

08 February 2019



PLANNING DEVELOPMENT PROPERTY

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Director, Sydney Central Urban Renewal
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

Dear Sir/Madam,

Re: Planning Submission – St Leonards/Crows Nest Draft Planning Package
Our Ref: 19043

1 Introduction

This Planning Submission (Submission) has been prepared by KDC Pty Ltd (KDC) on behalf of our client, Keneco Property Pty Ltd, in support of the draft planning package for St Leonards and Crows Nest. This Submission specifically relates to a site located at 16-18 Herbert Street, Artarmon (the site), which is currently occupied by the tenant Kennards Hire.

Keneco Property has appointed KDC to assist in developing a response to the draft planning package for the St Leonards and Crows Nest. The following exhibited documents relate to the site:

- Draft Local Character Statement;
- Draft 2036 Plan;
- Draft Green Plan; and,
- Draft Special Infrastructure Contribution.

KDC has undertaken an analysis and review of these documents, as they relate to the Keneco Property site and Kennards Hire operation and considered their opportunities from our appreciation of the strategic and statutory planning framework in St Leonards.

We understand that NSW Department of Planning and Environment prepared the draft planning package for the St Leonards and Crows Nest and is now publicly notifying the planning package until 8 February 2019 so interested parties can make submissions.

We note that the intent is that the planning package will be adopted in late 2019, once all submissions are reviewed and the package is approved by the NSW Government. Keneco Property appreciates the opportunity to provide written input into this process.

2 The Tenant - Kennards Hire

Kennards Hire, the site tenant, is an Australian family-owned and operated company that has been in the hire industry for almost 70-years. Kennards Hire currently have approximately 170 sites over Australia and New Zealand, with expansion opportunities on the horizon. Kennards Hire have a diverse range of products ranging from general hire equipment for the home renovator to specialised equipment for large scale jobs.

Kennards Hire have implemented an industry first, which has seen them introduce QR codes on all equipment. Utilising the QR codes allows customers to see the full-service history, risk assessment, operator's manual and more.

Kennards Hire supports some of the largest civil infrastructure and commercial construction projects in Australia and New Zealand. Kennards Hire currently have one asset within the St Leonards and Crows Nest area and the City of Willoughby Local Government Area (LGA) at Artarmon, and 26 assets within the Sydney Metropolitan Area. The Artarmon Kennards is a specialised 'Concrete Care' centre.

The opportunity for diversification within the Artarmon area and surrounds is an exciting period of change and Kennards Hire and Keneco Property believe they will support and facilitate construction and development in the vicinity with the provision for specialised equipment.

