

Department of Planning, Housing and Infrastructure

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# Explanation of Intended Effect

Blackwattle Bay Precinct – Area 17 land use mix change

December 2024

# Acknowledgement of Country

The Department of Planning, Housing and Infrastructure acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land, and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

Published by NSW Department of Planning, Housing and Infrastructure

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First published: December 2024

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DPHI-MC-R-SC-V1.0

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# 1 Introduction

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## 1.1 Purpose

This Explanation of Intended Effect (EIE) has been prepared by the Department of Planning, Housing and Infrastructure (Department) following a request from Infrastructure NSW (INSW) to change the land use mix in the Blackwattle Bay Precinct (the Precinct), specifically Area 17, the existing Sydney Fish market site.

The rezoning proposal will be assessed as a State-assessed planning proposal (SAPP) in accordance with the Department's State Significant Rezoning Policy due to the potential for the site to deliver significant and meaningful public benefits, contribute to the Government's 5-year housing targets and provide affordable housing.

This EIE sets out the proposed planning controls and describes the intended outcomes arising from the proposed changes. The proposed planning controls will enable the delivery of approximately 320 additional dwellings in the Precinct.

The proposed planning controls will be implemented through a self-repealing State Environmental Planning Policy (SEPP) made under the *Environmental Planning and Assessment Act 1979* (EP&A Act) that will amend the *Sydney Local Environmental Plan 2012* (Sydney LEP 2012).

The EIE is being exhibited in accordance with section 3.30 of the EP&A Act to allow the public to make submissions that will be considered as part of the finalisation of the draft planning controls.

The public are invited to comment on all matters in this EIE and supporting documentation. The EIE and supporting technical studies and documentation can be viewed on the NSW Planning Portal.

The objectives of the rezoning proposal are to:

- increase housing supply in the Precinct,
- provide a variety of land uses in Area 17 with high levels of environmental amenity and contribute to a vibrant and attractive precinct, and
- deliver the vision of the *Pymont Peninsula Place Strategy*.

## 1.2 Blackwattle Bay Precinct

The Precinct is located on the western edge of the Pyrmont Peninsula. The Precinct wraps around the southern and eastern edges of Blackwattle Bay bound by Bridge Road to the south, Bank Street to the east and the waters of Blackwattle Bay from Glebe Island Bridge to Blackwattle Bay Park (**Figure 1**). The Precinct is approximately 10.4 hectares (ha) of land including the new Sydney Fish Market (under construction) and approximately 10.6 ha of water.



Figure 1: Blackwattle Bay Precinct (Source: Blackwattle Bay SSP Finalisation Report, DPHI 2022)

### 1.2.1 Area 17

The SAPP relates to a part of the Precinct, identified as Area 17 on the Sydney LEP 2012 Floor Space Ratio Map (**Figure 2**).

Area 17 is approximately 2.65 ha and includes the current Sydney Fish Market, an at grade car park, exterior public seating area, annex buildings surrounding the car park and several small wharf structures which extend into Blackwattle Bay (**Figure 3**). The site is owned by INSW.



Under Sydney LEP 2012 the key applicable planning controls for Area 17 include:

- Zone MU1 Mixed Use
- Height of buildings – Reduced Level (RL) 37.5m, 106m, 110m and 141m
- Total gross floor area (GFA) – maximum of 129,291 m<sup>2</sup>
- Non-residential uses – at least 43% of total GFA.

The planning controls for Area 17 anticipate a mix of uses, including residential, commercial and retail.

