

Parramatta City Centre Local Environmental Plan 2007 - 5 to 7 Charles Street and 116 Macquarie Street, Parramatta

Proposal Title : **Parramatta City Centre Local Environmental Plan 2007 - 5 to 7 Charles Street and 116 Macquarie Street, Parramatta**

Proposal Summary : **To amend the planning controls to allow for a residential tower on the site with a minimum of four (4) levels of retail/commercial uses above the basement parking.**

PP Number : **PP_2014_PARRA_007_00** Dop File No : **14/16307**

Proposal Details

Date Planning Proposal Received : **15-Sep-2014** LGA covered : **Parramatta**

Region : **Metro(Parra)** RPA : **Parramatta City Council**

State Electorate : **PARRAMATTA** Section of the Act : **55 - Planning Proposal**

LEP Type : **Spot Rezoning**

Location Details

Street : **5-7 Charles Street**

Suburb : **Parramatta** City : **Sydney** Postcode : **2150**

Land Parcel :

Street : **116 Macquarie Street**

Suburb : **Parramatta** City : **Sydney** Postcode : **2150**

Land Parcel :

DoP Planning Officer Contact Details

Contact Name : **Lillian Charlesworth**

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RPA Contact Details

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DoP Project Manager Contact Details

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Land Release Data

Growth Centre :		Release Area Name :	
Regional / Sub Regional Strategy :	Metro West Central subregion	Consistent with Strategy :	No
MDP Number :		Date of Release :	
Area of Release (Ha) :		Type of Release (eg Residential / Employment land) :	
No. of Lots :	0	No. of Dwellings (where relevant) :	275
Gross Floor Area :	0	No of Jobs Created :	65
The NSW Government Lobbyists Code of Conduct has been complied with : Yes			
If No, comment :			
Have there been meetings or communications with registered lobbyists? : No			
If Yes, comment : The Lobbyist Contact Register was checked on 26 September, 2014.			

Supporting notes

Internal Supporting Notes :	POLITICAL DONATIONS DISCLOSURE STATEMENT Political donations disclosure laws commenced on 1 October 2008. The legislation requires the public disclosure of donations or gifts for certain circumstances relating to the Planning system. "The disclosure requirements under the new legislation are triggered by the making of relevant planning applications and relevant public submissions on such applications. The term relevant planning application means: - A formal request to the Minister, a council or the Secretary to initiate the making of an environmental planning instrument..." Planning Circular PS 08-009 specifies that a person who makes a public submission to the Minister or Secretary is required to disclose all reportable political donations (if any). The regional team is not aware of the Department receiving any disclosure statements for this planning proposal.
External Supporting Notes :	. The site area is 1,932 square metres. . The site has a frontage to Macquarie Street of 21m and a frontage to Charles Street of 83m. . There is currently a two storey commercial building located at 116 Macquarie Street and a two storey commercial building located at 7 Charles Street.

Adequacy Assessment

Statement of the objectives - s55(2)(a)

Is a statement of the objectives provided? **Yes**

Comment : The planning proposal seeks to amend the relevant planning controls to allow for a mixed use development with retail/commercial uses for at least four (4) levels above the basement parking.

Explanation of provisions provided - s55(2)(b)

Is an explanation of provisions provided? **Yes**

Comment : The planning proposal seeks to amend Parramatta City Centre Local Environmental Plan 2007 as follows:

- rezone the land from B3 Commercial Core to B4 Mixed Use zone;
- increase the maximum permissible floor space ratio from 10:1 to 19:1;
- increase the maximum permissible height of buildings from 120m to 136m; and
- insert a clause to require a minimum of four (4) levels of retail/commercial floor space above the basement parking.