3 The Site

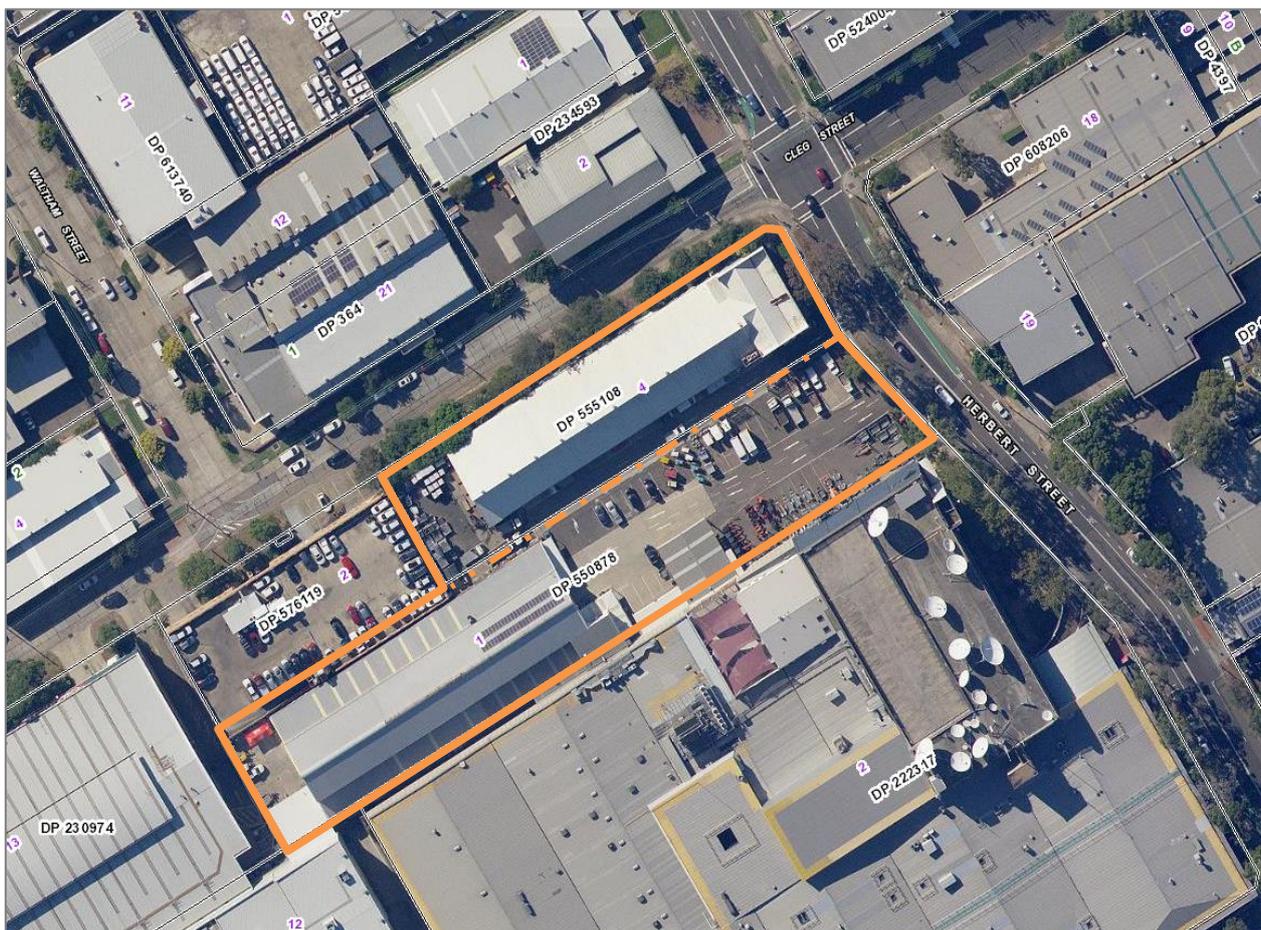
This submission specifically relates to land currently owned by Keneco Property and operated as a Kennards Hire, which specialises in providing a wide range of rental equipment and tool hire.

The site has an approximate area of 8,108m² and is known as 16-18 Herbert Street, Artarmon, and legally defined as Lot 4 DP555108 and Lot 1 DP550878 (refer to Figure 1 for site aerial).

The site is situated within the City of Willoughby LGA and is located on the corner of Cleg Street and Herbert Street, Artarmon. Vehicular and pedestrian access is provided from Herbert Street.

The site has excellent vehicular connectivity, being in close proximity to the Lane Cove Tunnel. Access to public transport is also high, with St Leonards Train Station approximately 850 metres south of the site and numerous bus stops located within walking distance providing direct connections to the Sydney CBD, Central Station and Port Botany.

Figure 1 - Site Location (Source: Six Maps)



4 Background

The St Leonards and Crows Nest Draft Planning Package (DPP) was released in 2018 to facilitate the planning and development of this significant planned precinct area in Sydney's inner north. The DPP is being publicly notified until 8 February 2019, so interested parties may make submissions. The DPP includes the following documents:

- St Leonards & Crows Nest Local Character Statement;
- St Leonards & Crows Nest 2036 Plan;
- St Leonards & Crows Nest Draft Green Plan;
- Proposed Special Infrastructure Contribution for St Leonards and Crows Nest 2018; and,
- St Leonards & Crows Nest Government Architect NSW Advice.

The scope of review is identified as:

- the strategic planning to ensure the vision for the DPP is contemporary, appropriate and continues to align with the purpose of the Greater Sydney Region Plan and the Future Transport Plan 2056; and
- development assessment criteria, to ensure it operates effectively to deliver the plan and regulate development through assessment processes.

