

Section 117 Direction 7.3

Parramatta Road Corridor Urban Transformation Strategy

STATEMENT OF BETTER PLANNING OUTCOME



Submitted to City of Parramatta Council
October 2017

Section 117 Direction 7.3 Parramatta Road Corridor Urban Transformation Strategy

(5) Consistency

A planning proposal may be inconsistent with the terms of this Direction only if the relevant planning authority can satisfy the Secretary of the Department of Planning & Environment (or an officer of the Department nominated by the Secretary) that the planning proposal is:

- (a) consistent with the Out of Sequence Checklist in the Parramatta Road Corridor Implementation Plan 2016 – 2023 (November 2016), or*
- (b) justified by a study (prepared in support of the planning proposal) that clearly demonstrates better outcomes are delivered than identified in the Parramatta Road Corridor Urban Transformation Strategy (November 2016) and Parramatta Road Corridor Implementation Plan 2016-2023 (November 2016) having regard to the vision and objectives, or*
- (c) of minor significance.*

Justification for any inconsistency with the terms of the Direction

(a) Out of Sequence Checklist

A number of factors combine to justify inconsistencies with the terms of the Direction. This includes any numerical standards contained within the Parramatta Road Corridor Urban Transformation Strategy (the PRCUTS).

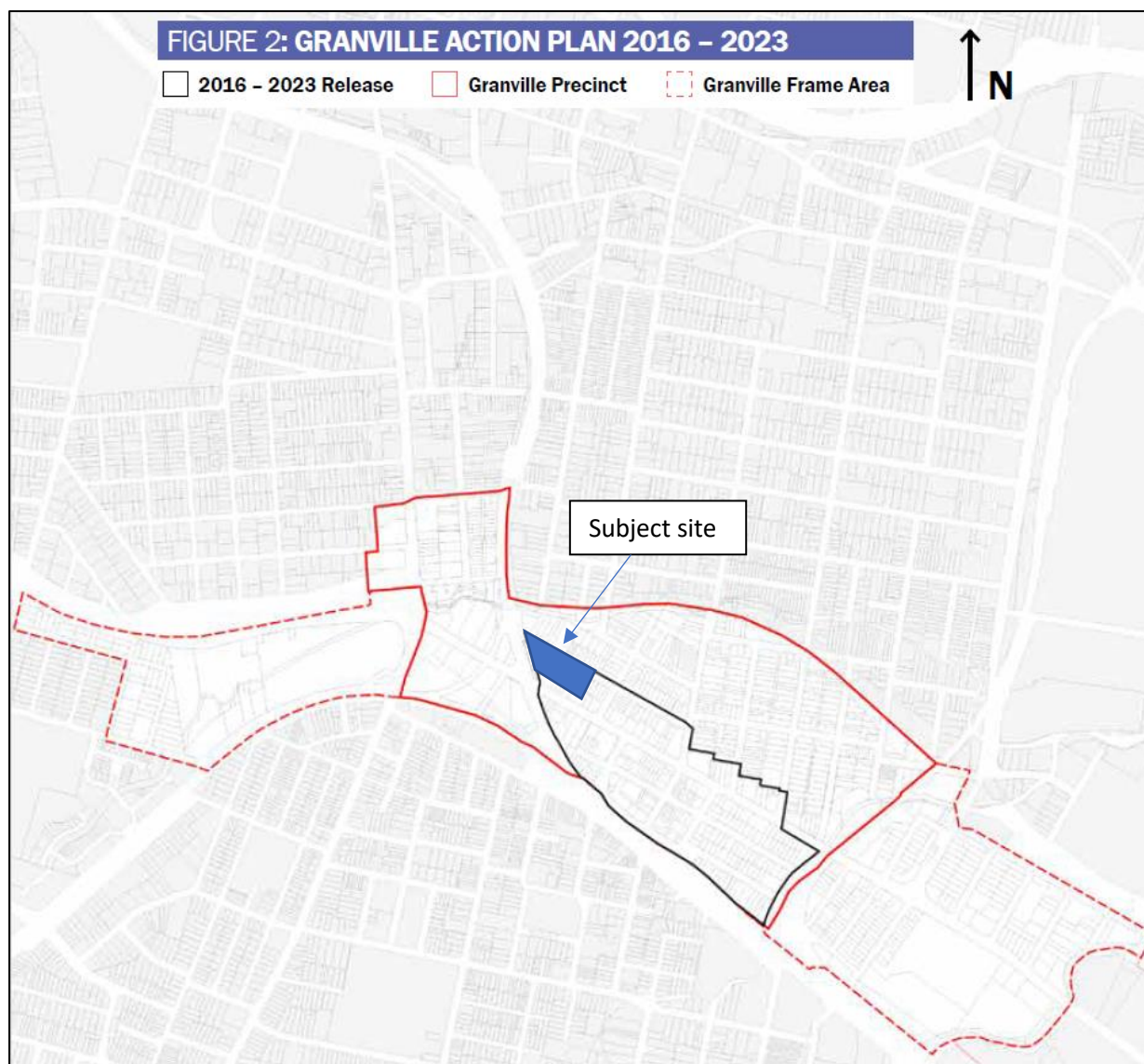
While the planning proposal does facilitate jobs and housing in accordance with the PRCUTS and commences the incremental transformation of the Corridor, the planning proposal does seek different controls to that ‘recommended’ and ‘preferred’ by the Strategy.

While the B4 Mixed Use zone is the same, the maximum building height of 82 metres and the FSR of 6:1 are different to the principle development controls proposed by the Strategy.

