.



Plan 1: Location of Our Clients' Properties within the Carter Street UAP
(Source: Google Maps)

As noted above, our clients' properties are currently zoned IN2 under Auburn LEP 2010.

The businesses currently operating from our clients' properties are generally warehouse and distribution centres and light industrial activities:

- 6-8 Carter Street is occupied by Moraitis. It is used for fresh food processing/packaging and distribution and operates from the very early morning (3am) till 6pm on weekdays and between 5am and 2pm on Saturdays and Sundays. Moraitis employs around 150 staff and has operated from this location for over 20 years. The Carter Street location is ideal for Moraitis' business as it is in proximity to Flemington Markets and the regional road network;
- 16-18 Carter Street is currently vacant. It was most recently occupied by a liquor warehouse and distribution centre which supplied restaurants throughout the Sydney metropolitan area;
- 20 Carter Street was, until recently, used by Holden Special Vehicles as a workshop for fitting accessories to cars. It is now occupied by the Suttons Motors Group for activities associated with its vehicle related operations;

- 22 Carter Street is occupied by Suttons Parts and is used as a warehouse and distribution centre for vehicle parts which currently turns over 88,000 parts per month. Suttons Parts has been in operation in this location since 1991 and currently employs 80 people;
- 28-32 Carter Street is occupied by Primo Moraitis Fresh and is used for the processing of fresh food and as a warehouse and distribution centre. Moraitis has occupied No. 28 since 1993 and has gradually expanded over time onto the neighbouring properties.

All of the businesses which occupy our clients' properties are characterised by high volumes of truck and other vehicle movements from very early in the morning into the evenings each day. For example, daily traffic movements to the Suttons Parts site occur between 5.30am and 8pm and typically include:

- 1 B-double trip;
- 50 large/articulated truck movements (25 in and out); and
- 104 small truck movements (52 in and out).

The high degree of accessibility of the Carter Street precinct and its central location in the Sydney metropolitan area is of primary importance to the businesses which occupy our clients' properties.

Carter Street UAP Proposals

Under the proposed rezoning of the Carter Street UAP, the following provisions are proposed for our clients' properties (and other land on the southern side of Carter Street):

- Zoning – B6 Enterprise Corridor zone under Auburn LEP 2010;
- Height – 22.9m maximum; and
- FSR – 1.5:1 maximum.

Land on the northern side of Carter Street is proposed to be zoned R4 High Density Residential with a smaller area on the northern edge of the precinct zoned B2 Local Centre and pockets of RE1 Public Recreation. Building height is predominantly a maximum of 27m with smaller sites of up to 40m and 64m. A maximum FSR of 2:1 applies.

Objections to the Proposals

Proposed Change in Zoning from Business/Industrial Precinct to Predominantly Residential

Our clients strongly object to the proposed change in the character and nature of development to be permitted in the Carter Street UAP from a business/industrial precinct to one dominated by high density residential development. In this regard, our clients have strong reservations regarding the future viability of their businesses (or lessee businesses) arising from the proposals to rezone the majority of the UAP for high density residential purposes due to the high likelihood of land use conflicts arising between the existing uses operating on their properties and future residential development.

It is submitted that the Carter Street UAP rezoning proposal and related documentation place too little weight on the importance of the existing business/industrial precinct at Carter Street as set out in the relevant strategic planning documents referred to above, while at the same time having insufficient regard to the significant constraints to residential development that exist in the locality. There is insufficient justification for the loss of employment and industrial land in the precinct that would arise from the Rezoning proposal.

It is considered that the rationale underlying the Rezoning proposal is fundamentally flawed and that significant issues relating to the achievement of the projected future development potential of the UAP remain unresolved. The Rezoning proposal appears to go against a number of long-established principles for the planning of new residential areas and the consideration of proposals giving rise to the loss of employment land.

