

Planning Services

Gateway determination report

LGA	City of Parramatta
PPA	City of Parramatta Council
NAME	1-17 Grey Street and 32-48 Silverwater Road, Silverwater (210 homes, 160 jobs)
NUMBER	PP_2018_COPAR_010_00
LEP TO BE AMENDED	Auburn Local Environmental Plan 2010
ADDRESS	1-17 Grey Street and 32-48 Silverwater Road, Silverwater
DESCRIPTION	The site comprises 17 lots
RECEIVED	2 October 2018
FILE NO.	IRF18/5515
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal.

INTRODUCTION

Description of planning proposal

The planning proposal seeks to amend the Auburn Local Environmental Plan (LEP) 2010 and rezone 1-17 Grey Street and 32-48 Silverwater Road, Silverwater from B6 Enterprise Corridor to B1 Neighbourhood Centre, amend the maximum building height control from 14m to 20m, amend the maximum floor space ratio (FSR) control from 1:1 to 2.7:1, amend the minimum lot size control from 1500m² to no minimum lot size and include a site-specific clause to require a minimum 4000m² of retail/commercial space.

Background

In 2008, the subject site and immediate surrounds were rezoned from residential to B6 Enterprise Corridor following the completion of the Auburn Employment Lands Study (2008)

In 2014, a planning proposal was lodged by the former Auburn Council to rezone the site to B2 Local Centre. The proposal was refused at Gateway (Department reference PP_2014_AUBUR_003_00) (**Attachment I**) because:

- it was inconsistent with section 9.1 Direction 1.1 Business and Industrial Zones;
- it was inconsistent with the Auburn Employment Lands Strategy (2008), which sought to protect the broader strategic employment precinct;

- it was inconsistent with the actions and objectives of the West Central Draft Subregional Strategy;
- it set a precedent for further rezoning of surrounding industrial employment lands to residential; and
- it had the potential to create significant land-use conflict.

In January 2016 a further planning proposal for the site was submitted for a Gateway determination and later withdrawn by the administrator of the former Auburn Council before a Gateway determination could be issued (PP_2016_AUBUR_001_00).

In May 2016, following the Local Government Boundaries review process, the subject site was incorporated into the newly formed City of Parramatta local government area.

In February 2018, council resolved to rezone the site to B1 Neighbourhood Centre and prepare a planning proposal.

Site description

The site is approximately 7560m² in area and is largely vacant except for a neighbourhood shop, a residential home (15 and 17 Grey Street) and rental equipment storage (32-36 Silverwater Road) (Figure 1).

The site was previously used for residential purposes, containing 14 residential lots. The site was rezoned in 2008 from residential to B6 Enterprise Corridor in accordance with the Auburn Employment Lands Study (2008), which identified the area as part of a broader employment precinct that should be retained and protected for new and emerging industries.



Figure 1: Aerial view of subject site (source: Nearmap).

Existing planning controls

The subject site (Figure 2):

- is zoned B6 Enterprise Corridor;
- has a maximum building height of 14m;
- has a maximum FSR of 1:1; and
- has a minimum lot size of 1500m².

The site is not developed to the maximum permissible planning controls and there is scope for redevelopment of the site within the existing planning framework.



Figure 2: Current land zoning (source: planning proposal).

Surrounding area

The site is approximately 2km from the Auburn CBD, 1.4km from Auburn railway station and 1.6km from Sydney Olympic Park. Parramatta CBD is 4.5km from the site.

The immediate surrounding area is zoned B6 Enterprise Corridor and characterised by one-storey to two-storey detached residential dwellings on single allotments. The Silverwater industrial precinct (zoned IN1 General Industrial) is immediately north of the site and is characterised by large-lot industrial/warehouse uses. Further south of the site is the M4 Motorway and the Auburn industrial precinct (Figure 3).