The *Parramatta Road Corridor Implementation Plan 2016-2023* provides for proponent led planning proposals or amendments to LEPs. In order to effectively work towards the success of the Strategy, the Implementation Plan provides the framework for the first stage of delivery from 2016 to 2023. While the long term vision projects forward 30 years, actual change will occur incrementally over time: the Plan identifies how change will occur over the next seven years. Thus, a ‘Precinct Release Process’ has been developed to guide the way in which Precincts will be planned and delivered.

In this regard, the subject site is within the area identified for 2016-2023 Precinct release under the Granville Action Plan as can be seen within the Figure on page 2. The planning proposal has also been prepared in accordance with the Action Plan as can be seen in the table on page 2.

Therefore, the planning proposal is within sequencing for the release of the Granville Precinct and the Out of Sequence Checklist in the Parramatta Road Corridor Implementation Plan 2016 – 2023 does not apply.



Granville Precinct Plan 2016-2023	
Timing of release	The subject site is within the 'from 2016' sequencing area within the Granville Precinct and is therefore consistent with the timing of release
Strategic land uses	Under the better planning outcome scenario, the planning proposal will facilitate the delivery of approximately 81,037m ² of residential floorspace (957 units) and 4,190m ² of commercial/retail floorspace. In doing so, the planning proposal presents an opportunity to provide a 3,200sq.m public park on part of the site. The proposed location would be on Victoria Street, which is north facing and assists with transitioning to lower density development to the north. While it provides the obvious benefits of a huge parcel of public open space without the need to acquire land, it will also break up the building mass across the site. The better planning outcome will also deliver dedication of land to assist with road widening along the frontage to Parramatta Road; and dedication of land to Council to facilitate through site links strengthening north south pedestrian movement and connections.

Public Transport	<p>The site is within approximately 390 metres from Granville train station or 500 metres walking distance. Granville station is serviced by three railway lines. The Granville Precinct is also currently serviced by six main bus routes, providing connections to major centres in South West Sydney, Parramatta, Hurstville and Bankstown.</p> <p>Consultation will occur with Transport for NSW in accordance with the Gateway process and the Action Plan.</p>
Active Transport	<p>The planning proposal will complement and support the delivery of new and existing cycle routes. A Green Travel Plan will set targets for alternative transport use and encourage alternate modes by:</p> <ol style="list-style-type: none"> 1. Complying with relevant Council bicycle parking rates and required facilities for the retail/commercial tenancies. 2. Provision of a Transport Access Guide (residents) and a Workplace Travel Plan (employees) outlining the available alternative transport modes. 3. Consideration of car-share facilities. <p>The development of a Green Travel Plan will assist in encouraging travel behaviour change and would be developed at the relevant subsequent planning stages.</p>
Open Space and Recreation	<p>The better planning outcome facilitated by the planning proposal will facilitate a significant piece of public open space and through site pedestrian links in an area identified as having a substantial shortage of open space and recreation areas. While the 6:1 FSR scenario will facilitate an additional 339 apartments than the 4.5:1 FSR scenario, this will be supported by a 3,200sq.m public park on the site. This would not be provided under the 4.5:1 scenario, which would rely on the medium to long term acquisition of land to facilitate a park in accordance with the Strategy to the north of the site. The public park can be delivered in the short term under the 6:1 development scenario.</p>
Community Facilities	<p>The planning proposal will contribute to relevant community facilities listed under the Action Plan. As discussed above, the 3,200sq.m public park will be a significant community asset not only for the future residents of development of the subject site but also for residents within the entire Granville Precinct.</p>
Education Facilities	<p>The planning proposal will contribution towards primary and secondary schools in accordance with the Infrastructure Schedule. Consultation will be undertaken with the Department of Education and Communities in accordance with the requirements of the Gateway determination issued on 15 June 2016.</p>
Health facilities	<p>Consultation with the Department of Health will be undertaken in accordance with the conditions of the Gateway determination issued on 15 June 2016 and the Action Plan. Satisfactory arrangements will be entered into where necessary.</p>
Road Improvements and upgrades	<p>A Traffic Impact Assessment and density comparison analysis has been undertaken in support of the planning proposal. The Assessment concludes that:</p> <p><i>“The reduced yield option, with a 4.5:1 FSR as recommended by the UrbanGrowth strategy documents, will result in approximately 366 and 591 vehicles per hour during morning and evening peak periods.</i></p>

	<p><i>The proposed development scheme, with an FSR of 6.0:1, will result in 278 and 337 vehicle trips per hour.</i></p> <p><i>It is evident that the 6.0:1 scheme results in a reduction in traffic generation of 88 vehicles per hour the AM peak and 254 vehicles per hour for the PM peak period in comparison to the 4.5:1 scheme.</i></p> <p><i>“the proposal is generally consistent with the planning direction for the Parramatta Road urban renewal area and is therefore supportable on traffic planning grounds.”</i></p> <p>Further, allowances have been made in the indicative Concept Plan to assist in achieving the geometric requirements for any road upgrades that may be required in support of redevelopment of the Precinct. This includes increased setbacks to Parramatta Road to aid in the delivery of the right bay duplication from Parramatta Road into Bold Street previously identified, should this be required following finalisation of the Precinct-wide infrastructure improvements. There is no direct nexus between provision of that right turn bay and the subject development, however the development has made allowances for it in the interests of ameliorating the impacts of the wider Granville Precinct redevelopment.</p> <p>Further, under the 6:1 scenario the land will be dedicated to the State to support the widening of Parramatta Road. This would need to be acquired under the 4.5:1 scenario.</p>
Funding framework or satisfactory arrangements	<p>New and upgraded roads, community facilities and open space to be delivered by development and funded through Section 94 contributions, the SIC levy and/or works in kind (satisfactory arrangements). The value of the contribution shall be consistent with the Infrastructure Schedule.</p>

(b) Preparation of a Study in support of the Planning Proposal

Detailed urban design analysis has been undertaken and tested over a number of years to inform the current controls. This has included a resolution of support from the former elected Council, a Gateway determination from the Department of Planning and Environment and Council staff endorsement following massing exercises. These processes all demonstrate that the desired controls will facilitate an acceptable outcome, however assessment of the ability of the proposal to facilitate a better planning outcome in accordance with the S117 Direction is now required.