Justification - s55 (2)(c)

a) Has Council's strategy been agreed to by the Director General? **No**

b) S.117 directions identified by RPA :

1.1 Business and Industrial Zones

3.4 Integrating Land Use and Transport

* May need the Director General's agreement

4.1 Acid Sulfate Soils

4.3 Flood Prone Land

7.1 Implementation of the Metropolitan Plan for Sydney 2036

Is the Director General's agreement required? **Yes**

c) Consistent with Standard Instrument (LEPs) Order 2006 : **No**

d) Which SEPPs have the RPA identified?

SEPP No 55—Remediation of Land

e) List any other matters that need to be considered :

STATE ENVIRONMENTAL PLANNING POLICY NO 55 - REMEDIATION OF LAND

The proposal is inconsistent with this Policy as it proposes to allow residential development on a site where potentially contaminating uses are permissible. A preliminary contamination investigation has not been undertaken. Should the proposal proceed, it is recommended that a preliminary contamination investigation be undertaken prior to public exhibition.

SECTION 117 DIRECTION 1.1 BUSINESS AND INDUSTRIAL ZONES

Under this Direction, a planning proposal is to:

(A) give effect to the objectives of this Direction;

Comment: The planning proposal is inconsistent with the objective of supporting the viability of identified strategic centres for the reasons provided at (2) below.

(B) not reduce the total potential floor space for employment uses and related public services in business zones; and

Comment: Given that a commercial building would still be permissible and the site specific clause introduces a minimum versus maximum commercial/retail component, the proposal will not reduce the total potential floor space for employment uses.

(C) retain the areas and locations of existing business zones.

Comment: As the planning proposal will remove the B3 Commercial Core zone, it is considered to be inconsistent with this Direction.

The planning proposal is accompanied by "Economic Report" prepared by HillPDA that seeks to justify the inconsistency with this Direction, as follows:

1. the site is not likely to be redeveloped under the existing zoning.

Comment:

(i) The proposal seeks to increase the maximum height and FSR controls for the site and this would assist in improving viability under the existing zone. While this is acknowledged, zoning is only one factor affecting development viability and it is considered that a broader long term view of the development of the CBD must be considered.

(ii) The Economic Report and Viability Assessment do not provide adequate evidence that there is a lack of demand and high vacancy rate for B and C grade commercial floor space.

2. the proposal would yield significant economic benefits to the wider CBD;

Comment:

The proposal may generate adverse economic impacts associated with:

- (i) discouraging existing and future commercial development in proximity to the site.

The viability assessment contains a letter from Cushman & Wakefield (commercial real estate agents) that advises this precinct is not a desirable office location due to the number of adjacent residential towers (located on the opposite side of Charles Street within the B4 Mixed Use zone); and

- (ii) encroachment of further high density residential development into the commercial core, creating an imbalance of land uses that could ultimately transform the CBD into a dormitory city, should current market pressures for residential development prevail. This is a genuine concern given that in the past three years, there have only been two development applications approved for purely commercial buildings in the CBD.

3. the proposal will generate more jobs than the existing site development;

Comment:

A building without a residential component would yield more jobs than both the existing and the proposed development.

4. the site at 1,932sqm in area accounts for a small portion of the total B3 Commercial Core lands and is not considered to be significant for commercial office supply.

Comment:

Although the site is relatively small, it is significant within the context of the CBD core. The Auto Alley redevelopment is not anticipated to contain any B3 zoned land (as per the draft Auto Alley Planning Framework currently on public exhibition) and is to be developed in a way that does not detract from commercial development in the core area. Council's report of 25 August, 2014 highlights the significance of this site as follows:

- (i) a map of site constraints within the commercial core indicates this site is one of the few remaining sites within the CBD with redevelopment potential;
- (ii) 76% of land in the CBD is zoned to allow residential flat buildings, highlighting the importance of those few remaining commercial development sites; and
- (iii) the Economic Report, prepared by HillPDA to support the plan, appears to overestimate the commercial development pipeline in other areas of the CBD (e.g. future commercial floor space at 57, 63 and 83 Church Street and the Auto Alley precinct).

5. there is limited potential to set a precedent.