Either side of the B6-zoned area is R3 Medium Density Residential-zoned land, consisting of predominantly one-storey to two-storey single-lot residential development

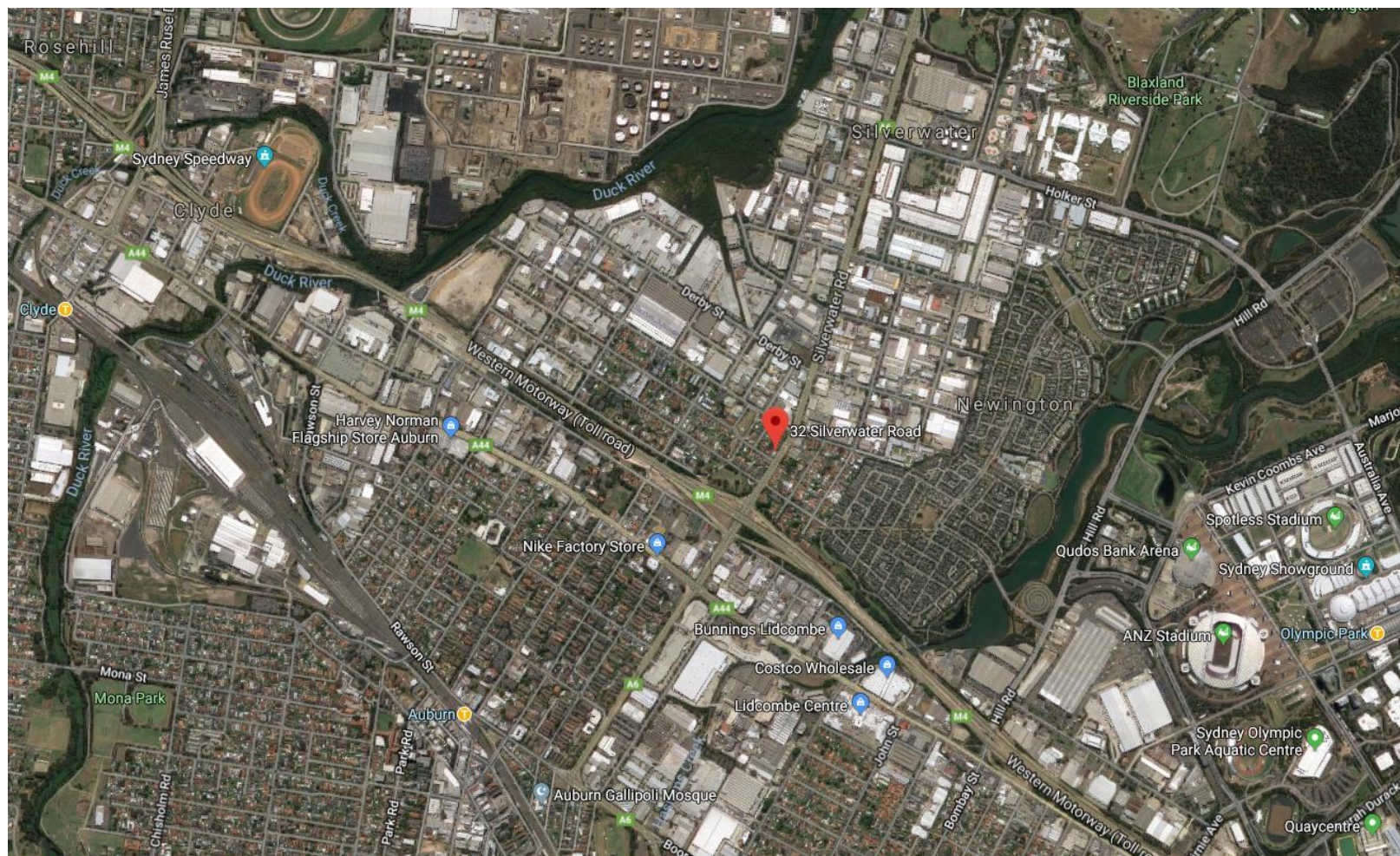


Figure 3: Surrounding area

Summary of recommendation

The planning proposal is not considered to have sufficient strategic or site-specific merit to proceed. The proposal is inconsistent with the Central City District Plan, particularly 'Planning Priority C11 Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land'. The proposal is inconsistent with section 9.1 Direction 1.1. Business and Industrial Zones and Local Planning Panels Direction – Planning Proposals.