Notwithstanding the ability of the site and development concept to deliver a better planning outcome, beyond a reduction in housing supply across the entire Parramatta Road Corridor, there is little evidence as to why the controls proposed by the final Strategy are more appropriate than those endorsed by Council, the Department, tested by the proponent, and recommended by the draft Strategy.

In considering the outcome proposed by the Planning Proposal, it is important to consider a number of matters as relevant to the objectives of the S117 Direction and the consistency with the Parramatta Road Corridor Urban Transformation Strategy as follows:

1. Background

The planning proposal was originally lodged with Parramatta City Council on 6 September 2014. It sought to:

- Rezone the subject site from part R3 – Medium Density Residential and Part B6 – Enterprise Corridor, to B4 – Mixed Use.
- Increase the range of maximum building height limits from 11 and 15 metres, to 80 and 96 metres, with potential for an additional ‘bonus’ height of 14 metres, subject to achieving ‘design excellence’.
- Increase the maximum floor space ratio (FSR) range from 0.6:1 and 2.0:1 to 5.25:1, with potential for a ‘bonus’ FSR of 0.75:1 subject to achieving ‘design excellence’.

The draft Parramatta Road Urban Transformation Strategy and associated Urban Design Guidelines were released on 17 September 2015 and publicly exhibited between October and December 2015.

Following concerns with the proposed maximum building height and its alignment with the *draft Parramatta Road Urban Transformation Strategy*, the proposal was amended to a maximum building height of 82 metres (25 storeys) and FSR of 6:1. The Planning Proposal was otherwise generally consistent with the overall intent of the draft Strategy given its built form outcomes. The former elected council subsequently resolved to endorse this planning proposal at its meeting of 14 March 2016.

A Gateway Determination was issued by the Department of Planning and Environment as delegate of the Greater Sydney Commission on 15 June 2016. The Gateway required that the Planning Proposal be amended to include all the land within the block bound by Parramatta Road, Victoria Street, Albert Street and the rail corridor.

Further, the Gateway allowed for a maximum building height of 82 metres for the majority of the site and an FSR consistent with the vision and “*desired built form outcomes of the draft Parramatta Road Urban Design Guidelines*”.

Post Gateway approval, it was agreed between Council and the applicant’s project managers to develop a process to determine if the stated heights and densities of the former Council’s adopted planning policy direction (incorporating the expanded land area as required by the Gateway condition) could be achieved. Built form outcomes were merit tested in a consultative workshop arrangement between the applicant’s design team and the Council’s urban design team during several meetings and review periods between June and October 2016.

The final design was submitted to Council in September 2016 with a formal response of support in October 2016. The Council submitted a revised draft planning proposal to the Department for endorsement to exhibit on 26 October 2016. The planning proposal contained controls of 6:1 and 82metres based off extensive and rigours modelling.

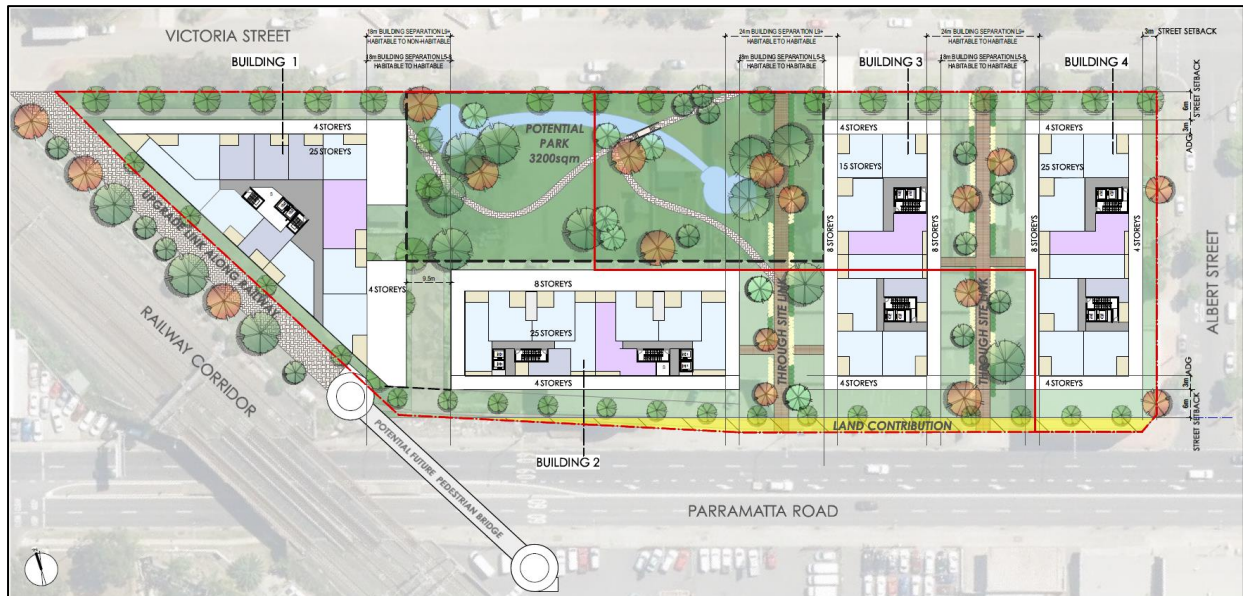
The PRCUTS was launched by the Minister for Planning on 9 November 2016, and the S117 Direction was released on 19 December 2016. The 117 Direction allows for a planning proposal to be inconsistent with the terms of the Direction with the Secretary’s agreement and adequate justification in the form of a better outcome.