The importance of the existing employment lands within the Auburn council area to the metropolitan region and the potential for land use conflict if residential rezonings occur is highlighted in the “Guiding Land Use Principles and Recommendations” of the *Auburn Employment Lands Study (Final Draft)* prepared by Hill PDA for Auburn Council referred to above:

- *“Industrial uses and their needs are not homogeneous. A range of employment precincts with varying site characteristics and levels of affordability should be retained to meet the requirements of a range of industries i.e. urban support services, high tech manufacturing, distribution and warehousing. This will also ensure that Auburn’s employment lands have a complementary rather than competitive relationship to secure investment.”*
- *“Auburn’s geographic relationship and supply of employment lands will ensure that the LGA continues to be an attractive location for industrial uses seeking proximity to inner city, middle Sydney and western markets.”*
- *“The retention of traditional industries and emerging new industries should be protected in Auburn through clear planning and economic policies that seek to avoid rezoning speculation and the associated property value increase that pushes industry out of an area owing to declining viability. Significant losses in land zoned for employment uses will tip the balance of supply versus costs thereby increasing its value and outpricing smaller businesses or those that are more price sensitive in Auburn. This will exacerbate the industrial suburbanisation trend and the loss of this valuable employment generator from the LGA.”*
- *“What is more, the loss of manufacturing in industrial jobs within Auburn will adversely affect demand for spin off businesses within the service economy therefore impacting a range of employment categories in the LGA.”*
- *“Maintaining the affordability of industrial property prices in Auburn is particularly pertinent in light of ‘higher value’ uses such as residential that compete with industrial uses for space particularly within inner ring suburbs such as Auburn. This competition is likely to only increase as housing affordability continues to mount as an issue and demand for housing in close proximity to centres and transport grows.”*
- *“The growing number of commercial jobs and businesses within Auburn will have implications to the character of Auburn’s employment lands and town centres. In accordance with DoP objectives, the strength of centres should be supported and enhanced. Accordingly commercial uses suited to centre locations should be prioritised for these locations.”*
- *“Commercial uses not suited to town centres may however seek locations in suitably zoned employment lands (i.e. zone B6 Enterprise Corridor, B5 Business Development or B7*

Business Parks). The characteristics of these businesses should be clearly defined in criteria established and agreed by the Council and DoP.

- *There is a growing potential for conflict between industrial uses and residential, particularly where new residential developments begin to encroach on existing industrial precincts. Careful planning and design will be required to minimise conflict.*
- *Standalone residential development should not be permitted within industrial zones. Residential that is ancillary to an industrial use may be permitted where it can be proven that it is essential to the effective operation and function of an industrial business and will not be occupied by a family.*
- *Child care facilities should be permitted with consent within the IN2 Light Industry zone only where it can be shown that through mitigation measures there will be no adverse impacts to the health and wellbeing of occupants nor the function and viability of surrounding industrial uses. Child care facilities should not be permitted within the IN1 General Industry zone.*
- *Places of Worship should not be permitted within industrial zones as they may have an adverse impact to their employment generating function.*
- *Residential uses should not be permitted within Enterprise Corridor Zones or along the Parramatta Road Corridor for environmental and economic reasons.*
- *Whilst significant job growth has been forecasted for Auburn, it is considered a forecast that can only be achieved if the right conditions are established within the LGA to facilitate the growth of business and to attract new business. To achieve this it will be important to carefully plan for the changing character of Auburn's employment generating industries and labour forces.” (pp. 10-11).*

It is considered that the above issues and concerns have not been adequately addressed in the Carter Street UAP proposal documentation and the rezoning proposal is inconsistent with the strategic direction for this area established by the *Draft West Central Subregional Strategy* and Auburn Council's local planning initiatives. It is considered that the rezoning proposal has the potential not only to undermine the viability of existing industrial development in the Carter Street UAP but to also undermine the local/subregional employment lands strategy having regard to the recommendations set out above.

The Rezoning proposal does not contain any consideration of these broader employment issues or the implications of the loss of the existing employment land, focussing instead on a professed need for additional residential land in the metropolitan region. In addition, it is noted that the UAP, through the existing B7 zoning, already offers the opportunity for development of commercial office uses and business park solutions and no rezoning is needed to achieve this outcome.

We note that our clients have no in-principle objection to the rezoning of their land to B6 Enterprise Corridor so long as the present uses of their properties will be permitted under that zoning. It appears that those uses (defined as *warehouse and distribution centre and light industry* under the Standard Instrument) are presently permissible in the B6 zone under Auburn LEP 2010. Our clients request that those uses continue to be permissible under the proposed B6 zoning (or any other zoning scheme proposed for their land) should the rezoning proposal proceed.