The introduction of high-density residential development at the site could result in land-use conflicts with the immediately adjoining B6-zoned land, the Silverwater industrial precinct and further IN1 General Industrial lands in the Auburn precinct. The areas are identified as strategic industrial and urban services land in the Central City District Plan. The rezoning would set an undesirable precedent for rezoning industrial-related employment lands and urban services land for mixed-use residential and retail/commercial purposes in the area.

PROPOSAL

Objectives or intended outcomes

The proposal seeks to:

- facilitate the future redevelopment of an underused site for mixed-use residential and commercial development;
- facilitate the provision of additional housing close to public transport and employment opportunities; and
- provide for neighbourhood amenity.

The proposal is accompanied by an indicative concept plan for the mixed-use development (**Attachment A3**).

Explanation of provisions

Part 2 of the proposal seeks to amend the Auburn LEP 2010 at 1-17 Grey Street and 32-48 Silverwater Road, Silverwater as follows:

- amend the land zoning map (LZN_006) from B6 Enterprise Corridor to B1 Neighbourhood Centre;
- amend the minimum lot size map (LSZ_006) from 1500m² to no minimum lot size;
- amend the height of building map (HOB_006) from 14m to 20m;
- amend the FSR map (FSR_006) from 1:1 to 2.7:1; and
- include a site-specific provision in Part 6 Additional Local Provisions to ensure a maximum of 4000m² of retail space is provided under a future development scenario. Of the 4000m² retail space, 2500m² should comprise a supermarket and 1500m² of local/commercial specialty retail.

Mapping

The proposal contains the correct and relevant LEP mapping showing the existing and proposed zoning and development standards.

NEED FOR THE PLANNING PROPOSAL

The site is zoned B6 Enterprise Corridor. Residential development is not permissible with consent on land zoned B6 Enterprise Corridor. As the proposal's objective is to seek a mixed-use development of residential and retail/commercial on the site, a planning proposal is required to amend the land zoning to permit residential development.

STRATEGIC ASSESSMENT

Former Gateway refusal – strategic assessment

A similar planning proposal was refused by the Department in 2014 to rezone the site from B6 Enterprise Corridor to B2 Local Centre (**Attachment I**). The proposal sought to facilitate a mix of residential and retail/commercial development at the site. The proposal was inconsistent with Action B4.1 of the then West Central Draft Subregional Strategy, which supported the “concentration of retail activity in centres, business development zones and enterprise corridor zones”, and Action C1.3, which supports “increase housing capacity targets in existing areas”.

The Gateway refusal also cited inconsistency with the Auburn Employment Lands Study (2008), where that study identified the site as part of a broader strategic employment precinct that should be retained and zoned B6 Enterprise Corridor.

The Draft West Central Subregional Strategy has been superseded by the Greater Sydney Region Plan and the Central City District Plan. The Auburn Employment Lands Study (2008) has been superseded by the Auburn Employment Lands Strategy (2015).

The Department does not consider that the policy framework has altered to an extent that would warrant a change in position in relation to permitting residential and retail development on this site. As discussed below, it is considered that the policy position to retain employment land has been strengthened in the intervening period.

Greater Sydney Region Plan

The planning proposal has been assessed against the Greater Sydney Region Plan and is inconsistent with the plan, particularly ‘Objective 23 Industrial and urban services land is planned, retained and managed’.

The existing zoning is considered to be industrial and urban services land due to the range of permitted uses and the objectives of the B6 Enterprise Corridor zone, which are to:

- promote businesses along main roads and encourage a mix of compatible uses;
- provide a range of employment uses (including business, office, retail and light industrial uses); and
- maintain the economic strength of centres by limiting retailing activity.

The introduction of high-density residential development would likely result in land-use conflict, the potential development of industrial and urban services land immediately adjacent to the site and the Silverwater industrial precinct.