The Planning Proposal is generally consistent with the draft Parramatta Road Corridor Urban Transformation Strategy (as exhibited), has been endorsed by the former elected Council, has received a Gateway determination from the Department of Planning and Environment (subject to an appropriate FSR across the block) and has received support from Council staff following extensive testing of built form outcomes in a consultative workshop arrangement. It is therefore considered that given the wholesale support for the controls sought by the Planning Proposal that a better planning outcome can be achieved.

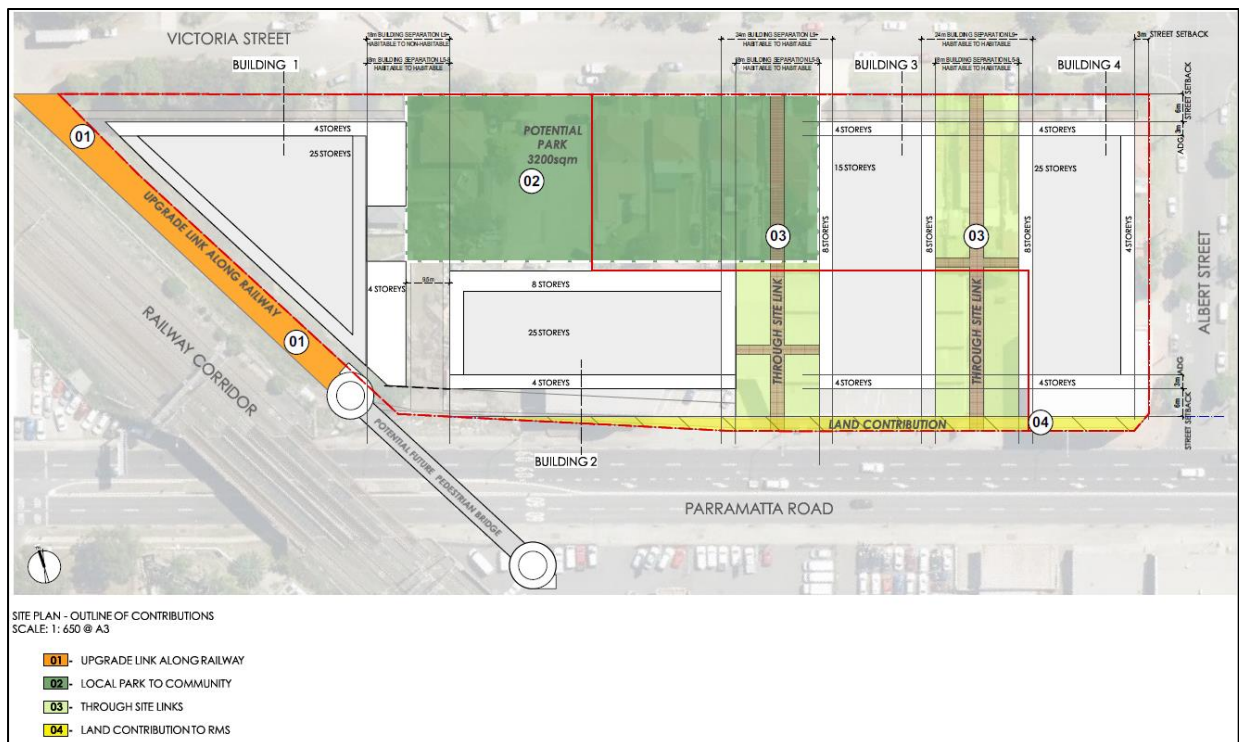
Better Planning Outcome

A better planning outcome has been proposed under a 6:1 FSR and 82 metre height limit scenario. This better planning outcome will include the following:

- Upgrading of link along railway (not formed Duke Street);
- The dedication of a new 3,200sq.m north facing public park;
- The dedication of a 3 metre wide land contribution along Parramatta Road for future road widening;
- Three (3) site through links.



Building Massing Study Site Plan



Better Planning Outcome – Outline of Contributions

The better outcome concept provides for four (4) main buildings including three (3) 25 storey towers and a 15 storey tower above 4 to 8 storey podiums. This is consistent with the Gateway determination that identified a maximum of 25 storey's for the majority of the site. The most westerly building adjoins the railway corridor and is the landmark/signature building on arrival from the west. The orientation of the buildings is designed to provide variation in built form and street address, particularly along Parramatta Road and Albert Street.

This configuration provides the opportunity to dedicate a 3,200sq.m park on the site for the benefit of the community. The PRCUTS identifies a shortage of accessible open space, particularly at the western end of the Granville Precinct. This is discussed under Section 5.3 Opportunities and Constraints on page 76 of the Planning and Design Guidelines. While it is acknowledged that the Strategy identifies 3,000sq.m of land for a public park to the north (corner of Albert Street and Prince Street), it is unlikely that this will be acquired in the short term. Therefore, there is a significant opportunity for the Government to support the provisions of a large north facing park to the benefit of the existing and future community in a location where it already is sought, and where demand will further increase as the population grows.

While the 6:1 FSR scenario will facilitate an additional 339 apartments than the 4.5:1 FSR scenario, this will be supported by a 3,200sq.m public park on the site. This would not be provided under the 4.5:1 scenario, which would rely on the medium to long term acquisition of land to facilitate a park in accordance with the Strategy to the north. The public park can be delivered in the short term under the 6:1 development scenario. This planning outcome will also facilitate the better urban design outcomes associated with reducing the building mass across the site to just four buildings, and providing an outlook and passive surveillance to open space.