Comment:

The proposal suggests that a precedent has been set by the number of existing predominantly residential towers in the vicinity, although this does not represent a precedent as the eastern side of Charles Street is zoned B4 Mixed Use. Irrespective, a precedent does exist at the corner of Charles and Hassall Streets where a predominantly residential tower exists within the commercial core area. The western side, where this site is located, is still predominantly commercial and should remain so, to preserve the availability of land for employment generating uses in prime CBD locations.

The planning proposal is also accompanied by a "Viability Assessment" prepared by HillPDA that argues the site is not likely to be redeveloped under the existing zoning.

Comment: The Viability Assessment:

- (a) is based on a hypothetical office building of 18m by 45m (page 12) and a 600sqm floor plate, although the site has an 83m frontage to Charles Street and a maximum length of 90m. Parramatta Development Control Plan 2011 sets a maximum building length of 46m - although this may be varied on a merit basis. Council consultants undertook design testing for the site and found a potential floor plate of 1200-1300 GFA per level could be achieved;
- (b) has not undertaken feasibility modelling on the subject site (page 14) although the cash flow spreadsheet at Appendix A shows a commercial building would not be viable under the existing controls;
- (c) notes that most existing Parramatta CBD buildings in the B or C grade were constructed over 15 years ago (page 14). This suggests that a new B or C grade building may have a competitive advantage given the limited availability of modern office space in this grade; and
- (d) indicates that given the site is not suitable for A grade office space, that B and C grade office space should not be developed as it is less viable.

Inconsistency with this Direction is not considered to be of minor significance and has not been adequately justified in the accompanying Economic Report or Viability Assessment.

SECTION 117 DIRECTION 3.4 INTEGRATED LAND USE AND TRANSPORT

The proposal is consistent with this Direction as the location of housing, employment and retail in close proximity to a range of public transport options will reduce overall travel demand whilst supporting the viability of public transport infrastructure.

SECTION 117 DIRECTION 4.1 ACID SULFATE SOILS

As the site is affected by class 4 and 5 acid sulfate soils, an acid sulfate soils study is required when an intensification of land uses is proposed. As the proposal seeks to almost double the site intensity by increasing the maximum FSR from 10:1 to 19:1, it is considered to be inconsistent with this clause as the relevant study has not been prepared.

The inconsistency, however, is considered to be justified on the basis of minor significance given that page 10 of the Urban Design Report indicates that the site is predominantly affected by class 5 acid sulfate soils. This matter can be addressed further at development application stage.

SECTION 117 DIRECTION 4.3 FLOOD PRONE LAND

The proposal is considered to be inconsistent with this Direction as the site is flood affected, the proposal seeks a significant increase in development of the land and the

proposal is not supported by a floodplain risk management plan.

This inconsistency is justified on the basis of minor significance given that Council staff have assessed that the extent of potential inundation and hazard level are such that this matter may be satisfactorily addressed at the development application stage.

SECTION 117 DIRECTION 7.1 IMPLEMENTATION OF THE METROPOLITAN PLAN FOR SYDNEY 2036

The proposal is inconsistent with this Direction. Refer to the section of this report that addresses consistency with the strategic planning framework.

REQUEST TO WAIVER THE REQUIREMENT FOR A DESIGN COMPETITION

At section 10.2 of the planning proposal, the applicant seeks a waiver, under clause 22D(5) of the Parramatta City Centre LEP 2007, for the requirement to hold a design competition, as part of the plan making process.

Should the proposal proceed, it is recommended that section 10.2 be deleted prior to exhibition of the planning proposal as Council's report dated 25 August, 2014 indicates that the request for an alternate design process was not approved by the Government Architect's Office, on behalf of the Department.

Have inconsistencies with items a), b) and d) being adequately justified? **No**

If No, explain : **Should the proposal proceed, a Gateway condition is recommended to address the consistency of the proposal with State Environmental Planning Policy No. 55 - Remediation of Land.**

Inconsistency with s117 Directions 1.1 - Business and Industrial Zones and 7.1 Implementation of the Metropolitan Plan for Sydney 2036 is not justified and forms the basis for a recommendation that the planning proposal should not proceed.