The Greater Sydney Commission (GSC) recently published A Metropolis that Works (October 2018) (**Attachment J**), which outlines the reasons why employment lands are required to be retained in the Sydney basin. While the subject site is not being used to its full potential under the B6 Enterprise Corridor zone, it is not considered

appropriate to erode the employment value of the land and surrounding area by introducing residential and retail land uses at the expense of other employment land uses that are permissible in the zone.

Central City District Plan

The planning proposal has been assessed against the Central City District Plan and is inconsistent with the plan, specifically:

- Planning Priority C11 – Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land: The site adjoins the Silverwater industrial precinct, identified as industrial and urban services land in the plan (Figure 4, next page).

The subject site, if it is rezoned to B1 Neighbourhood Centre, would be surrounded by land zoned B6 Enterprise Corridor, with the Silverwater industrial precinct directly north (zoned IN1 General Industrial). This would create an island of residential and retail/commercial development in a larger industrial area. The rezoning would set a precedent in the area for rezoning B6 land for predominantly residential purposes, compromising the provision of industrial employment and urban services land in the area.

- Action 49 – Review and manage industrial and urban service land, in line with the principles for managing industrial and urban services land, in the identified local government areas by undertaking a review of all industrial lands to confirm their retention or transition to higher order uses (such as business parks) and prepare appropriate controls to maximise business and employment outcomes, considering the changing nature of industries in the area.

The site is in a review and manage area, and the proposal does not address this action. Council has been working with the GSC to undertake this review. The Department has consulted with the GSC regarding the proposal's consistency with this action, and the GSC has identified that the proposal is inconsistent with the review and manage approach (see 'Referral to the Greater Sydney Commission' in this report and **Attachment H**). The proposal is inconsistent with this action and remains unresolved as it is not supported by the GSC.

- Action 52 – Manage the interfaces of industrial areas, trade gateways and intermodal facilities by:

(a) providing buffer areas to nearby activities, such as residential uses, that are sensitive to emissions from 24-hour freight functions. ...

The planning proposal does not address this action. The action is considered applicable as the proposal would result in residential uses along Silverwater Road, which connects the Silverwater industrial precinct to the M4 Motorway and the Auburn precinct to the south. Amenity along this corridor is not considered conducive for high-density residential development due to the nature of the road serving freight movements between industrial lands.

