

7 August 2009

Mr Peter Head
General Manager
Leichhardt Council
PO Box 45
Leichhardt NSW 2040

Attention: Mr David Parsell

Email: leichhardt@lmc.nsw.gov.au

Dear Mr Head,

Re: Leichhardt draft comprehensive Local Environmental Plan – Section 62 consultation

The Urban Taskforce represents Australia's most prominent property developers and equity financiers. We provide a forum for people involved in the development and planning of the urban environment to engage in constructive dialogue with government and the community.

Over the past eighteen months, the Urban Taskforce has reviewed and commented on the draft comprehensive LEPs placed on exhibition. Thank you for giving us the opportunity to make a submission to you at this early stage of your statutory planning process.

1. Plan aims should be clear

In reviewing the plans prepared by other councils, we have found that the wording used in plan aims is vague and subjective. We recommend that Council use expressions that already exist in law; where there are well-established legal interpretations. For example, we ask that you refer to "ecologically sustainable development", rather than "sustainable development" or "environmentally responsible development".

Loosely worded plan aims should be avoided. Council should endeavour to use meaningful and legally definable plan aims.

2. Any additional zone objectives should complement standard instrument objectives.

Some councils insist on inserting additional objectives to zones that add nothing to the standard instrument objectives. Objectives added by many councils often simply restate and/or reword the standard objectives.

We encourage Council to work with the standard zone objectives and only add to them if absolutely necessary. **If adding to the objectives, Council should ensure that objectives do not confuse, conflict with, or re-word standard instrument zone objectives.**

3. Assessment should continue to be based on merit

Zone objectives should not seek to reduce decision-makers' flexibility to consider the merits of individual development applications.

Prescriptive zone objectives that reduce the flexibility available to decision-makers should be avoided.

4. Local amenity will be improved by permitting increased building height

It's important to everyone – developers, residents and public authorities – that the quality of our urban environment is protected. Developers make a significant investment in urban renewal and the last thing they want to see is a degraded streetscape that devalues their own financial commitment to an area.

It's important to note that restrictive height controls are not a meaningful way to go about preserving the urban environment. The quality of the pedestrian experience is influenced more by how the first three floors of a building connect to the ground, than the overall building height.

The reality facing Leichhardt (and other communities within the inner and middle ring suburbs of Sydney) is that higher population densities are coming – whether they are wanted or not. These densities are not appearing out of thin air; they are made necessary by:

- the longer lives of existing long-term residents;
- deferral of marriage/co-habitation by young people;
- increased rates of divorce and relationship breakdown;
- a desire of people who grew up in a community to return and raise their family in a familiar location; and
- the absence of major new public transport investment in the outer suburbs of Sydney.

As a result the living environment of local residents will degrade if the council does not increase height and bulk controls in anticipation of increased population densities.

In the short term, extra population density, with no extra height, means more people will be crammed into existing housing.

In the medium to long term, if development controls are not changed, houses that are currently built within existing height and floor space restrictions will be gradually demolished and replaced with bulkier, larger, buildings that, nonetheless, comply with the existing development standards. For example, streets that are now a mix of one and two storey houses will increasingly become dominated by two storey homes (with more bedrooms and granny flats). Under this scenario, the stock of buildings will change, but they will be wider and fatter.

When compared to the kind of development that would occur if height (and bulk) controls were adjusted to better accommodate increased population densities, new housing built merely accommodate existing controls is likely to suffer from less sunlight, reduced open space and fewer opportunities for cross ventilation.

We recommend substantially increased building height in Leichhardt, around transport hubs and corridors. The apartments that are built as a result will provide a better living environment with access to more sunlight, open space and natural ventilation, than fat squat houses built to the limits of existing development standards.

5. A mix of uses should be permitted including retail, commercial and residential uses

Density and land-use mix are crucial to the success of areas well serviced by public transport. We note that almost all of the Leichhardt Council area is blessed with access to high quality public transport services, the envy of other residents in Sydney. Providing for a mix of uses for such areas is widely accepted as a planning response that would more readily encourage investment and urban renewal. The use of zones and permissibility to introduce a more flexible mixing of use is an excellent example of 21st century planning.