Mapping Provided - s55(2)(d)

Is mapping provided? **Yes**

Comment : **It is recommended that maps 1 to 3 be amended prior to community consultation to clearly identify the site boundaries.**

Community consultation - s55(2)(e)

Has community consultation been proposed? **Yes**

Comment : **The planning proposal suggests public exhibition for a minimum of 28 days, a notice included in the local paper and Council's website, as well as written notice provided to landowners in the vicinity and key stakeholders.**

Additional Director General's requirements

Are there any additional Director General's requirements? **No**

If Yes, reasons :

Overall adequacy of the proposal

Does the proposal meet the adequacy criteria? **Yes**

If No, comment :

Proposal Assessment

Principal LEP:

Due Date :

Comments in
relation to Principal
LEP :

The Parramatta principal LEP was made in October 2011. This planning proposal may amend either the Parramatta City Centre LEP 2007 or the principal LEP, depending on the timing of the proposed consolidation of these two instruments.

Assessment Criteria

Need for planning
proposal :

In summary, the planning proposal provides the following in support of the proposal (see page 6 of the proposal):

a. it is made in response to proposed changes to the B3 Commercial Core zone that are currently underway as part of the consolidation of the principal Local Environmental Plan with the Parramatta City Centre Local Environmental Plan 2007; and

b. it is consistent with the Metropolitan and relevant regional strategy.

Other reasons given throughout the planning proposal include:

c. due to site constraints and locational attributes, without a rezoning to permit residential use, no further development of this site for commercial uses will take place.

d. the proposed rezoning will not have a negative impact on the overall supply of commercial floor space within Parramatta and that the site is surplus to needs.

Department comment:

It is considered that the planning proposal is not required as:

1. It is considered that the planning proposal is inconsistent with relevant aspects of the Metropolitan and other strategies. This is discussed below under 'Consistency with Strategic Framework.'
2. The site is not genuinely surplus to the commercial needs of the Parramatta CBD;
3. The proposal has not clearly demonstrated that commercial development of the site under current or potential height and FSR controls is unviable; and
5. The proposal seeks to allow residential use on the basis that the site is unattractive for commercial purposes, yet a minimum four (4) levels of commercial and retail use are proposed.

Consistency with
strategic planning
framework :

DRAFT METROPOLITAN STRATEGY FOR SYDNEY TO 2031

The planning proposal indicates that the proposed mixed use zone will support the objectives of the Strategy and a greater residential population in the centre will support the cultural, recreational and transport infrastructure in the centre.

While this is acknowledged, this aim may be more appropriately achieved via a high density residential population on the fringes of the core commercial area, rather than within the commercial core itself.

Commercial development is a key destination for travel and should be focused in the most accessible locations, such as this core CBD site, to;

- maximise the use of public transport; and
- support the viability of CBD business enterprises via maximising patronage from both within the CBD and its wider catchment area.

The proposal is inconsistent with a key aspect of this draft Strategy that indicates the priorities for Parramatta are focused on its strategic significance as the single biggest concentration of employment outside the City of Sydney (page 22). The loss of core business area in the Parramatta centre is inconsistent with the draft Strategy as it fails to maximise the potential for job creation in line with priorities for the Parramatta CBD.

SYDNEY METROPOLITAN STRATEGY 2036

Although the planning proposal is consistent with the Metro Strategy in terms of the provision of additional, well-located and affordable housing, it is considered to also be inconsistent with the Strategy (refer to Appendix 4 of the Strategy), as follows:

- Parramatta is identified as a regional city and as such, it's primary role is to function as a viable economic centre that serves as a significant employment destination with core commercial areas to support employment growth. Rezoning of land from Commercial Core to Mixed Use is inconsistent with this objective; and
- as regional cities are identified as having a walking catchment of 2km, it is considered that residential development to support the business centre should be located within this catchment area, rather than within the commercial core itself.