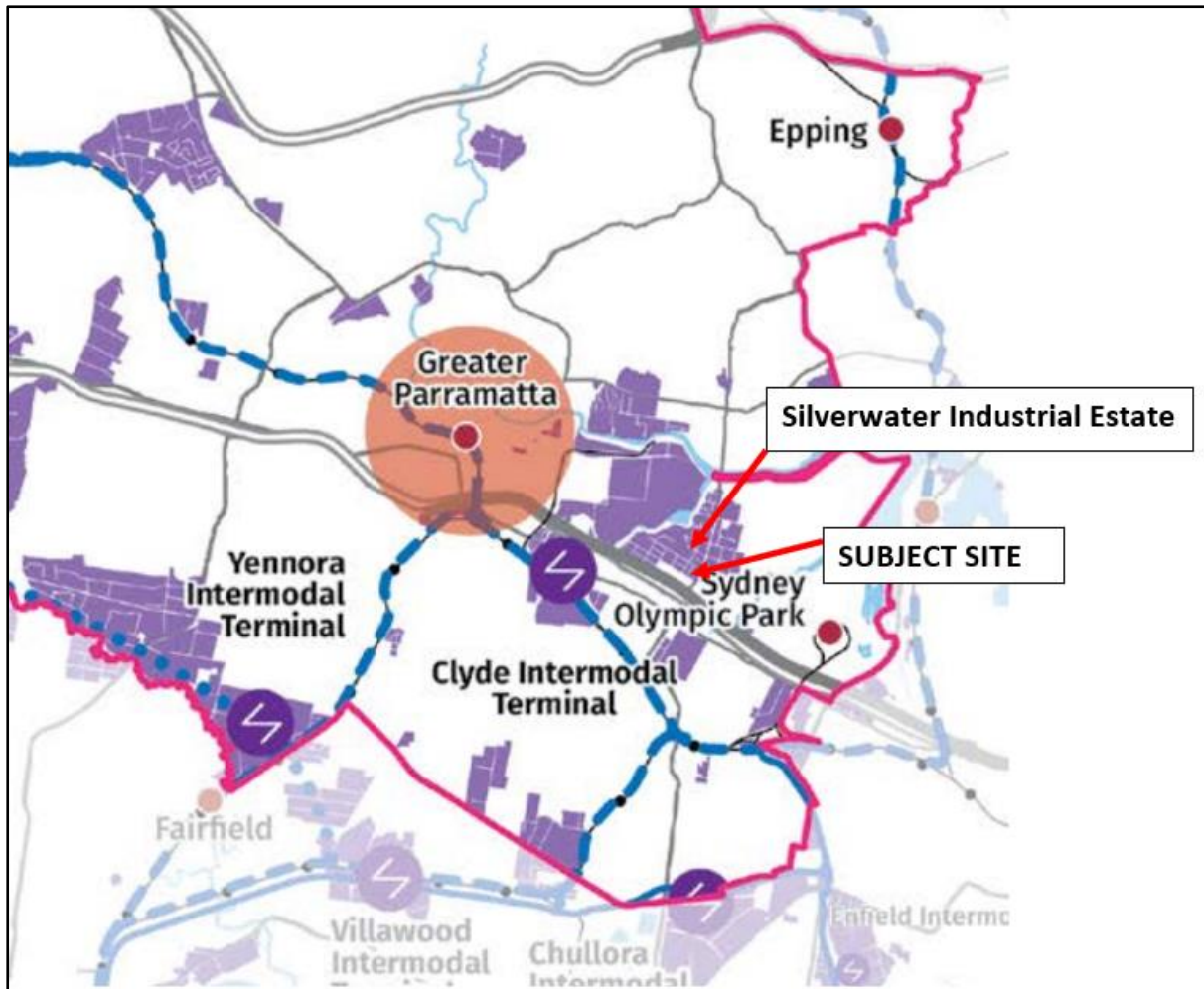


Figure 4: Industrial and urban services land (purple) (source: Central City District Plan).

Referral to the Greater Sydney Commission

The planning proposal was referred to the GSC (**Attachment H**) to obtain further details in relation to the proposal's consistency with the Central City District Plan. The GSC advised the following:

- the Auburn Employment Lands Strategy (2015) recommended a B1 zone in this area, but notes that a masterplan would be required for the whole area and acknowledges the problems with housing facing Silverwater Road given the amenity impacts of this major freight corridor;
- the B6 precinct serves a primarily local function but it is adjacent to a strategic employment precinct – the 150ha Silverwater industrial precinct – which would qualify this B6 precinct as an area to retain for employment purposes and support its growth, but consider transition to other employment uses, not necessarily change to B1 allowing residential uses;
- the land is within the review and manage area of the Central City District Plan. This approach adopts a first principle of keeping the employment value of the land and then reviewing how the precinct might evolve to provide additional employment purposes;

- the site is approximately 1.4km from Auburn train station and would rely on a bus service on Carnarvon Street to access the station, so it is not well served by high-frequency public transport for a higher-density residential land use;
- rezoning of the subject block may also set a precedent for rezoning other B6 Enterprise Corridor land in the vicinity, leading to more residential use and, over time, the loss of the employment potential of this area for urban services; and
- the proposed rezoning is inconsistent with the review and manage approach under the District Plan and the planning proposal should not proceed to Gateway.

Auburn Employment Lands Strategy (2015) and the Parramatta Road Corridor Urban Transformation Strategy

The site is identified in Precinct 14 – Silverwater Road of the Auburn Employment Lands Strategy. The Strategy identifies the need for a B1 Neighbourhood Centre in the locality (**Attachment F**) to provide local amenity and convenience retail, including up to a 2000m² supermarket. However, the strategy does not identify the subject site for this rezoning. It also does not identify the need for the wider precinct to facilitate the delivery of high-density mixed uses (residential with industrial/retail/commercial uses).