Further, under Scenario 1, a 3 metre land contribution along Parramatta Road will be provided to the Government to facilitate road widening, the link along the railway will be upgraded improving movement and connectivity to the north, and three (3) landscaped through site links will be provided (two of which are 24 metres wide) to further improve movement and connectivity as per the vision and objectives for the Granville Precinct under the PRCUTS. It should be noted that these community benefits do not form part of the scheme under Scenario 2. The public benefits are also discussed in more detail in the Statement of Better Planning Outcome as part of the Section 117 Direction justification at Appendix C.

A Traffic Impact Assessment has been undertaken in regards to the proposed 6:1 scenario and a Traffic Generation Assessment of the 4.5:1 scheme which also includes a comparison of traffic impacts under both scenarios. The comparison analysis found:

"The reduced yield option, with a 4.5:1 FSR as recommended by the UrbanGrowth strategy documents, will result in approximately 366 and 591 vehicles per hour during morning and evening peak periods."

"The proposed development scheme, with an FSR of 6.0:1, will result in 278 and 337 vehicle trips per hour."

"It is evident that the 6.0:1 scheme results in a reduction in traffic generation of 88 vehicles per hour the AM peak and 254 vehicles per hour for the PM peak period in comparison to the 4.5:1 scheme."

The comparison analysis subsequently concluded:

"Based on the indicative yields provided, it is evident that the 6.0:1 scheme results in a reduction in traffic generation for both the AM and PM peak periods when compared to the 4.5:1 scheme. In this regard, particularly at a Planning Proposal level of assessment, the traffic generated by the 6.0:1 scheme demonstrates a clear improvement over the 4.5:1 scheme."

Therefore, while the items being offered including the public park and the Parramatta Road setback dedication will facilitate a better planning outcome, it is evident that the concept plan at 6:1 will have a lesser traffic impact on the Granville Precinct than a scheme proposed by the PRCUTS at 4.5:1. Therefore,

a reduced traffic impact will result in a better planning outcome not only for the site but for the Granville Precinct.

The public benefits can be achieved through a variety of mechanisms, including through a Voluntary Planning Agreement including the dedication of land to Council, or a site specific clause that requires the provision of a 3,200sq.m open space on the site. Such mechanism will ensure that the benefits described above will be provided when the site is redeveloped.

Economic Benefits of Proposed Contributions

An Economic Benefits Report has been prepared by PPM Consulting to provide an assessment of the economic benefits of the contributions that the proponent could offer the state and Parramatta City.

Required local government and state government levies have been estimated at around \$22 million for the whole of the site, while the economic value of the contributions under the better planning outcome scenario is likely to be nearly four times this figure.

The lane setback will generate nearly \$11 million in economic benefit (derived from Roads and Maritime Services using the land to build a new right-turn lane into Bold Street), the through links will generate nearly \$17.7 million in value, with the park generating \$61 million in benefits over 50 years.

The Table below, taken from the Economic Benefits Report, details the total economic benefits of all three components. In total, the economic benefit could be expected to be in excess of \$89 million. Most of the benefit is derived from the creation of the new public park, but the creation of the through links and the lane setback also create significant value.

As the required levies have been estimated at \$22 million, the benefits exceed the levies by nearly \$67 million.

	Total
Lane Setback (Scenario 1) (\$)	10,985,395
Through Links (\$)	17,712,000
Park (\$)	60,993,125
Total Benefits (\$)	89,690,520
Required Levies (\$)	22,762,148
Benefits in Excess of Levies (\$)	66,928,372

Total Economic Benefit

2. Planning Outcome

The PRCUTS aims to “*deliver a high quality, multi-use corridor with improved transport choices, better amenity, and balanced growth of housing and jobs*”. It aims to achieve this through seven key principles for transformation as follows:

Principle	Assessment
1. Housing Choice and Affordability	The Planning Proposal will facilitate an additional 957 dwellings on the site, this is 339 more than would be facilitated under the final Strategy. The lower yield is considered a lost opportunity in the context of the need to provide additional supply. Increased supply will assist solve the issue of affordable housing. Dedicated

	<p>affordable housing space can be provided through a negotiated process.</p> <p>Further, background marketing has indicated the ability to provide a more affordable product in Granville than housing within or closer to the City. This will provide greater opportunities for new residents to enter the housing market. This strategy will be further developed throughout the planning and development process.</p> <p>The location of a public park and generous through site links also makes this a more attractive place to live, having immediate access to goods and services, jobs, public transport and open space.</p>
2. Diverse and resilient economy	<p>The site is within a few hundred metres of the Granville town centre. The growth in population will reinvigorate the local economy by supporting businesses and creating new retail areas encouraging a vibrant and creative local economy, supporting job growth and new businesses.</p>
3. Accessible and connected	<p>The site is within 390 metres (500 metres walking distance) of the Granville railway station ensuring the site has access to available rail capacity and optimises future investment in infrastructure. The Planning Proposal supports walking and cycling upgrades and an integrated transport network to support a sustainable community within the site.</p>
4. Vibrant community spaces	<p>The proposal seeks to achieve a high standard of architecture. The building to the west and adjoining the railway line is considered to be an iconic building and a Gateway to the Granville precinct. The link along the railway line will be upgraded as part of the better planning outcome to strengthen pedestrian and cycle links between Granville, Harris Park and Parramatta.</p> <p>The provision of a north facing public park on the site will create a vibrant community space for existing and future residents. The space will be accessible through pedestrian links connecting Parramatta Road and Victoria Street and will be surrounded by ground floor commercial uses such as cafes and restaurants that will activate the buildings and create a vital relationship between built form and urban realm.</p> <p>The site is also well located in proximity to Granville, which connects residents to broader neighbourhoods, community's and centres.</p>
5. Green spaces and links	<p>The site is close to existing (F.S Garside Park to the east) and a proposed open space to the north o the site. As previously discussed, the site as part of a better planning outcome that justifies the inconsistency with the S117 Direction will provide a 3,200sq.m public park on the site. This will support the 957 apartments proposed under the 6:1 FSR and 25 storey scenario. However, the public park and other planning outcomes would not be provided for the 618 apartments under the Strategy identified 4.5:1 FSR and 18 storey height scenario.</p>