DRAFT WEST CENTRAL SUBREGIONAL STRATEGY

Although the planning proposal indicates that it is consistent with the Subregional Strategy in terms of increasing densities in centres and near public transport, as well as addressing improved housing mix and affordability, it is considered to be inconsistent with the Strategy in the following manner:

- while some portion of residential development may help to enliven the city centre, Parramatta's primary role as a commercial hub providing a full range of business, government, retail, cultural, entertainment and recreational activities should be preserved (refer to page 62 of the Strategy). A loss of core business area in the centre to a predominantly residential development is inconsistent with this objective of preserving land in the centre to fulfill the city's primary role; and
- page 167 of the Strategy indicates that housing growth associated with regional cities is to occur in non-core areas. The planning proposal is inconsistent with this objective as it seeks to increase residential densities within a core business area of the city.

PARRAMATTA 2038 COMMUNITY STRATEGIC VISION

The planning proposal indicates that appropriate zoning for appropriate sites in appropriate locations will help Council achieve its vision for Parramatta, particularly via a strong residential population within the CBD. Parramatta Council, however, in a report to Council dated 25 August, 2014 indicates that the current residential population of 10,000 persons in the city centre and immediate surrounds will grow by a further 8,000 persons in the short to medium term under recent development approvals and planning proposals underway. Residential development on this site is therefore not required for Council to achieve its vision and it may hinder Council's vision in terms of employment growth.

DRAFT PARRAMATTA CITY CENTRE - PLANNING FRAMEWORK STUDY

This draft study is currently on public exhibition until 19 November, 2014. The study presents an option for community discussion that residential uses be permitted in the commercial core where a minimum of 20,000 sq.m. of office space is built prior to residential occupation and employment uses comprise a minimum of 50% of total floor space.

The proposal is inconsistent with the considerations of the draft study as it proposes only 3,000 sq.m. of non-residential floor space (covering 4 levels of the building), compared with 30,000 sq.m. of residential floor space.

The planning proposal is considered to be inconsistent with the Metropolitan and draft regional strategies in that the applicant's supporting documents (a letter from Cushman & Wakefield in the Viability Assessment) indicate that residential development of this site will make it less attractive to existing and future commercial investment in adjoining properties. This will undermine the primary strategic function of the Parramatta CBD as a viable, employment generating, regional city.

Environmental social
economic impacts :

ECONOMIC - The planning proposal identifies economic benefits including job creation during and post construction and provision of additional, affordable, well located housing. However, this does not take into account future employment benefits associated with the retention of the existing zone.

ENVIRONMENTAL - There are no significant environmental impacts envisaged as the site is within an urban area and already developed.

However, the site is affected by class 4 and 5 acid sulfate soils that will be impacted by excavation for basement car parking and the site is flood affected. While this is the case, it is considered that the potential impacts are of minor significance and may be addressed at development application stage.

TRAFFIC - The site is within 400m walking distance to the Parramatta Railway Station, ferry and bus stops on Charles Street. The traffic generated from up to 290 dwellings on the site is expected to be manageable.

HERITAGE - The planning proposal indicates that the site adjoins a heritage item known as Arthur Philips High School.

Should the planning proposal proceed, it should be amended prior to public exhibition to:

- a) include the correct name and address of the Arthur Phillip High School and indicate whether it is covered by a local, regional or State heritage listing; and
- b) indicate that the site is within the Parramatta Archaeological Unit No 3182.

Further, should the planning proposal proceed, it should be forwarded to the Department of Environment and Heritage for comment.

SOCIAL - It is noted Council's urban design team consider that a building up to 35 storeys on the site may create amenity impacts on the private and public domain given that the

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overall intensity of development is significantly greater than that of immediately adjacent and surrounding land.

