

Draft South District Plan

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Organisation type: Industry

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Submission content: Please see attached

Number of attachments: 1

Kingsgrove: Submission to GSC

We strongly object to the GSC's blanket approach to retaining industrial zoning in the South District, as this does not take into account the individual characteristics of each precinct, and often conflicts with other stated GSC objectives. This submission outlines the key drivers for change in the Commercial Road section of the South Kingsgrove Industrial Precinct, which would allow GSC to meet many of its objectives, including housing diversity, sustainable employment, a 30-minute city and TOD to maximise existing infrastructure.

In addition this is consistent with the GSC's identification of Kingsgrove as a Local Centre (Revised Draft South District Plan, Page 37, Figure 13: South District future housing supply), as well as Kingsgrove's identification as a Mass Transport Link by Transport for NSW. This would also see over 96% of the South and North Kingsgrove Industrial land retained as IN2. We request that the GSC take this analysis into account and remove the blanket ban on rezoning industrial land, and consider on its merit any Council endorsed Master plan for the Commercial Road, Kingsgrove Precinct.



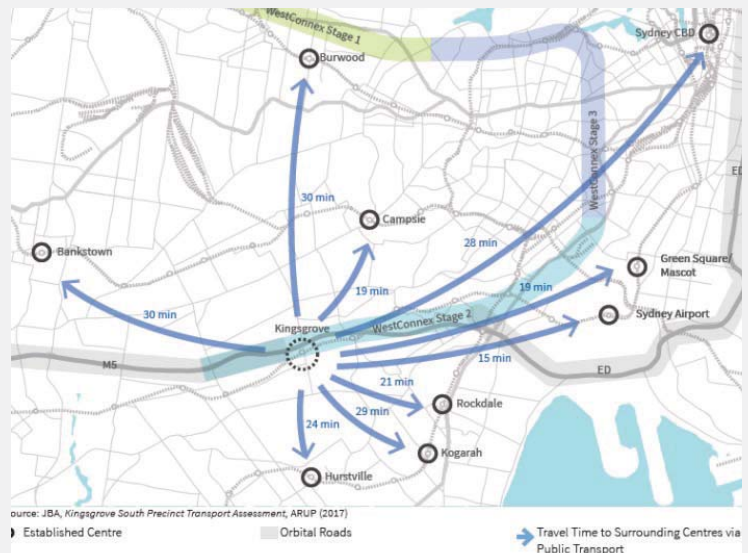
Existing Infrastructure Capacity



- A Underutilised rail in the T2 line, and earmarked as a future Mass Transit Link
- B North-South bus network
- C M5 and Westconnex on/off ramps



Excellent Access for Workers and Residents



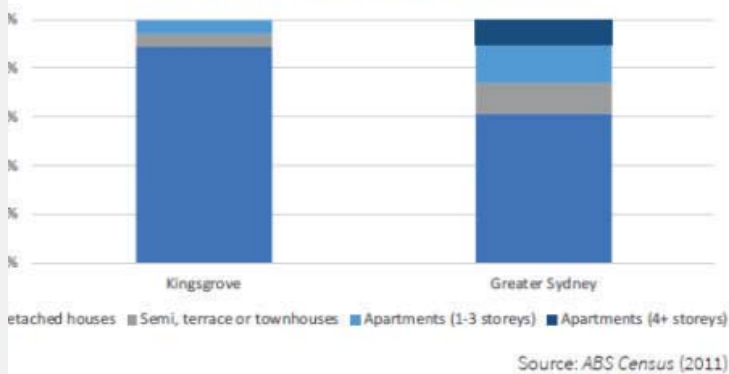
- A Within 20 minutes by public transport of the CBD and all identified strategic centres in the south district
- B Place-making will allow residents to live, work and play in one new location

Strategic Objectives

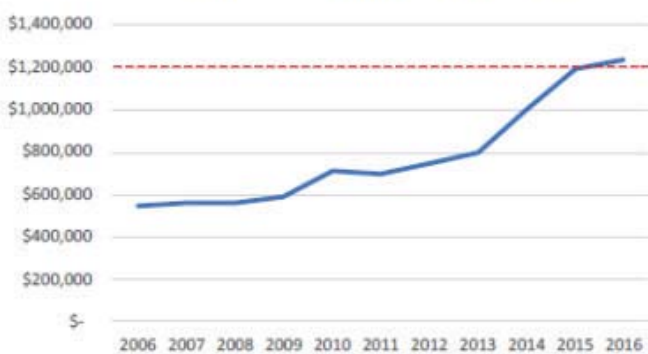


Opportunity to Address Housing Supply & Affordability Issues

Dwelling Stock, Kingsgrove v Sydney Average (2011)



Median House Price, Kingsgrove (2006-2016)