Many successful places include a mix of uses, including jobs, retail, entertainment and residential apartments all coexisting. These different uses can work together to make a locality attractive and successful at all times of the day and week. Urban centres without retail, entertainment and residential uses can be lifeless, cold and uninviting places outside of business hours.

These issues were canvassed in the *Liveable Centres* report by urban design experts, Roberts Day. A copy of the report is enclosed with this submission. The report highlights how recent zoning plans prevent new homes being built in the areas that need it most. The report's author, Stephen Moore, is a well credentialed expert in urban design and town planning.

It's important to note that "land use patterns have a significant influence on how well public transport services can be delivered and utilised."¹ By introducing more land use flexibility in the vicinity of new transport infrastructure, the infrastructure itself benefits in terms of patronage, and therefore viability. Without an appropriate mix of complementary land uses, people will be less inclined to use public transport, as their ability to access a variety of destinations will be limited.²

Research consistently shows that population density has a significant impact on the use of public transport. For instance, it was found that every 10-percent increase in population density was associated with about a 6-percent increase in boardings at transit stations.³ If these arguments are accepted, then it is unfortunate when councils seek to actively limit residential opportunities, particularly in neighbourhood or town centres.

When preparing the Leichhardt LEP the Urban Taskforce recommends that opportunities for residential, commercial and retail development be increased in all parts of the local government area enjoying good access to the quality public transport services.

6. A centres hierarchy is not relevant to Leichhardt

Many local environmental plans attempt to introduce and/or maintain a rigid centres hierarchy. These hierarchies are often used to ban large-format retail in some areas – even while other high intensity residential and employment uses are still permitted. Such policies have an unfortunate impact on the quality, and price of local retail services.

In August 2008 the Australian Competition and Consumer Commission (ACCC) found that competition in grocery retailing was being limited by town planning laws.⁴ It concluded that zoning and planning regimes act as an artificial barrier to new supermarkets. In the same month the Productivity Commission found that planning laws were contributing to the difficulties of small retail tenants negotiating with "oligopolistic" shopping centre landlords.⁵

Consumers will pay much more for groceries at small retail outlets. In his report *Choice Free Zone*, Professor Allan Fels found that larger format stores offer up to 18 per cent less for basic food items and up to 28 per cent less for other household products. The Australian Government's Bureau of Infrastructure, Transport and Regional Economics found that consumers paid 17 per cent more when they did not have ready access to a large format grocery store. Planning rules that permit small retail outlets, but ban large retail outlets disadvantage local residents looking for inexpensive food and clothing.

We recommend the council link the intensity of use in each locality to the quality of the transport infrastructure. Given the high standard of local public transport services this should suggest significant potential for urban renewal in key areas across the local government area.

These comments are offered to encourage constructive dialogue between local government and the development industry and we ask that you accept these comments as our contribution to the local planning process. We are always able to provide a development industry perspective on

¹ Alford, G., 2006, Integrating Public Transport and Land use Planning – Perspectives from Victoria. *Australian Planner*, Vol. 43, No. 3, pp. 6-7.

² Cervero, R., Ferrell, C., and Murphy, S. 2002, Transit-Oriented development and Joint Development in the United States: A Literature Review. Transit Cooperative Research Program. Research results digest. October 2002—Number 52 [http://onlinepubs.trb.org/Onlinepubs/tcrp/tcrp_rdd_52.pdf, accessed 7 April, 2008]

³ Parsons, Brinckerhoff, Quade and Douglas et al. 1995 in Cervero, R., Ferrell, C., and Murphy, S. 2002, Transit-Oriented development and Joint Development in the United States: A Literature Review. Transit Cooperative Research Program. Research results digest. October 2002—Number 52 [http://onlinepubs.trb.org/Onlinepubs/tcrp/tcrp_rdd_52.pdf, accessed 7 April, 2008]

⁴ Australian Competition and Consumer Commission, *Report of the ACCC inquiry into the competitiveness of retail prices for standard groceries* (2008).

⁵ Productivity Commission, *The Market for Retail Tenancy Leases in Australia* (2008).

planning policy and we would welcome the opportunity to meet and discuss these issues in more detail.

Yours sincerely

Urban Taskforce Australia

A handwritten signature in black ink, reading "Aaron Gadiel". The signature is written in a cursive style with a long, sweeping horizontal line extending from the end of the name.

Aaron Gadiel
Chief Executive Officer

Encl.