Assessment Process

Proposal type : **Inconsistent** Community Consultation Period : **28 Days**

Timeframe to make LEP : **12 months** Delegation : **RPA**

Public Authority Consultation - 56(2) (d) :

Is Public Hearing by the PAC required? **No**

(2)(a) Should the matter proceed ? **No**

If no, provide reasons : **It is recommended that the proposal should not proceed for the following reasons:**

1. The proposal has not been adequately justified.
2. It is inconsistent with relevant aspects of the Draft Metropolitan Strategy for Sydney to 2031.
3. Similarly, it is inconsistent with relevant aspects of the draft West Central Subregional Strategy.
4. It is inconsistent with s117 Directions 1.1 Business and Industrial Zones and 7.1 Implementation of the Metropolitan Plan for Sydney 2036; and
5. A precedent argument (as presented as a supporting factor) is not a compelling reason to continue to erode the core commercial area (and its attributes) and a more strategic approach is required.

Resubmission - s56(2)(b) : **No**

If Yes, reasons :

Identify any additional studies, if required. :

Other - provide details below

If Other, provide reasons :

Should the proposal proceed, a preliminary contamination investigation is required prior to public exhibition to address the requirements of State Environmental Planning Policy No. 55 - Remediation of Land.

Identify any internal consultations, if required :

No internal consultation required

Is the provision and funding of state infrastructure relevant to this plan? **No**

If Yes, reasons :

Documents

Document File Name	DocumentType Name	Is Public
cover letter.pdf	Proposal Covering Letter	Yes
Planning Proposal.pdf	Proposal	Yes
Viability Assessment.pdf	Study	Yes
Planning Proposal, Appendix 2 - Economic Report.pdf	Proposal	Yes
Planning Report, Appendix 1 - Urban Design Report.pdf	Proposal	Yes
Council Report of 25 August, 2014.pdf	Determination Document	No

Planning Team Recommendation

Preparation of the planning proposal supported at this stage : **Not Recommended**

S.117 directions: **1.1 Business and Industrial Zones**
 3.4 Integrating Land Use and Transport
 4.1 Acid Sulfate Soils
 4.3 Flood Prone Land
 7.1 Implementation of the Metropolitan Plan for Sydney 2036

Additional Information : **DELEGATION OF PLAN-MAKING FUNCTION**

Council has advised that it will not exercise its plan making delegations in relation to this planning proposal. Given the regional significance and complex nature of the planning proposal, it is recommended that delegations not be issued in this instance.

Note: the Director, Metropolitan (Parramatta) is of the view that the proposal is outside her Gateway delegation and, in terms of procedure, the proposal is submitted to the LEP Panel for its consideration.

RECOMMENDATION

It is recommended that the matter does NOT proceed.

The reasons supporting the recommendation - not to proceed - are provided under the heading 'supporting reasons' (below).

However, should the Secretary's delegate determine that the proposal is to proceed, it is recommended that:

- the Secretary's delegate forms the view that the inconsistency with section 117 Directions 4.1 Acid Sulfate Soils and 4.3 Flood Prone Land are justified as of minor significance; and further:

- the Planning Proposal proceed subject to the following conditions:

1. Prior to community consultation, the planning proposal is to be amended, as follows:

- (a) include a preliminary contamination investigation as required by State Environmental Planning Policy No. 55 - Remediation of Land;**
- (b) amend Maps 1, 2 and 3 to clearly identify the site boundary;**
- (c) insert the correct name of the Department of Planning and Environment on page 6;**
- (d) amend section 9.4 - Heritage to:**
 - (i) include the correct name and address of the Arthur Phillip High School and indicate whether it is covered by a local, regional or State heritage listing;**
 - and**
 - (ii) indicate that the site is within Parramatta Archaeological Unit No 3182.**
- (e) delete section 10.2 - Intended Design Excellence Outcomes.**

2. Community consultation is required under sections 56(2)(c) and 57 of the Environmental Planning and Assessment Act (EP&A Act) 1979 as follows:

- (a) the planning proposal must be publicly available for a minimum of 28 days;**
- and**
- (b) the relevant planning authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning**

proposals identified in section 5.5.2 of 'A Guide to Preparing LEPs
Department of Planning and Infrastructure 2012).