- A Increasing supply from the 111 dwelling approvals in Kingsgrove in the last 10 years
- B Increasing much needed diversity, which is currently reducing affordability and choice



Opportunity to Support Economic and Jobs Growth

Contemporary High-tech industrial strata/ warehousing with office to accommodate higher employment densities and diversity industry



Retail, services and commercial to meet worker, tenant and population needs



Renewal for Jobs & Economic Growth



Master planning and flexible land use zones to respond to renewal opportunities

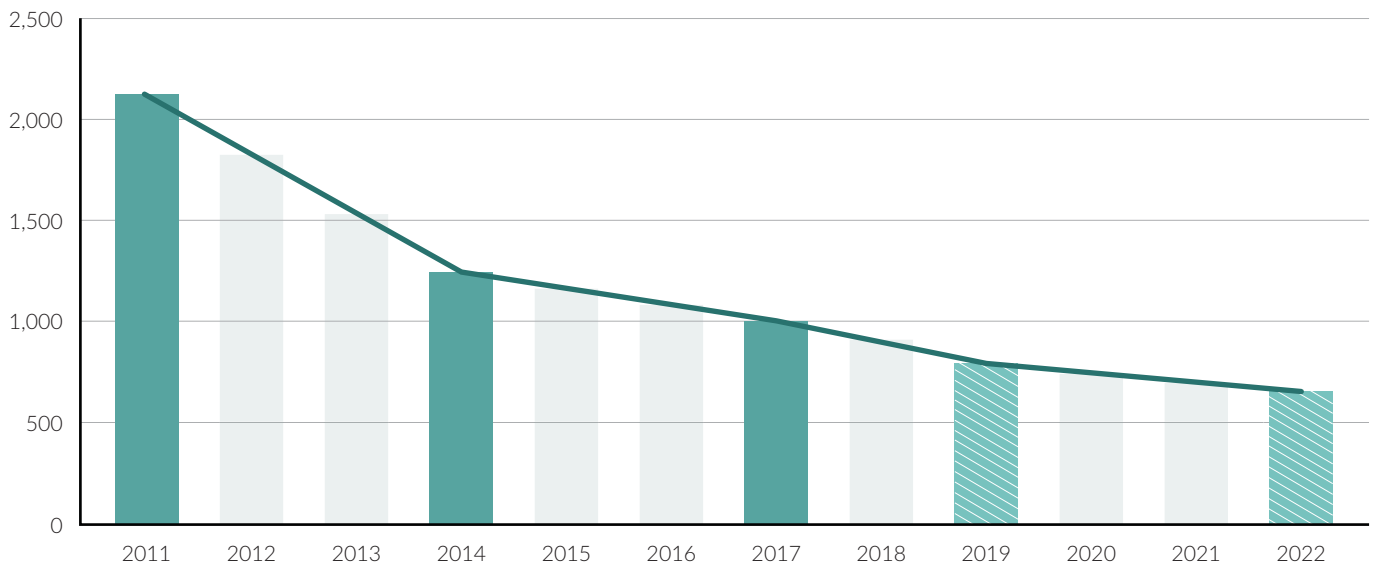


Residential as an enabler for transition to higher order jobs (infrastructure contributions supporting amenity improvements)

- A Create 21st Century jobs to replace a declining and shifting industry
- B Higher jobs density to maximise outcomes for a given space

Precinct in Decline

Kingsgrove South Industrial Precinct Employment Numbers



* The graph reflects the numbers outlined in the text below, with forecasts based on the indicated half of tenants that will leave as their leases expire

According to the Bureau of Transport and Statistics in its 2011 Journey to Work data, the number of employed persons in the Precinct was 2,183. The data referenced in Council's Employment Land Study and compiled by JLL's 2014 Land Use Survey, employment in the Precinct was at 1,276. Current data collected as a primary source from the LOG and through a survey administered by Urbis, estimates employment at approximately 1,000. **This represents a fall of over 50% in five years and approximately 20% in the last three years.**

Looking ahead further, over 75% of employers in the Precinct are tenants with the flexibility to leave, with data indicating that approximately 50% of leases expire in the next 2 years and 90% in the next 5 years, **with over 50% of tenants indicating they are considering leaving at the expiry of their lease.**

In addition, the bulk of jobs that do remain are office and administrative sectors, with the Urbis survey indicating **that only 206 warehousing and manufacturing jobs remain in the Precinct. Of these, 50% of respondents indicated that they are considering leaving the Precinct.** Further to this, members of the LOG confirm that they have been unable to secure any tenancies for current or pending vacancies. This is reflected in the quotes below, and the various For Lease signs around the Precinct as portrayed at the bottom of this letter.