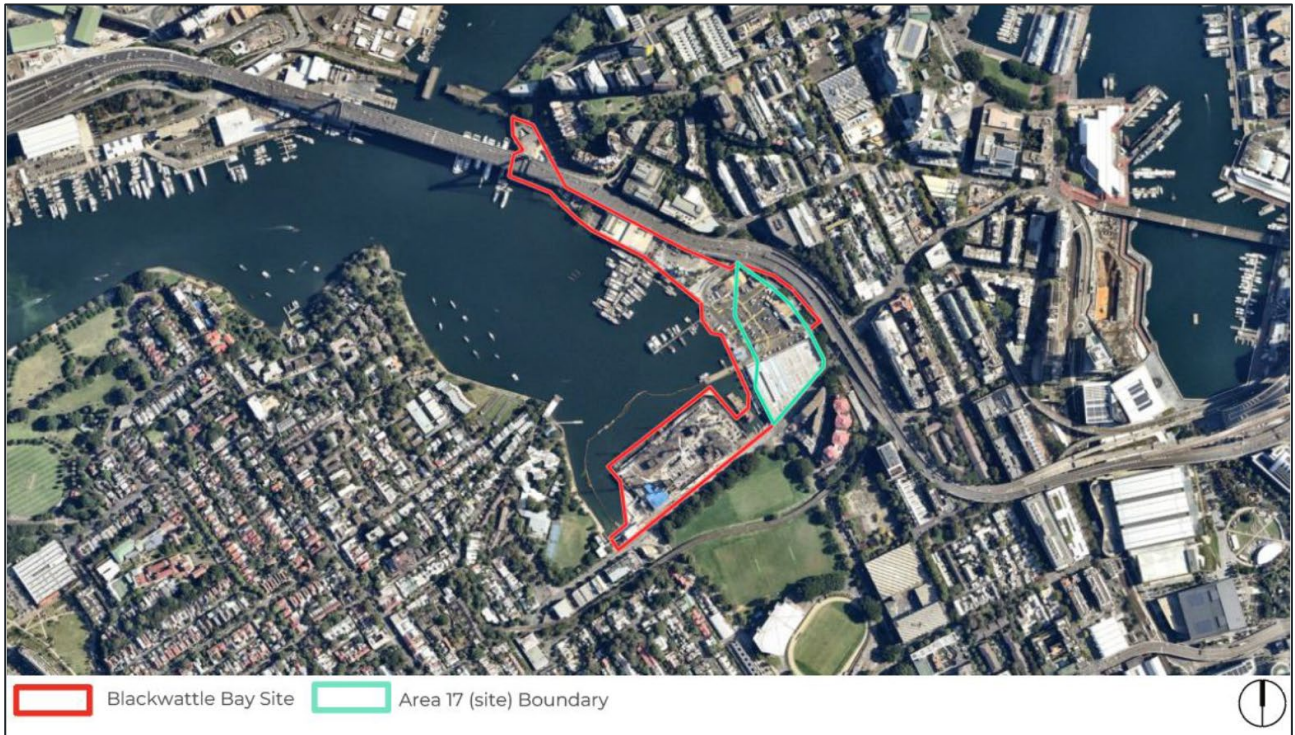


Figure 2: Aerial image of Blackwattle Bay, identifying the Blackwattle Bay Precinct and Area 17 (Source: Blackwattle Bay SSP Amendment to Area 17 Land Use Mix, Ethos Urban, 19 June 2024)



Figure 3: Aerial image of Area 17 (Source: Blackwattle Bay SSP Amendment to Area 17 Land Use Mix, Ethos Urban, 19 June 2024)

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## 1.3 Strategic context

### 1.3.1 Pyrmont Peninsula Place Strategy

The Pyrmont Peninsula Place Strategy (PPPS) was endorsed by the then Minister for Planning and Public Spaces in December 2020 and was shaped by the strategic vision of the Greater Sydney Region Plan and the Eastern City District Plan.

The PPPS sets a new vision for Ultimo and Pyrmont to strengthen the productivity of the Eastern Harbour City, provide capacity for new jobs and enhance the area's important character, heritage, and amenity. Under this new vision, Ultimo and Pyrmont will play an important role in the continued growth and success of Greater Sydney and the NSW economy over the next 20 years.

The PPPS set out 10 Directions addressing matters of strategic economic, social and environmental significance in Ultimo and Pyrmont to guide future growth and change to 2041.

The PPPS identifies Blackwattle Bay as a key site contributing to the implementation of the PPPS.

### 1.3.2 Blackwattle Bay State Significant Precinct

In April 2016, the then Minister for Planning approved a request to allow consideration of The Bays Precinct (including Blackwattle Bay and Bays West) as a State Significant Precinct (SSP). Investigations into the rezoning commenced and in 2017 the then Department of Planning and Environment issued study requirements for the Blackwattle Bay SSP. INSW submitted the SSP study to the then Department of Planning, Industry and Environment in 2021. The study was publicly exhibited from 2 July to 20 August 2021 and an amended study was publicly exhibited from 28 July to 26 August 2022.

The Blackwattle Bay SSP was rezoned in December 2022 and the new controls commenced on 8 September 2023. The planning controls enable transformation of the waterfront industrial and commercial precinct into a vibrant mixed-use precinct with:

- Approximately 97,500m<sup>2</sup> of residential GFA allowing for approximately 1,200 apartments with a population of around 2,400 residents.
- Approximately 100,000m<sup>2</sup> of commercial and retail GFA allowing for approximately 5,600 new jobs.
- New buildings ranging from 6 storeys to 35 storeys in height.
- Nearly 34,000m<sup>2</sup> of new parks and public space, including a 30m wide foreshore promenade linking Glebe Island Bridge and the new Sydney Fish Market.
- Contributions towards and provisions for infrastructure, including community and cultural uses and affordable housing.