The highlights of the proposed Planning Package are summarised as:

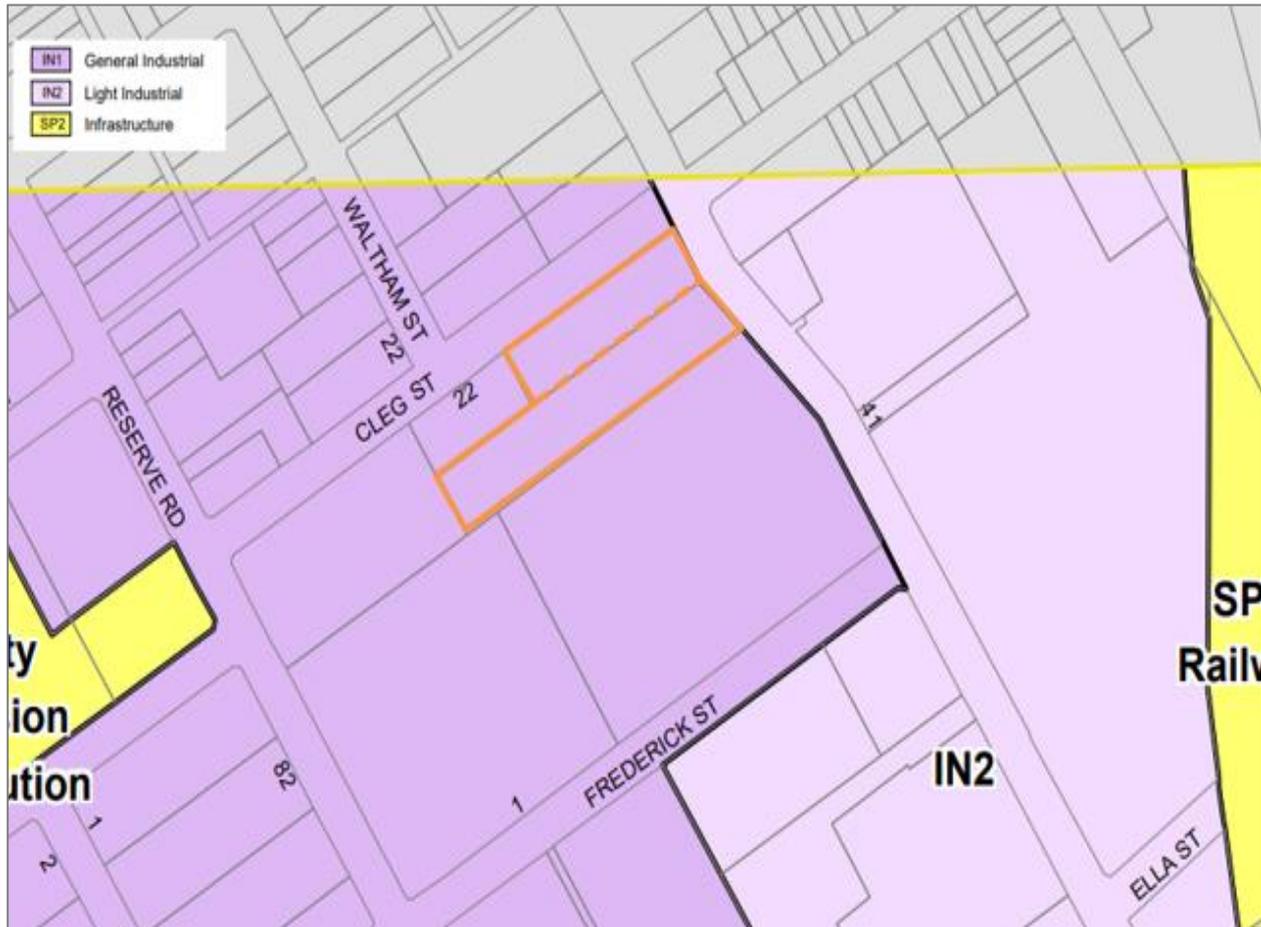
- support for intensification of employment use in the light industrial area, including high technology and ancillary health uses in the Royal North Shore Hospital Area;
- support efforts for higher density housing and commercial office spaces along the Pacific highway to provide for a cluster of high-density, mixed-use development between St Leonards and Crows Nest station;
- a new metro station at Crows Nest;
- proposed network of pedestrian and cycle linkages and additional community facilities including open spaces, green links and improved streetscaping funded through a Special Infrastructure Contribution Scheme (SIC);
- facilitate the delivery of a range of housing options (houses, townhouses and apartments);
- additional school places in the precinct (location to be determined);
- a new branch library at St Leonards Place;
- a new multipurpose child care centre and community hall at St Leonards South;
- continue to regulate development of all places listed on the Heritage Register and Conservation Areas to ensure the historical, character and cultural value of St Leonards and Crows Nest is retained; and
- support the transition of high-density urban development along the Pacific Highway to medium and low-density suburban housing in Crows Nest through planning controls.

