

EXPLANATORY NOTE

Draft Planning Agreement for 189 Macquarie Street, Parramatta

Prepared in accordance with the requirements of Clause 25E of the *Environmental Planning and Assessment Regulation 2000*

Introduction

The purpose of this Explanatory Note is to provide a summary to support the public exhibition of a draft Planning Agreement (**Planning Agreement**) made pursuant to Section 93F of the *Environmental Planning and Assessment Act 1979 (EP&A Act)*, in relation to a Planning Proposal for the site known as the 'Macquarie Street Carpark' at 189 Macquarie Street, Parramatta.

This Explanatory Note has been prepared jointly by the parties, as required by Clause 25E(3) of the *Environmental Planning and Assessment Regulation 2000 (the Regulation)*.

This Explanatory Note is not to be used to assist in construing the Planning Agreement once it is entered into between the parties.

Parties to the Planning Agreement

The parties to the Planning Agreement are JKN Para Pty Ltd (**Developer**), Toplace Pty Ltd (**Toplace**)*, Jean Nassif (**Nassif**)* and Parramatta City Council (**Council**).

*Note: The Developer and Council are the primary parties to this Planning Agreement. Toplace and Jean Nassif are parties to the Planning Agreement only for the purposes of agreeing to the relevant provisions that vary a separate Project Delivery Agreement which also applies to the Land in relation to the bank guarantee, provision of insurances and responsibility for management of any contamination which may be found on the Land.

Description of the subject land

The Planning Agreement applies to 189 Macquarie Street, Parramatta (Lot 3A DP 322456, Lot 4A DP 322456, Lot 5 DP 7809, Lot 1 DP 128928, Lot 20 DP 706341, Lot C DP 390897 and Lot 1 DP 555756) (**Land**). The Land is commonly known as the 'Macquarie Street Carpark' and is currently owned by Council.

Description of the Planning Proposal

The Land is subject to a Planning Proposal (Council Ref: RZ/7/2013) that seeks to amend the *Parramatta City Centre Local Environmental Plan 2007* to allow for:

- a maximum building height of 91.3m;
- a maximum gross floor area of 36,000m², excluding any space used only for private balconies and communal open space; and
- a maximum gross floor area of 2,750m², for the purpose of communal and private open space areas;

for development on the Land that is the result of an architectural design competition, exhibits design excellence and provides a public car park.

Summary of objectives, nature and effect of the draft Planning Agreement

The objective of the draft Planning Agreement is to secure public benefits associated with the Planning Proposal and future redevelopment of the Land.

The nature and effect of the draft Planning Agreement will involve the following Contributions from the Developer:

- Public Car Park – the delivery of a new public car park to contain at least 650 car spaces, but preferably in excess of 700 spaces, and including electronic signage, to be delivered in accordance with a separate Project Delivery Agreement.
- Road Works and Streetscape Works – installation of a new roundabout at the intersection of Hassall and Wigram Streets and upgrade of parts of Macquarie and Hassall Streets, comprising footpaths and verges.
- Public Thoroughfare - provision of a through-site link with associated landscaping and public art works.

Further to the above, the draft Planning Agreement will also require payment of Section 94A contributions to Council on the whole development, subject to the following two offsets:

- (a) An amount of \$836,352.00 (incl. GST), being the Section 94A contributions for the Public Car Park component of the Development; and
- (b) An amount calculated by multiplying the number of public car spaces delivered that exceeds 650 by \$38,000 (incl. GST) per car space.

Despite any offsets, the final Section 94A contribution payable will be no less than \$1,000,000.

The final amount payable, calculated in accordance with the Planning Agreement, and the offset amounts will be indexed in accordance with the relevant Contributions Plan. However, the minimum amount payable will not be subject to indexation.

Assessment of the Merits of the Draft Planning Agreement

The planning purposes served by the draft planning agreement

In accordance with Section 93F(2) of the EP&A Act, the draft Planning Agreement will provide for transport and other infrastructure and will provide public amenities and facilities by:

- Providing and improving public car parking;
- Increasing the amount of and improving public domain areas;
- Improving pedestrian circulation and creating a safe pedestrian environment; and
- Improving traffic management and flows.

The Contributions to be made by the Developer under the draft Planning Agreement provide a suitable means for achieving these purposes.

How the draft planning agreement promotes the objects of the Environmental Planning and Assessment Act 1979

In accordance with Section 5 of the EP&A Act, the Planning Agreement promotes the Objects of the EP&A Act by:

- Promoting the orderly and economic use and development of land through facilitation of the development of a new public car park as a part of a mixed use development and improvement of the public domain areas in the vicinity of the new development; and
- Encouraging the provision of land for public purposes through facilitation of the design and construction of a new public car park and public thoroughfare with associated landscaping and public art works.