However, our clients object to the proposed residential zoning on the basis that they anticipate that, should the rezoning proposal proceed, it will give rise to land use conflicts between their existing uses and future residential (and potentially commercial) uses particularly in terms of heavy traffic along Carter Street and hours of operation. As noted

above, all of the existing uses which occupy our clients' properties are characterised by high numbers of heavy vehicle movements each day from early in the morning until the evening. They submit that such conflicts have the potential to create uncertainty and undermine the viability of their businesses.

At the same time, the UAP is affected by a number of constraints which make it less suitable for residential development including:

- noise – primarily from traffic on the surrounding road network including the M4 but also from events in Sydney Olympic Park (ANZ Stadium and Acer Arena adjoin the UAP as shown in **Plan 1**) and existing industrial activities. In this regard it is noted that Carter Street is approved for use by B-doubles and traffic activity associated with existing industrial uses may be generated from early in the morning until the evening each day;
- contamination – from past site uses. It is noted that the Contamination Report accompanying the rezoning proposal documentation only relates to the land on the southern side of Carter Street. There is no information provided regarding the assessment of the proposed residential land on the northern side of Carter Street other than a single sentence in the Planning Report which states that “[t]he study for the north side of Carter Street ascertained that with appropriate remediation strategies the area is suitable for multi-level residential development with basement car parking” (p. 41). This is considered to be a significant and unacceptable omission from the rezoning proposal documentation particularly given that the land affected is proposed to be used for residential purposes. As it is acknowledged that remediation will be required, provisions should be included in the SEPP provisions to ensure that remediation will occur before the land is used for residential (and other) purposes in accordance with Clause 6 of SEPP 55.
- odour issues – from the Homebush Bay Liquid Waste Plant and Auburn Resource Recovery Centre. The redevelopment of the Carter Street precinct is predicated on the future relocation of these facilities, however, such relocation cannot be considered certain because, as noted in the Planning Report, “[i]n the longer term, relocation of the Homebush Bay facility will be examined. This will require a whole of Government approach as this is a major facility serving the Sydney Metropolitan area as well as NSW” (p. 41). The significant constraint represented by the odour issue is considered to be reflected in the comment in the Planning Report that “[i]t is therefore possible, with appropriate planning, to develop the Carter Street precinct progressively from the south east, thereby mitigating the potential for adverse odour impacts, predicted to occur in the north western area until the end of the useful life of the LWTP” (p. 41);
- easement for major services – the Planning Report acknowledges that there is an existing 40m wide easement on the southern side of Carter Street which carries major high pressure oil and gas pipelines and high voltage electricity lines;
- distance from public transport – the Transport Assessment which forms part of the Planning Report acknowledges that the UAP is largely outside the recommended 800-1000m walking catchment to Olympic Park Station (between 800m-1.7km away) which “reduces the attractiveness of rail as a transport mode for those with the longer walking distances” (p. 17). In addition, the Assessment states that the attractiveness of that station is further reduced as it acts primarily as a shuttle

service to Lidcombe requiring commuters to then change trains onto other metropolitan lines. In this regard, the rezoning proposal is inconsistent with established planning guidelines for locating high density housing, including those in *Integrating Land Use and Transport – Improving Transport Choice – Guidelines for Planning and Development* (DUAP, 2001) which states that in denser urban areas with higher frequency services the walking catchment may be less, at 600-800m (p. 34);

- capacity of the local road network – the Transport Assessment also states:

“The traffic congestion problems identified and the number of constraint points indicates that the local road network is approaching capacity, and that alternative strategies to reduce traffic generation are required to enable the full planned levels of development to occur. Even with the recommended road upgrades there will be little, if any, spare capacity for growth beyond 2031.