6. Sustainability and resilience	<p>The Planning Proposal provides for a green setback to allow for tree planting and a softer transition to Parramatta Road. It also makes it a much more attractive pedestrian environment for people to move around, supported by the through site link.</p> <p>The Planning Proposal will achieve car parking rates identified by the Strategy, however will support green transport through a Transport Plan, encouraging use of nearby cycleways and rail network reducing car dependency.</p>
7. Delivery	<p>The Planning Proposal was originally lodged in 2014 to provide housing supply and job growth prior to the release of the Strategy. It has now been four years since the concept was first proposed, which is a significant delay in the provision of housing in a key location.</p> <p>Notwithstanding, the Planning Proposal has been able to respond and align with the strategic planning framework until recently when the Strategy was finalised. The subject site is within the Precinct release 2016-2023 area and has already received a Gateway determination from the Department of Planning and Environment. The concept has been rigorously tested over a period of time to the satisfaction of all levels of Government. Further assessment will continue during the Part 3 and Part 4 processes. Notwithstanding, the delivery of much needed housing in this location can be realised in the short term with a number of public benefits that create a better planning outcome. The inclusion of a public park and generous through site links also improves the urban design, siting of buildings and development mass that will result on the site and would be evident under a PRCUTS scenario.</p>

The Planning Proposal also aims to contribute to the vision for the Granville Precinct by providing a mix of housing, commercial and retail spaces to activate Parramatta Road, and improve permeability and connectivity through the site:

Vision: *“Granville will be a vibrant, mixed-use town centre celebrating the diversity of the Precinct’s population with a high quality public domain, open space networks and transport links, and with close connections to Sydney’s dual CBD.”*

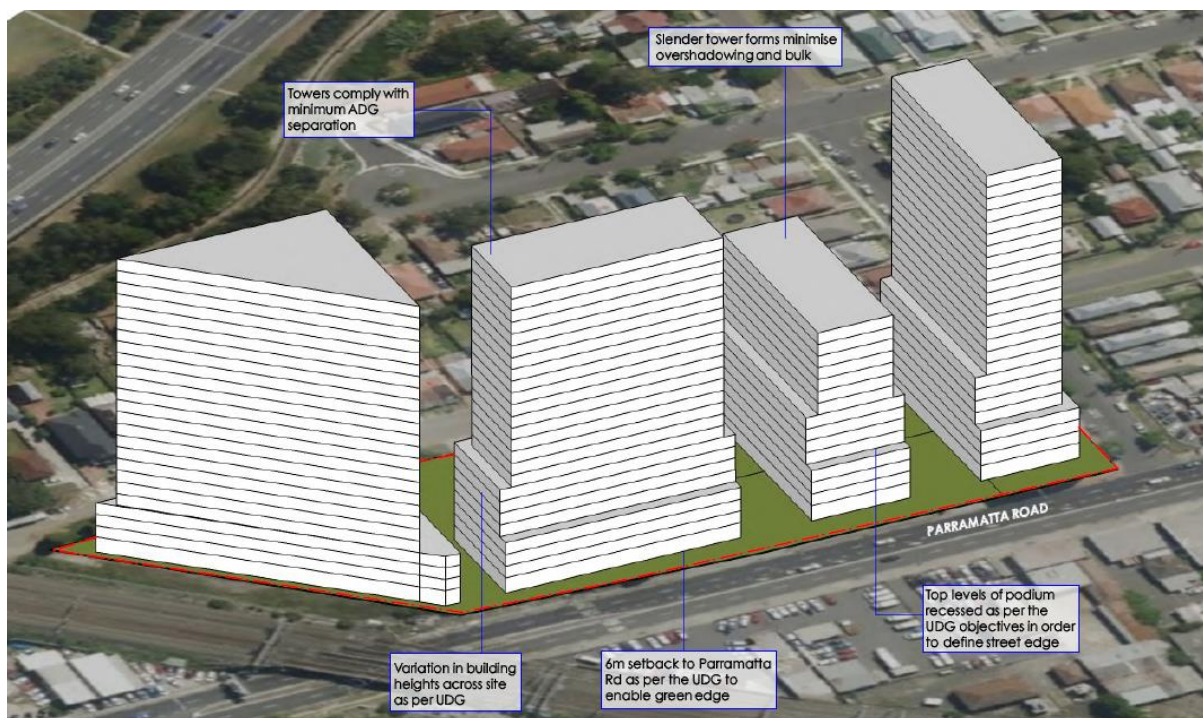
The planning and development concept has therefore been prepared in accordance with the objects of the Strategy and the requirements of the Apartment Design Guide, as follows:

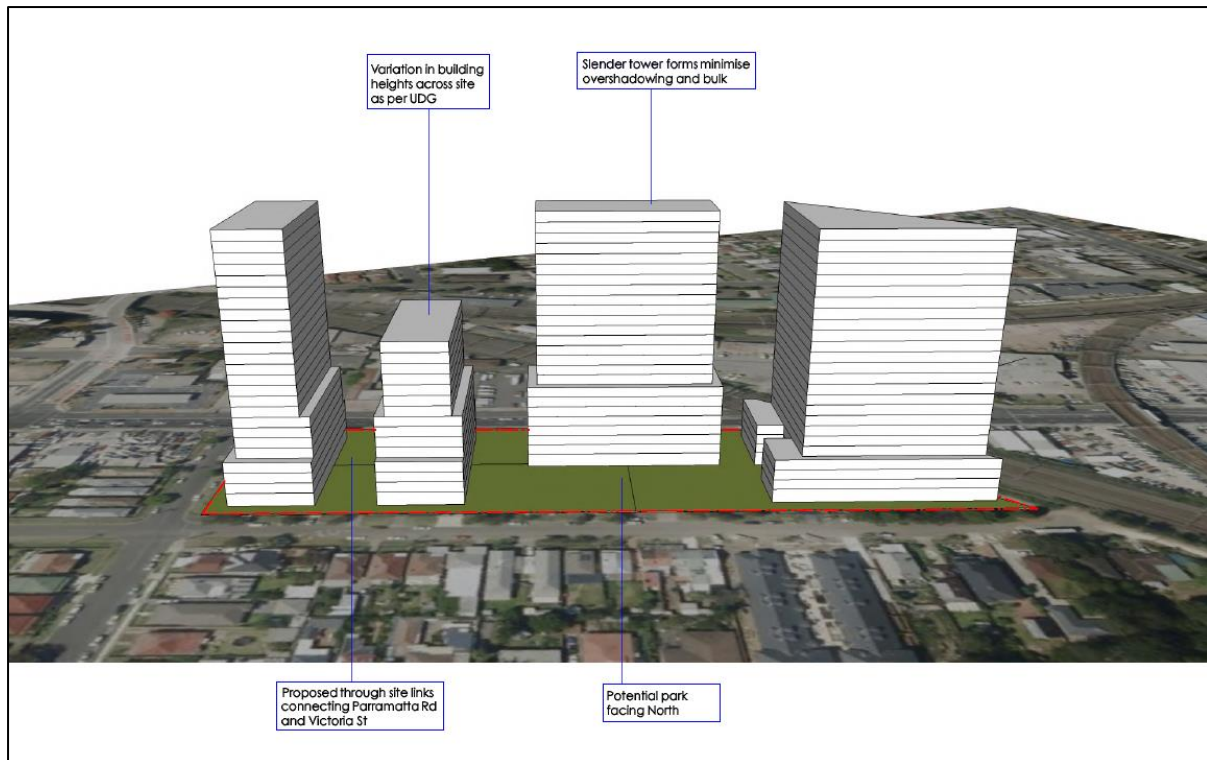
- Define streets through built-form scale that addresses and defines the streetscape
- Develop sites with landscape setbacks
- Limit height on street frontages (4-5 Storeys along Parramatta Road)
- Locate taller building elements away from the street or public domain using setbacks above the low scale street walls or podiums
- Setback a minimum of 4m above lower level streetwall elements
- Provide appropriate setbacks to adjoining development

The site has subsequently been through a rigorous merit based planning and massing exercise at a maximum building height of 25 storeys and an FSR of 6:1. There is no evidence that detailed massing and planning exercises have been undertaken for the controls recommended by the Strategy, which could demonstrate the outcome sought for the site.

The Planning Proposal also recognises the need to respond to future amalgamation patterns, and the planning for the broader block, the incentives associated with the greater height and density and better planning outcomes that can be achieved will assist in the amalgamation of the site and a better development outcome. Further assessment and analysis can be undertaken throughout the Part 3 and Part 4 processes. The Indicative concepts are included below.

The difference between a concept at 4.5:1 and 6:1 is 339 units. This is considered of minor significance in the context of 10,700 units required by 2050. It also supports growth and housing supply on a site capable of delivering in the short term. Other sites within the Precinct have not undergone the same rigor and history as this Planning Proposal has done for this site, which is not as constrained in terms of the amalgamation patterns of other sites and the existing built form. It also has the capability to provide significant public benefit to the existing and new communities.