5 Existing Planning Controls – St Leonards and Crows Nest

Existing planning controls, as they currently apply to the site, are summarised below.

The current land zoning for the site, as specified in the Willoughby Local Environmental Plan 2012 (LEP) is IN1 - General Industrial Zone (refer Figure 2).

Figure 2 – Land Zoning Map (Source: Willoughby LEP 2012)



The Objectives of Zone IN1 – General Industrial are:

- 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.
- To identify and preserve industrial land to meet the current and future general industrial needs of Willoughby and the wider region.
- To accommodate industrial development that provides employment and a range of goods and services without adversely affecting the amenity, health or safety of residents in adjacent areas.
- To permit land uses that serve the daily convenience needs of workers employed in the industrial area.
- To protect the viability of business zones in Willoughby by enabling development for the purpose of offices if they are ancillary to, and used in conjunction with, industrial, manufacturing, warehousing or other permitted uses on the same land.
- To improve the environmental quality of Willoughby by ensuring that land uses conform to land, air and water quality pollution standards and environmental and hazard reduction guidelines.

- *To accommodate uses that, because of demonstrated special building or site requirements or operational characteristics, cannot be, or are inappropriate to be, located in other zones*

The LEP defines the current land use of the site as a 'Hardware and building supplies' use, which is defined in as:

hardware and building supplies means a building or place the principal purpose of which is the sale or hire of goods or materials, such as household fixtures, timber, tools, paint, wallpaper, plumbing supplies and the like, that are used in the construction and maintenance of buildings and adjacent outdoor areas.

As detailed below, the existing use is permitted with consent on the site.

2 Permitted without consent

Nil

3 Permitted with consent

Building identification signs; Business identification signs; Depots; Freight transport facilities; Garden centres; General Industries; Hardware and building supplies; Industrial training facilities; Light industries; Neighbourhood shops; Places of public worship; Pubs; Roads; Take away food and drink premises; Vehicle sales or hire premises; Warehouse or distribution centres; Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; Air transport facilities; Airstrips; Amusement centres; Animal boarding or training establishments; Biosolids treatment facilities; Boat building and repair facilities; Boat launching ramps; Boat sheds; Camping grounds; Car parks; Caravan parks; Cemeteries; Charter and tourism boating facilities; Commercial premises; Correctional centres; Crematoria; Eco-tourist facilities; Educational establishments; Entertainment facilities; Environmental facilities; Exhibition homes; Exhibition villages; Extractive industries; Farm buildings; Forestry; Function centres; Health services facilities; Heavy industrial storage establishments; Heavy industries; Helipads; Highway service centres; Home occupations (sex services); Industrial retail outlets; Information and education facilities; Marinas; Mooring pens; Mortuaries; Open cut mining; Passenger transport facilities; Port facilities; Recreation facilities (major); Registered clubs; Research stations; Residential accommodation; Restricted premises; Rural industries; Sewage treatment plants; Signage; Tourist and visitor accommodation; Veterinary hospitals; Water recycling facilities; Water supply systems; Wharf or boating facilities; Wholesale supplies

In the context of the existing Keneco Property site, the existing operation is in-keeping with the objectives of the existing planning framework.