### 1.3.3 Bank Street Park State Significant Development application

INSW submitted a State Significant Development (SSD) application for the new Bank Street Park at Blackwattle Bay in December 2023. This is the first development application (DA) for the redevelopment of the Precinct. The DA seeks approval for the staged construction of a new waterfront public park known as Bank Street Park, including new community building, multipurpose court and playground, public domain works, and harbour works. The SSD is currently under assessment.



## 2 Proposed planning control amendments

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### 2.1 Objectives and Intended Outcomes

The SAPP, which will be given effect through a SEPP amendment, will amend the planning controls that apply to Area 17 of the Precinct.

The proposed SEPP amendments intend to enable flexibility to provide additional housing in Area 17 and allow the land use mix to be determined at the DA stage. At the DA stage, factors such as residential amenity, compliance with noise and air quality standards and demand for residential and non-residential floorspace would be considered to determine the exact land use mix.

The objectives and intended outcomes of the rezoning proposal are to:

- Increase housing supply in the Blackwattle Bay Precinct,
- provide a variety of land uses in Area 17 with high levels of environmental amenity and contribute to a vibrant and attractive precinct, and
- deliver the vision of the PPPS.

The proposed SEPP seeks amendments to the Sydney LEP 2012. The changes are described below.

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### 2.2 Site specific provisions

#### 2.2.1 Use of land for non-residential purposes

Clause 6.68(2)(c) of the Sydney LEP 2012 requires the percentage of the total GFA of the building in the Precinct that will be used for non-residential purposes is at least:

- (i) for a building in Area 12 — 35%,
- (ii) for a building in Area 13 — 30%,
- (iii) for a building in Area 14 — 41%,
- (iv) for a building in Area 15 or Area 16 — 100%,
- (v) for a building in Area 17 — 43%.

It is proposed to remove this requirement for Area 17 by deleting clause 6.68(2)(c)(v).

There are no changes proposed to building height, GFA, land zones, built form, maps or other planning controls approved as part of the rezoning of the Precinct in December 2022.

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## 2.3 Blackwattle Bay Design Guidelines

Clause 6.68(2)(a) of the Sydney LEP 2012 requires all development in the Precinct to be consistent with the Blackwattle Bay Design Guidelines (Design Guidelines).

The Design Guidelines include built form and urban design provisions to ensure that new development in the Precinct achieves high quality outcomes for built form, public domain and heritage and seeks to improve the amenity of the Precinct and its surrounds.

The Design Guidelines are proposed to be updated as part of the SAPP to align with the land use mix change to Area 17 and other minor changes.

The amendments to the Design Guidelines are on exhibition with this rezoning proposal.

### 3 Infrastructure funding and delivery

The 2022 rezoning of the Precinct established infrastructure contributions for future development. No changes are proposed to the existing infrastructure contribution arrangements as part of this SAPP. The existing arrangements are set out below.

#### **Government-owned land**

INSW will enter into a voluntary planning agreement (VPA) with the Minister for Planning and Public Spaces to cover a range of items related to the Government owned land, including:

- delivery of the foreshore promenade on the Government owned land,
- the over water boardwalk,
- delivery of Bank Street Park, including landscaping and community facilities,
- Pyrmont Bridge Road cycleway extension between the new Sydney Fish Market and the southern end of Bank Street,
- roads, footpaths and intersection works,
- new Sydney Fish Market urban park,
- a monetary contribution to City of Sydney Council for local contributions based on the cost of carrying out the development in the Precinct (less the cost of the items above), and
- a monetary contribution towards the Pyrmont Metro Station.

An affordable housing contribution of 7.5% of total floor area is also required under the Sydney LEP 2012.

The proposed VPA is expected to be placed on public exhibition in 2024 and development cannot commence on site until the VPA has been executed.

#### **Private owned land**

Development for private owned land is subject to the Housing and Productivity Contribution, local contributions and a 7.5% affordable housing contribution via Sydney LEP 2012.

## 4 Consultation

The Department will collaborate with key State Government agencies and stakeholders throughout the assessment of the SAPP and consult with Council at key stages of the proposal.

INSW has consulted with the Department in the preparation of the SAPP and met with key stakeholders including City of Sydney Council staff and Transport for NSW to brief them on the proposal.

The public exhibition of the SAPP will provide a formal consultation period for the community, Council and agencies to make submissions.



## 5 Next steps

Following public exhibition, the Department will consider all matters raised in submissions.

The final proposed changes will be forwarded to the Minister for Planning and Public Spaces for consideration and determination. If the amendments are approved, they will come into force and guide future development of the Blackwattle Bay Precinct.