The previous Gateway refusal was based on the Auburn Employment Lands Study (2008), which asserts the subject site is to be retained for B6 Enterprise Corridor for the broader employment precinct to deliver emerging new industries.

The 2015 strategy predates the Central City District Plan, has not been endorsed by the Department, and does not achieve Action 49 of the district plan to review and manage industrial and urban services land.

Regarding the need to provide local amenity improvements in the precinct, the strategy also predates the release of the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) (2016), which cites the provision of B1 Neighbourhood Centre land south of the site (Figure 5, next page). The need for local amenity improvements is recognised by the strategy, as detailed in the strategy's Planning and Design Guidelines (**Attachment G**).

The PRCUTS has identified rezoning land from B6 Enterprise Corridor to B1 Neighbourhood Centre directly south of the site to meet local amenity provisions. The need for a further retail centre has not been demonstrated, noting that the rezoning of the land within the PRCUTS will be subject to a planning proposal that is required to further consider the suitability of the land within the PRCUTS for the purpose of a neighbourhood centre.

It is considered that insufficient justification has been presented in the Auburn Employment Lands Strategy to support the rezoning of land for predominantly high-density residential and retail land uses on the subject site, particularly in the context of the broader strategic policy framework that has since been released.

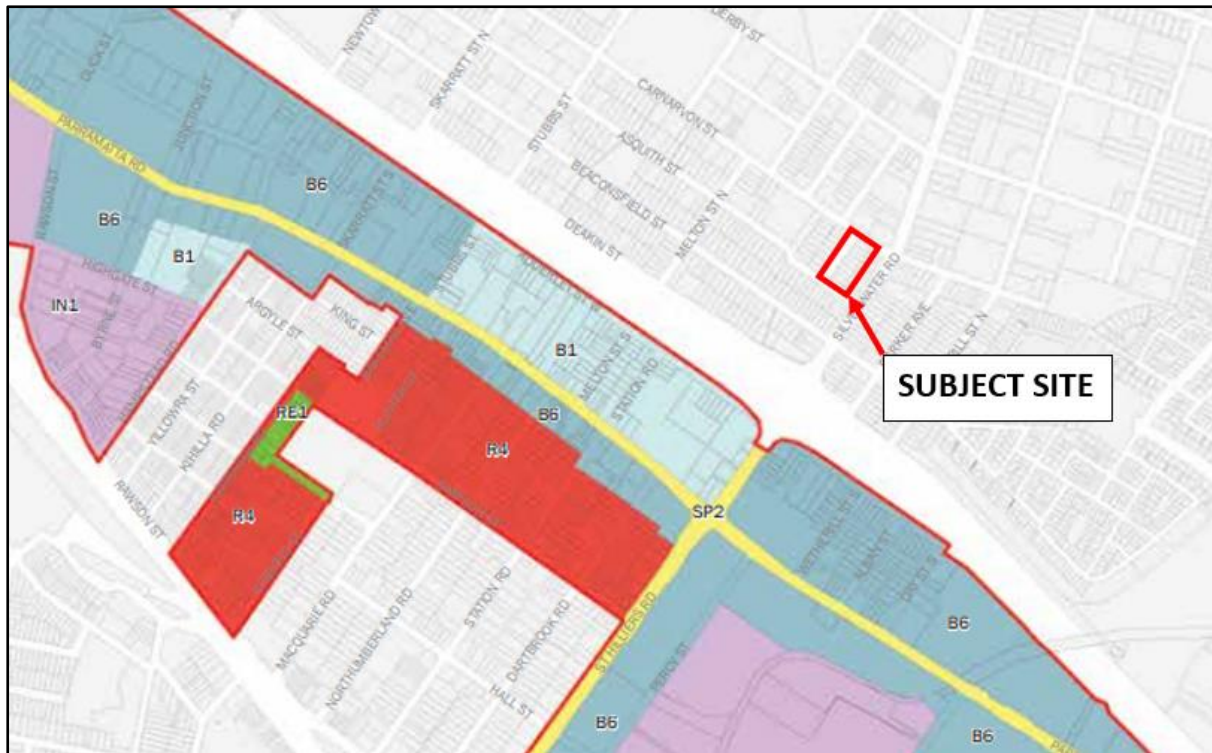


Figure 5: Extract of rezoning plan for the Auburn Precinct (source: Parramatta Road Corridor Urban Transformation Strategy – Planning and Design Guidelines).