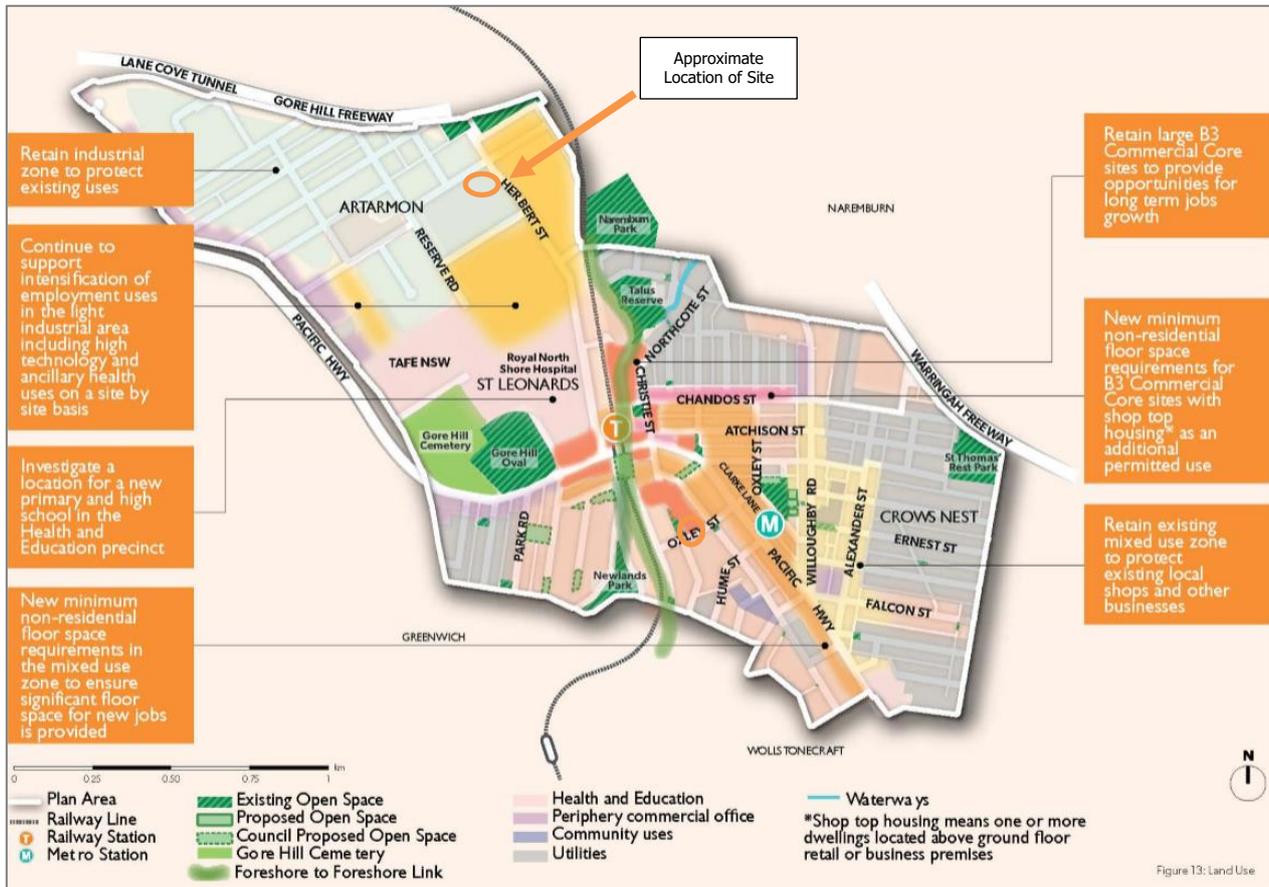
6 Proposed Changes to Planning Controls

6.1 St Leonards and Crows Nest Draft 2036 Plan (2036 Plan)

The St Leonards and Crows Nest DPP, specifically the 2036 Plan, as it applies to the site, is summarised below.

Figure 13 of the 2036 Plan (refer to Figure 3 of this submission) identifies the site within the Artarmon 'Industrial Zone', which seeks to retain the industrial zone, to protect existing uses. The existing industrial zoning caters for a range of commercial and industrial uses which provide employment to the area.

Figure 3 – Extract from the St Leonards and Crows Nest DPP (Source: Draft 2036 Plan)



Development in this precinct is intended to remain consistent with the current planning framework and continue to provide for a wide range and intensity of commercial, retail and light industrial and warehouse uses, consistent with the objectives of the IN1 General Industrial zone under the LEP 2012. The 2036 Plan proposes no changes to the planning controls of this precinct, nor does it seek to provide the greater development yields, development intensification or job growth.

Land located directly to the east and north east of the Keneco Property site has been identified as a priority area for job intensification under the 2036 Plan (Refer to Figure 3 of this submission). The objective of this area is to continue to support intensification of employment uses in the light industrial area; including high technology and ancillary health uses on a site by site basis. The 2036 Plan supports the further development of the area, to ensure that development can continue to support economic growth and employment into the future.