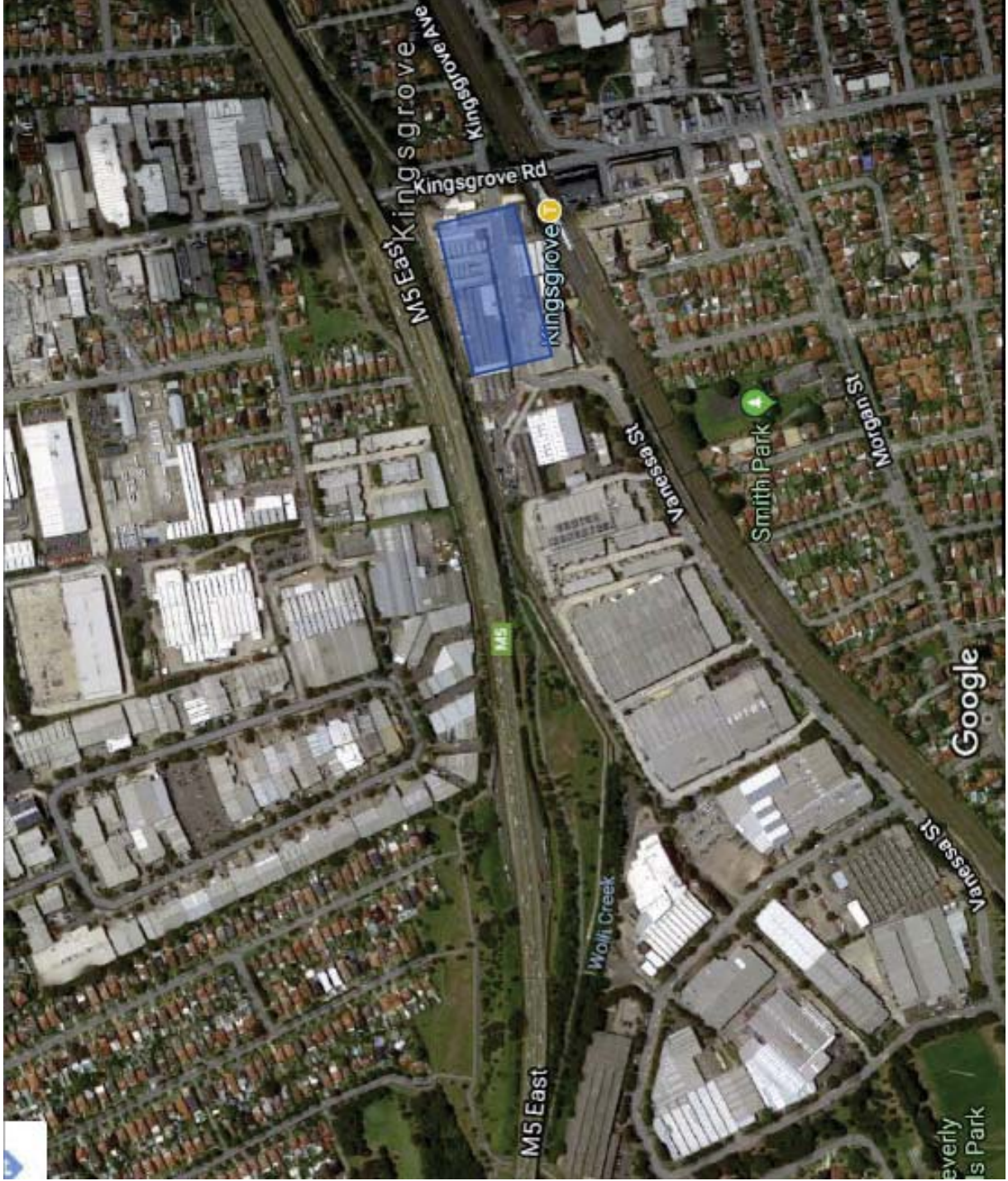
Owner

14-26 Commercial Road, Kingsgrove

We have been unable to find a tenant for 5,000sqm of space, and our remaining tenant is now six months in rental arrears. We have already been offering the area at discounted rates and we now face a potentially vacant building.

With B-Double access banned and now the bypassing of M5 on/off ramps, there appears to be little to no demand for light industrial uses on our site.

In the current zoning our highest and best use is as a storage facility, which is profitable as owners but will generate only two jobs for 9,000sqm of NLA, which along with Kennards Storage across the road means that employment opportunities in the Commercial Road precinct are capped at very low levels.



Approx. 2 hectares, which would mean retaining over 93% of the South Kingsgrove Industrial Precinct, and over 96% of the combined North and South Kingsgrove Industrial Precincts.

Only ~30 jobs (outside the B2 zoned office building at 1-5 Commercial Road).

Smaller lot size and dated buildings limit industrial usage.

Proximity to rail gives maximum benefit on basis of residential, transport usage, 21st Century job creation and multi-use day/night economy.