Parramatta 2038 – Community Strategic Plan

The Parramatta community strategic plan was released in June 2013, prior to the changes to the local government area boundaries.

The proposal states the rezoning will assist in many of the objectives of the plan as it seeks to support the role of the Silverwater employment centre by providing homes closer to jobs and by providing convenience services and goods to support the daily needs and requirements of employees.

Section 9.1 Ministerial Directions

The planning proposal is consistent with all relevant section 9.1 Directions, except the following:

1.1 Business and Industrial Zones

The Gateway refusal issued in 2014 by the Department stated the previously proposed B2 Local Centre zoning was inconsistent with this Direction as it would reduce the potential floor space for employment-generating uses.

The proposal seeks to address this issue by rezoning the site from B6 Enterprise Corridor to B1 Neighbourhood Centre, making residential flat buildings permissible on the site, with a site-specific clause to include approximately 4000m² of retail/commercial space at the site.

However, it is considered that permitting high-density residential development would undermine the ongoing operation of the Silverwater industrial precinct, rezoning industrial land for residential purposes in the area. This is the case for land adjoining the site, zoned B6 Enterprise Corridor, where land-use conflicts could arise (Figure 6, next page) and where Silverwater Road may compromise residential amenity.

As previously discussed, insufficient strategic merit has been provided to justify the loss of employment land, where retail premises are currently prohibited.



Figure 6: Proposed land zoning of B1 Local Centre (subject site outlined in red)
(source: planning proposal).

Local Planning Panels Direction – Planning Proposals

The planning proposal has not been referred to Council's local planning panel in accordance with the requirements of the Direction. The proposal is inconsistent with this Direction.

State environmental planning policies (SEPPs)

The proposal is consistent with all relevant SEPPs and deemed SEPPs.

SEPP No 55 – Remediation of Land

The proposal includes a phase 1 contamination assessment (**Attachment A5**). Any further redevelopment of the site would require appropriate remediation to occur in accordance with a development application.

SITE-SPECIFIC ASSESSMENT

Social

The potential of the proposal to set a precedent for rezoning further employment lands in the area could, over time, erode a variety of job opportunities for residents in the greater locality and could result in land use conflict with impacts on residential amenity.

Environmental

The proposal is not anticipated to have adverse environmental impacts. The site is not identified with critical habitat or species and has previously been developed for residential development. The site is predominantly clear of vegetation.

Economic

The redevelopment of the site for the proposed residential densities has the potential to impact on the development of surrounding B6 Enterprise Corridor-zoned land for industrial and urban service-related purposes.

The proposal states the rezoning may be ‘a catalyst for further redevelopment within the area’ (**Attachment A**, page 61). The subject site has not been developed for the purposes of the B6 Enterprise Corridor zone and the planning proposal notes the potential of the site to deliver approximately 160 jobs, compared to 122 that may be realised from the current B6 zoning.

The difference is that the jobs proposed to be created under the planning proposal (retail/commercial) differ from the type of jobs that could be created under the existing zoning and, therefore, target a different job market.

The proposal has not sufficiently explored the potential for further employment uses at the site to support the surrounding industrial area, prior to selecting a predominantly residential land use.

Urban design and amenity impacts

The future employment uses of the surrounding B6 Enterprise Corridor, and use of Silverwater Road as a freight road from the Silverwater industrial precinct, may impact on the future residential amenity at the site.

Council’s report and meeting minutes (**Attachments A1–A2**) acknowledge the potential amenity impacts, and Council has resolved to prepare a site-specific development control plan for the site to accompany the proposal. The proposal’s indicative concept plan (**Attachment A3**) does not illustrate how these impacts may be overcome.