The 2036 Plan identifies that there are currently around 47,000 jobs located within the St Leonards and Crows Nest Plan area. The area requires 16,500 new jobs by 2036 to meet the high target of 63,500 total jobs in the Greater Sydney Commission’s North District Plan. To meet these requirements, it is suggested that the 2036 Plan consider the greater intensification of industrial uses in the Artarmon Industrial Precinct, particularly those which facilitate service provision, the growth of a knowledge intensive economy, as well as health and ancillary land uses.

6.2 Proposed Special Infrastructure Contribution for St Leonard and Crows Nest 2018

As outlined in the Proposed Special Infrastructure Contribution (SIC) for St Leonards and Crows Nest 2018, an infrastructure charge of \$15,100 is applicable for each subdivision of land and/or the development and delivery of each residential dwelling within the Special Contribution Area (SCA). The Keneco Property site

resides in the SCA area therefore the SIC is applicable to the site, however it is noted that residential development is not envisaged for the site in the 2036 Plan. Notwithstanding this, it is noted that the SIC may affect the development potential of the area and hence the delivery of both housing and jobs to meet current demand projections. Overall, the increase to the infrastructure charges is significant and a potential hindrance to development and renewal of the area.

7 Discussion

Keneco Property **supports** the vision of the DPP for the St Leonards and Crows Nest to be a vibrant urban area, which will accommodate a diverse, integrated and balanced range of uses that are connected by a high-quality public realm and active transport infrastructure. The strategic planning direction of increasing intensification along the Pacific Highway between St Leonards station and Crows Nest metro station provides a logical development strategy for the precinct, in that development will be centred around key transport nodes.

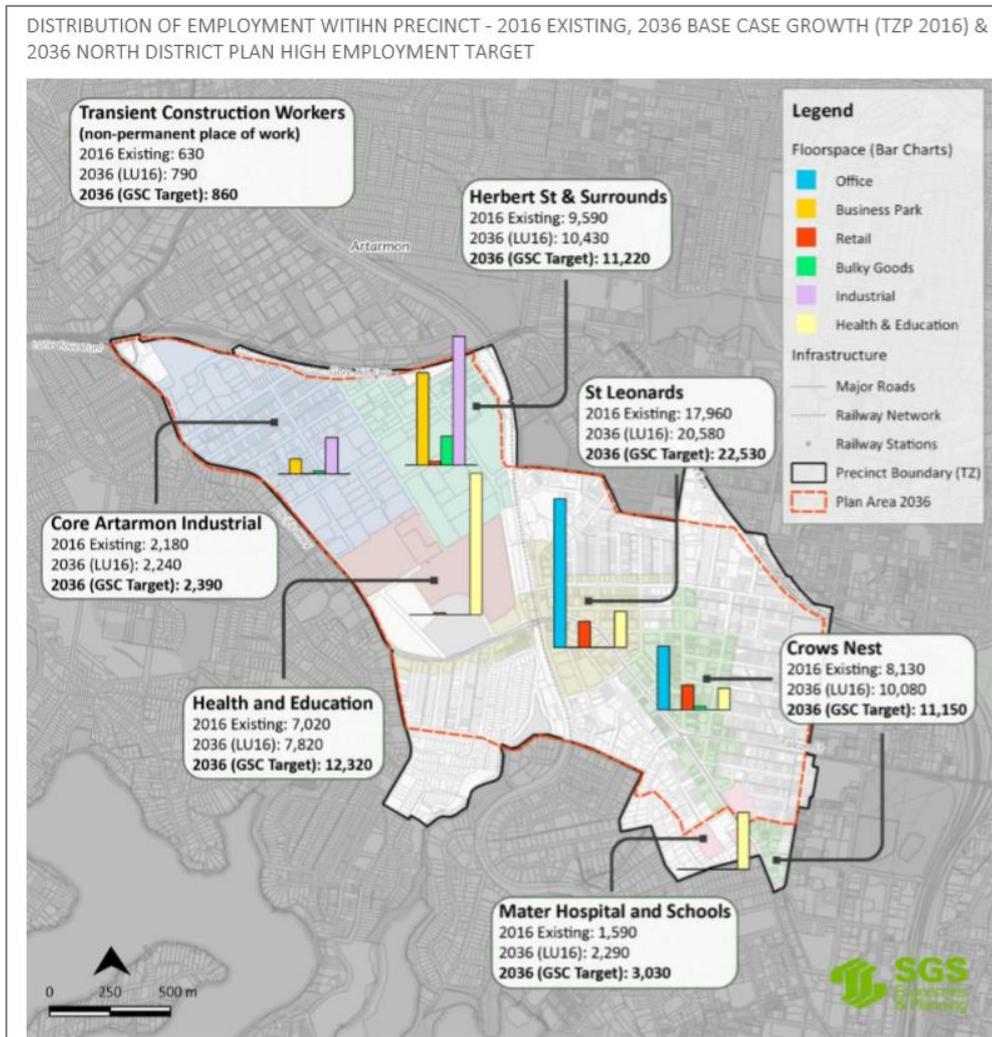
It is noted in Figure 13 of the 2036 Plan (Refer Figure 3 of this Submission), that a significant area of the Artarmon Industrial precinct area is identified as areas of no change, while adjacent areas are identified for intensification of employment uses, to allow for the continued consideration of health, education and related innovation uses on a site by site basis in accordance with the current practice of Willoughby Council.