Strategies to reduce traffic demand are recommended to delay the need for the costly upgrades and preserve as much capacity as possible for future growth. Potential solutions include:

- *A significant public transport scheme to reduce car driver mode share (local bus improvements will not be enough).*
- *Higher public transport frequencies assisted by dedicated public transport priority to reduce car driver mode share.*
- *Reduce parking rates to encourage the use of alternative modes of transport (requires one of the above to provide a suitable alternative).*
- *Encourage changed travel behaviour of drivers e.g. peak spreading (Sydney Olympic Park is already achieving a high degree of peak spreading, which has been included in the assumptions for the traffic modelling). Further peak spreading may be difficult to rely upon to produce the necessary change and result in unpleasant transport conditions).*
- *Upgrading of the other two gateways (Holker Street/Silverwater Road and Australia Avenue/Homebush Bay Drive) as well as the arterial road constraints at Silverwater Road bridge and the Silverwater Road/Parramatta Road intersection.”* (p. 63)

The above matters indicate that the Carter Street UAP does not have the capacity to accommodate the level of development envisaged under the rezoning proposal without significant additional investment in public infrastructure. As noted in the Planning Report:

“If a 10% reduction in car driver mode share could be achieved for journeys to work (and lower reductions in other trip purposes) on top of the currently assessed changes, the transport requirements of the total proposed development for the Carter Street precinct could be met. However, this would require substantial increases in funding for public transport infrastructure”. (p. 23)

This would appear to be inconsistent with the State government’s “no cost to Government” stance in relation to such accelerated growth precincts.

Based on the above, there are not only a number of significant constraints to residential development in the UAP, but the Planning Report and accompanying documentation point to a number of significant issues, which, if not appropriately resolved, could result in the UAP being unable to reach its development potential (eg. relocation of the Liquid Waste

Plant and the identified need for significant investment in public transport infrastructure) and could therefore jeopardise the staged delivery of infrastructure and the success of the whole UAP. Such an outcome would in our view be poor planning and highlights the compromised nature of this UAP for the development proposed.

Submissions

Primary Submission

Based on the above, our clients primary submission is that the rezoning proposal for the Carter Street UAP should not proceed and that the existing B7 Business Park and IN2 Light Industrial zonings should remain.

Secondary Submission

In the event that the rezoning proposal proceeds our clients request:

- that it be amended to provide a substantial buffer across the northern edge of Carter Street in the form of a non-residential zoning (eg. B6 or B7) to avoid the anticipated land use conflicts identified above; and
- the existing uses of their properties for *warehouse and distribution centres and light industry* continue to be permissible under the proposed B6 zoning (or any other zoning scheme proposed for their land).

Tertiary Submission

Alternatively, in the event that the rezoning proposal proceeds and our clients' secondary submission above is not supported, our clients request:

- that the rezoning proposal be amended so that the whole of the UAP, including the land on the southern side of Carter Street be rezoned for High Density Residential purposes.
- it is considered inevitable that significant land use conflicts will arise if the proposed rezoning proceeds on the basis of the exhibited proposal;
- the only way to avoid these land use conflicts is for all of the land in the UAP to be rezoned for High Density Residential purposes consistent with the current proposal for the northern side of Carter Street.

Summary

In summary, therefore, our clients object to the Rezoning proposal for the Carter Street UAP for the following reasons:

- the rezoning of land on the northern side of Carter Street for high density residential purposes will give rise to land use conflicts and will undermine the viability of their existing business operations;
- the area should be retained as employment lands with the existing B7 and IN2 zonings consistent with relevant subregional and local strategic planning

documents. There is insufficient consideration of and justification for the loss of existing employment lands;

- the UAP is subject to a number of constraints which make it less suitable for residential development including noise, contamination, odour, its distance from public transport facilities and the limited traffic capacity of the precinct;
- the rezoning proposal appears to be in conflict with a number of long-established planning principles for the planning of new residential areas. In addition, it appears to be inconsistent with the State government's "no cost to Government" stance in relation to such accelerated growth precincts given the need for significant investment in public infrastructure identified in the supporting documentation; and
- there are a number of unresolved issues which could jeopardise the delivery of infrastructure and the development outcome envisaged for the UAP and proceeding with the Rezoning proposal would be poor planning.

Should you wish to discuss this matter, please contact the writer.

Yours Faithfully,

DESIGN COLLABORATIVE PTY LTD



H M Sanders
Director