These objects will be achieved through the Contributions to be made by the Developer under the draft Planning Agreement.

How the draft planning agreement promotes the public interest

The draft Planning Agreement is in the public interest as it will facilitate the construction of a new multistorey public car park (with electronic signage), which is in accordance with Council's *Parramatta City Centre Integrated Transport Plan 2009/10 – 2014/15* (May 2010). A key strategy in the Integrated Transport Plan is for Council to instigate the relocation of Long-Stay Commuter Parking from the city centre to new multistorey car parks on the city periphery served by the free Loop bus, including on the subject Land. This parking strategy will reduce traffic congestion in the city centre, improve access to the arterial road network and allow the city to grow by releasing car park spaces on other Council sites (and road network capacity) to support future development.

In addition, the draft Planning Agreement will also provide for the upgrade of Macquarie and Hassall Streets, including footpaths and verges, and also the provision of a new public thoroughfare with associated landscaping and public art works. Further, the draft Planning Agreement will also provide for the installation of a new roundabout at the intersection of Hassall and Wigram Streets, to facilitate improved access into the new public car park. These improvements to publicly accessible areas will enhance traffic flows and pedestrian connectivity in the area.

Whilst the draft Planning Agreement will allow for offsets to the Section 94A contributions payable based on the public benefits to be provided with the Development, the draft Planning Agreement will require the Developer to pay a minimum Section 94A contribution to Council of \$1,000,000, which will go towards the provision of public services and facilities in the Parramatta CBD in accordance with Council's *Civic Improvement Plan*.

How the draft planning agreement promotes elements of Council's charter

In accordance with Clause 25E(2)(d) of the Regulation, Council's charter is provided at Section 8 of the *Local Government Act 1993*. In this respect, the draft Planning Agreement promotes the Council's charter because it will mean Council can:

- Provide adequate, equitable and appropriate services and facilities for the community, in the form of the Contributions from the Developer, as outlined in the draft Planning Agreement – the draft Planning Agreement facilitates the construction of a new public car park, roundabout, street upgrades and public thoroughfare with associated landscaping and public art works.
- Properly manage, develop, protect, restore, enhance and conserve the environment in a manner which is consistent with, and promotes the principles of, ecologically sustainable development – the draft Planning Agreement will facilitate the development of a new multistorey public car park, which is consistent with the sustainable growth of the city centre envisaged in Council's Integrated Transport Plan.
- Effectively plan for, account for and manage the assets for which Council is responsible – the Land is currently an at-grade public car park which is currently owned by Council, the draft Planning Agreement will facilitate the redevelopment of a new multistorey public car park on this site.
- Raise funds for local purposes by the fair imposition of fees – the Planning Agreement will require the payment of a minimum of \$1,000,000 in section 94A contributions to be put towards public infrastructure and facilities in the Parramatta CBD in accordance with Council's *Civic Improvement Plan*.

Whether the agreement, amendment or revocation conforms with Council's capital works program

The Planning Agreement is consistent with Council's capital works program. Delivering the Macquarie Street Carpark is identified as an action in the *Parramatta City Council Corporate Plan 2013/14 – 2016/17*. The project is also identified as a capital project in Council's *Delivery Program 2010-14 & Operational Plan 2012-13*. The public thoroughfare is identified as a desired future pedestrian connection in Council's *Civic Improvement Plan*. Further, upgrades (including paving and street trees) to Hassall and Macquarie Streets are also identified in Council's *Civic Improvement Plan*.

Whether the agreement, amendment or revocation specifies that certain requirements of the agreement must be complied with before a construction certificate, occupation certificate or subdivision certificate is issued

The draft Planning Agreement enables Council to call on the bank guarantee provided under a separate Project Delivery Agreement as security for the works required under the Planning Agreement. This bank guarantee must be lodged prior to the issue of a Construction Certificate for the Development.

Under the terms of the Planning Agreement, the Developer must:

- (i) deliver the Public Car Park accordance with the Milestone Dates set out in a separate Project Delivery Agreement;
- (ii) deliver the Road Works prior to the issue of any Occupation Certificate for the Public Car Park or any part of the Public Car Park; and
- (iii) deliver the Streetscape Works and Public Thoroughfare Works prior to the issue of any Occupation Certificate for any part of the Development constituting the residential tower or part of the residential tower.

Payment of the Section 94A contribution amount, after factoring in the offset amounts (as described earlier in this Explanatory Note), will be required by condition of Development Consent prior to the issue of a construction certificate for the Development, in accordance with the relevant Section 94A Contributions Plan.