Keneco Property **disagrees** with this approach. The area to the south and south west of the site contains numerous diverse technological and service facilities such as the SBS Television Studio, ABC Studios and Media Production, Fox Sports, retail premises, professional services, and ancillary health services. The area to the north and north west of the site contains predominately manufacturing, light industrial, construction, and automotive services. It would be a hindrance to the surrounding land uses and technological, service, and health facilities if the intensification and diversification of employment uses were limited to sites as indicated.

It is noted that the Keneco Property site was identified in the 'Herbert St & Surrounds' area in the Economic Feasibility Review completed by SGS, (refer Figure 4) which includes the following key directions:

- Support dynamic evolution for industrial, 'tech' and warehousing activity.
- Facilitate industrial/tech/warehouse floorspace in innovative formats in the bulky goods area.
- No residential development.

Figure 4 – St Leonards and Crows Nest Precincts (Source: Economic Feasibility Review)

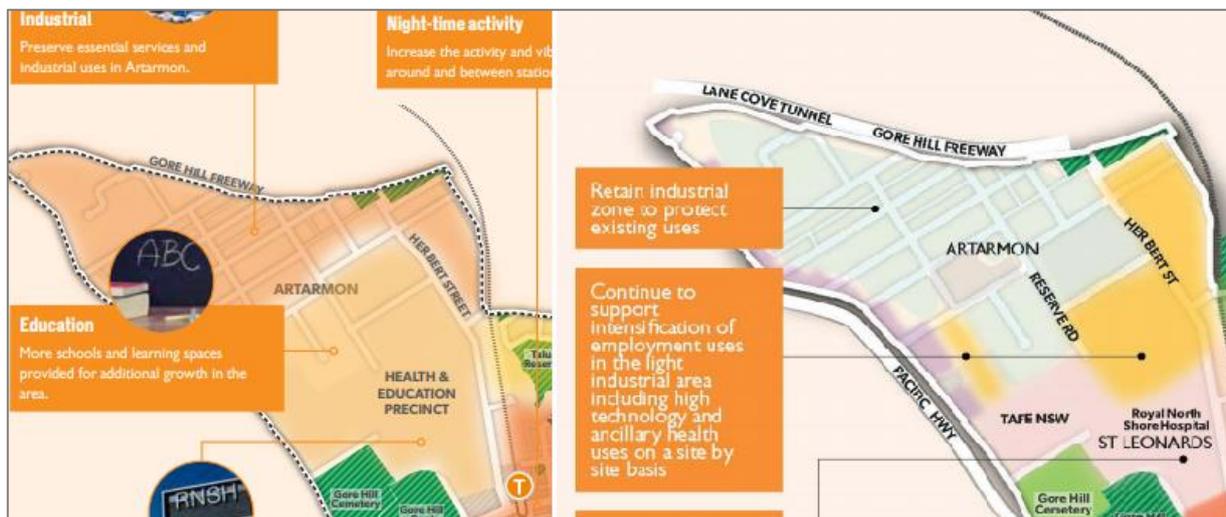


It is not clear why the site was not included in the employment growth precinct in the 2036 Plan, and it is requested that further regard be made to the recommendations of the Market Feasibility Review. It is noted that the larger parcels of land in the area between Herbert Street and Reserve Road would provide further opportunity for employment uses.