3. Consultation is required with the following public authorities under
section 56(2)(d) of the EP&A Act:

- Office of Environment and Heritage
- Transport for NSW - Road and Maritime Services
- Transport for NSW - Sydney Trains
- Sydney Water
- Endeavour Energy

Each public authority is to be provided with a copy of the planning proposal and any
relevant supporting material, and given at least 21 days to comment on the proposal.

4. A public hearing is not required to be held into the matter by any person or
body under section 56(2)(e) of the EP&A Act. This does not discharge
Council from any obligation it may otherwise have to conduct a public
hearing (for instance in response to a submission or if reclassifying land).

5. The timeframe for completing the LEP is to be 12 months from the week
following the date of the Gateway determination.

Supporting Reasons :

It is recommended that the proposal does NOT proceed for the following reasons:

1. Adequate need for the planning proposal has not been demonstrated.

This B3 Commercial Core zoned land is not surplus to the commercial needs of the
Parramatta City Centre. The recent draft Parramatta City Centre Planning Framework
Study recommends (page 30) that residential development continue to be excluded from
the Commercial Core zone given that there is limited remaining commercial capacity in
the core to support employment growth and Parramatta's role as Sydney's second CBD.
Furthermore, 76% of land within the Parramatta City Centre currently allows for
residential development within the B4 Mixed Use zone.

2. The proposal is inconsistent with pertinent aspects of both the Sydney Metropolitan
Strategy 2036, the draft Metropolitan Strategy for Sydney to 2031 and Section 117
Direction 7.1 - Implementation of the Metropolitan Plan for Sydney 2036.

The loss of core business area in the Parramatta CBD is inconsistent with these
strategies as it fails to maximise the potential for employment generation in accordance
with Parramatta's primary role as a significant employment destination and the primary
source of employment for Sydney's rapidly expanding western region.

3. The proposal is inconsistent with pertinent aspects of the draft West Central Subregion
Strategy.

With regard to the zoning of regional cities, "a commercial core is recommended for the
most accessible part of the centre, without a residential component. Mixed use zoning is
recommended for areas surrounding the commercial core" (page 167). This proposal is
inconsistent in this regard as it seeks to introduce residential development into the
commercial core.

4. The proposal is inconsistent with Section 117 Direction 1.1 Business and Industrial
Zones.

This Direction requires that the areas and locations of existing business zones be
retained unless justified by a strategy, study or is of minor significance. As indicated
above, the proposal - on balance - is not supported by the relevant Metropolitan, regional
or local strategies, nor is it considered to be of minor significance.

Consideration has been given to the supporting studies entitled "Economic Report" and
"Viability Assessment" and it is considered these studies do not provide adequate

justification for inconsistency with this Direction.

5. The proposal would reinforce a precedent that may erode the primary employment function of the commercial core.

At present, the western side of Charles Street, that marks the fringe of the core commercial area, is relatively intact with the exception of a residential tower on the corner of Charles and Hassall Streets.

The letter by Cushman & Wakefield within the Viability Assessment advises that adjacent residential towers, render a location undesirable for commercial tenants. Given the limited redevelopment sites remaining within the commercial core, the current market pressure for residential redevelopment and the potential impact on the viability and attractiveness of existing adjoining commercial uses.

It is considered that the precedent set should not be a major supporting factor and a more strategic approach is required.

In this regard it is noted that Parramatta Council is in the process of a strategic review of the planning framework for the city center. This review is examining the most suitable mix of land uses to ensure the creation of a modern vibrant city.

Consequently, should it be agreed that the proposal is not to proceed, it is recommended that Council be advised it may care to review the matter following its consideration of the strategic review and, if warranted, adopt a further planning proposal for the site for the Gateway's consideration.

Signature:



Printed Name:

T DORAN

Date:

8/12/14