The anticipated amenity impacts on both high-density residential development and industrial/urban service uses in such close proximity remain unresolved, especially considering site constraints (e.g. the site’s physical proximity to Silverwater Road and the Silverwater industrial precinct) and the land-use conflicts that are likely to arise.

Traffic assessment

The proposal includes a supplementary traffic impact assessment report (**Attachment A4**). The report has been informed by advice from Roads and Maritime Services (RMS) regarding the proposal and updated to reflect RMS comments. The report advises ‘there is no change to the existing Level of Service at the intersection of Carnarvon Road and Silverwater Road as a result of the development proposal’ and supports the proposal (**Attachment A4**, page 4).

No further comment from RMS was sought as the proposal is not supported on land-use planning grounds

Transport assessment

The proposal notes the closest bus route is approximately 120m from the site with links to Macquarie shopping centre and Auburn railway station. Frequencies are between 20 and 30 minutes at peak times Monday to Friday, then hourly services throughout the day and on weekends. Bus travel times from the site to Auburn railway station are approximately 15-20 minutes.

The proposed use of the site for high-density residential purposes would require investigation into the necessary frequency of public transport to support the proposed densities. Consultation with Transport for NSW would be required to assess the suitability of the bus frequencies to support the level of development.

CONSULTATION

Community

The planning proposal is not supported to proceed to public exhibition.

Agencies

The planning proposal is not supported; therefore, no further agency consultation is required.

TIME FRAME

No time frame is required as the proposal is recommended to not proceed.

LOCAL PLAN-MAKING AUTHORITY

There is no requirement to appoint a local plan-making authority as the proposal is recommended to not proceed.

CONCLUSION

It is recommended that the planning proposal should not proceed and that a Gateway determination be issued that details the reasons why the proposal is not supported, for the following reasons:

- there is no strategic justification to transition the site from employment lands to a mixed-use retail/commercial and residential development;
- the type of employment and jobs generated by the planning proposal would differ from the type of employment that could be generated under the current planning controls;
- there has been no investigation of alternative employment-generating uses that are consistent with the existing zoning;
- the Parramatta Road Corridor Urban Transformation Strategy has identified land to the south of the subject site for retail purposes;
- there is a lack of public transport infrastructure to support the proposed densities;
- that rezoning of the site may set a precedent in the area to rezone further surrounding employment lands to residential; and

- there is a potential land-use conflict between the proposed high-density residential development at the site and the immediately adjoining B6 Enterprise Corridor and IN1 General Industrial-zoned land.

RECOMMENDATION

It is recommended that the Deputy Secretary, Planning Services, as delegate of the Secretary:

1. note that the inconsistencies with section 9.1 Direction 1.1. Business and Industrial Zones and Local Planning Panels Direction – Planning Proposals remain unresolved.

It is recommended that the Deputy Secretary, Planning Services, as delegate of the Minister for Planning, determine that the planning proposal should not proceed for the following reasons:

1. The proposal contains unresolved inconsistencies with the following section 9.1 Directions:
 - 1.1. Business and Industrial Zones; and
 - Local Planning Panels Direction – Planning Proposals.
2. The proposal is inconsistent with the Greater Sydney Region Plan 'Objective 23 Industrial and urban services land is planned, retained and managed', and the Central City District Plan 'Action 49 Review and manage industrial and urban service land'. There is no strategic justification to transition the site from employment lands to mixed-use residential/commercial and the Greater Sydney Commission has confirmed that proposal is inconsistent with the review and manage approach as outlined by the District Plan.
3. There is potential land-use conflict between the proposed high-density residential development at the site and the immediately adjoining B6 Enterprise Corridor and IN1 General Industrial-zoned land.
4. There is a lack of public transport infrastructure to support the proposed densities.
5. It is considered that permitting high-density residential and retail development would undermine the ongoing operation of the Silverwater industrial precinct and set an undesirable precedent for rezoning industrial land for residential purposes in the area.

22/11/2018

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