To assist the 2036 Plan in meeting the targets for population and job growth, Keneco Property recommends the extension of the land classed "intensification for employment uses" to include all areas identified in the Market Feasibility Review. This would support intensification of employment uses in the area and provide diverse facilities that meets the projected needs of the area. The opportunity for diversification within Artarmon area and surrounds encourages an exciting period of change and Keneco Property and Kennards Hire believe they can support and facilitate construction and development in the vicinity with the provision for specialised equipment, provided that sufficient direction and growth is adequately support by the Plan.

It is noted that the DPP does not include clear outcomes or definitions of precincts within the plan. For example, the Artarmon 'Industrial Area' is loosely defined and not clearly mapped, with noted inconsistencies between maps in the DPP (Refer to Figure 5 of this submission). Along with noted contradictions between plans, there are no clear objectives for the industrial area, other than to 'retain industrial for long term use'. Keneco Property **disagrees** with this approach, as clear objectives for areas are required to achieve better planning outcomes, and to ensure a clear understanding of intended outcomes between planning authorities, residents and businesses.

Figure 5 – Extract showing St Leonards and Crows Nest Land Use Pattern, noting discrepancies between DPP documents (Source: Draft Local Character Statement & Draft 2036 Plan)



Contrary to the intention to increase the density, significant development contributions will be applicable under the proposed SIC. The intended significant increase in density is not assisted by the significant increase in contributions for residential development, as it is anticipated the contributions will be a potential hindrance to development and renewal in the area.

The importance of general pedestrian, cycling, and intersection improvements are **encouraged** by Keneco Property. Keneco supports the ongoing investigation of improved infrastructure connections currently being explored in the Health and Education Precinct and Industrial Precinct. These connections would ensure reliable and sustainable commutes for workers and transfer of materials and services from the area. Improving connectivity in the area serves as an overture for sustained growth and redevelopment in the area.

8 Conclusion

This Planning Submission is lodged in **support** of the general vision of the St Leonards and Crows Nest Draft Planning Package.

As detailed above, the DPP impacts on 16-18 Herbert Street, Artarmon (the site), which is currently owned by Keneco Property and is occupied by a Kennards Hire operation. Keneco Property are supportive of the proposed change which will result in positive urban renewal and appropriate development for the precinct.

However, in relation to the site, the following comments are made for consideration:

- 'No change area' –Keneco Property are not supportive of proposed boundary of the 'no change' area of the Artarmon industrial area. It is recommended that the land classed "intensification for employment uses" is extended to all areas identified in the supporting Market Feasibility Review.
- 'Precinct objectives and inconsistencies' - Keneco Property disagrees with the current ambiguity of precinct outcomes and the discrepancies between precinct maps. Keneco Property recommends clear goals and objectives, so that better planning outcomes may be achieved.
- 'Special Infrastructure Contributions' – The DPP includes provisions for SIC contributions for each subdivision of land and/or the construction of a residential dwelling. It is requested that the contribution be lowered or removed to promote development growth and urban renewal.

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- Keneco Property supports the strategic planning direction of increasing intensification and mixed-uses along the Pacific Highway between St. Leonards station and Crows Nest metro station. Intensity between these travel nodes provide a logical development strategy for the precinct.
 - Keneco Property supports the upgrades of general pedestrian, cycling, and intersection improvements within the St Leonards and Crows Nest area.
 - Keneco Property supports St Leonards and Crows Nest being "a vibrant community that caters for the needs of people of all ages, the St Leonards and Crows Nest area will have a diverse range of homes supported by open spaces, community services, cafes, restaurants and unique local retail experiences".

The Department of Planning and Environment is commended for a well-developed and thought out draft Scheme, Keneco Property would welcome being involved or consulted further if the opportunity arose.

If there are any questions relating to the above submission, please do not hesitate to contact me on (02) 4940 0442.

Yours sincerely



Naomi Weber
Town Planner
KDC Pty Ltd