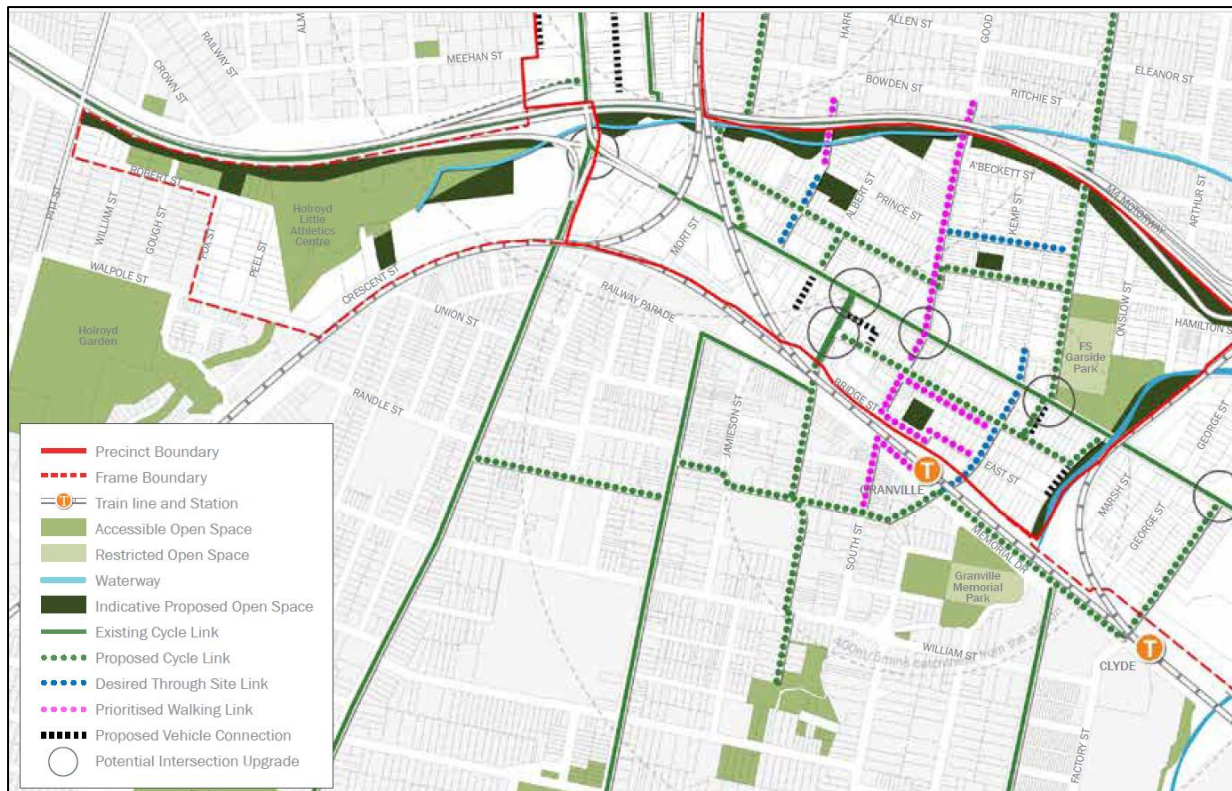
3. Public Benefit

Dedicated public space

The Parramatta Road Corridor Urban Transformation Strategy identified a number of opportunities and desired outcomes in relation to open space, linkages and connections and the public domain:

- enhance north-south connections to increase accessibility to employment, recreation and cultural opportunities in Parramatta CBD
- create a series of new laneways and through links between Parramatta Road and the railway line to increase the permeability of long blocks.
- enhance pedestrian connectivity and safety across Parramatta Road and over the railway line at Granville Station
- improve walking and cycling connections to regional recreation and open space facilities
- reduce car dependency by lowering parking rates in areas with good access to public transport.

In doing so the Strategy seeks to strengthen links and connections in order to improve access to urban spaces, open space, public transport and nearby nodes such as Parramatta; activate building frontages; reinforce key streets; and break up long blocks with new lanes and high quality pedestrianised priority links. The figure below is an extract of the desired 'Open Space and Active Transport' requirements from the Strategy.



Further, the PRCUTS acknowledges a shortage of accessible open space, particularly at the western end of the Granville Precinct (Section 5.3 Opportunities and Constraints, page 76 of the Planning and Design Guidelines). While it is acknowledged that the Strategy identifies 3,000sq.m of land for a public park to the north (corner of Albert Street and Prince Street), this site is fragmented and may not be acquired and delivered to serve residents within this development and nearby in the short term.

The subject site is a long block and forms the entry to the priority release of the Granville Precinct. In recognition of the length of the block, the Planning Proposal seeks to provide three activated through site links to strengthen connectivity between land to the north and Parramatta Road through the site. The laneway would be activated to improve passive surveillance and ensure a safe and desirable environment, with commercial ground floor uses. The dedication of a 3,200sq.m public park will provide an accessible large piece of open space for existing and future residents in the short and immediate term. The proposed park in this location only seeks to provide additional open space for a growing population in a favourable part of the site. It will not affect the potential future acquisition of the open space to the north, but will provide certainty for future residents that there will be open space within the western end of the Granville Precinct.

Therefore, the opportunity to provide public open space on a north facing site in the short term as part of this proposal will benefit new residents and workers as well as the existing community members. Further, it will also break up the building mass of developing significant portions of the site. This is a considerable social and economic benefit to be provided as part of the Planning Proposal.



Indicative visual outcomes sought under the better planning outcome

Affordable Housing

In an interview in March 2017, the Planning Minister reinforced the government's housing strategy was a priority and would be framed around the principles of affordability, choice and growth.

In developing this strategy, the Minister suggested that extra dedicated affordable housing units could be encouraged by allowing developers to build higher, such as allowing developers to build two additional storeys on their developments, with one dedicated to affordable housing.

While dedicated affordable housing – to be rented to key workers at lower market rates – has not been proposed as part of this Planning Proposal, it is an item of public benefit, if considered in the form consistent with the Minister's comments, could be considered during the planning process.

Infrastructure requirements

Correspondence from UrbanGrowth NSW to Council, dated 21 November 2016 states twice that the height and density controls in the Strategy are "*recommended*". UrbanGrowth NSW clearly contemplates

that the heights and densities might be increased by Council in which case UrbanGrowth NSW recommends that Council assess the potential for additional infrastructure that may be required to support the proposal".

During the massing and rigorous site specific planning exercise undertaken by the proponent and in conjunction with the Council, it was identified that to assist in achieving the geometric requirements for any road upgrades that may be required in support of redevelopment of the Precinct, increased setbacks to Parramatta Road to aid in the delivery of the right bay duplication from Parramatta Road into Bold Street may be required. The proponent has accommodated for this scenario in its indicative concept plan, but is under no obligation to provide this land.

Notwithstanding, the need for this provision is recognised, which would provide benefit to the broader precinct. Therefore, the better planning outcome under the proposed 6:1 FSR and 25 storey scenario will dedicate this land to the Government rather than the Government seeking to negotiate a process of acquisition. This will greatly assist resolving infrastructure requirements for the broader precinct by planning and providing for this under the principal development controls sought.

4. Government Policy

Since the then Minister for Planning announced the PRCUTS on 9 November 2016, a new Premier and a new Planning Minister have been appointed following the resignation of the former Premier Mike Baird.

The Hon Gladys Berejiklian MP was sworn in as Premier on 23 January 2017. The Hon Anthony Roberts MP assumed the Office of the Minister for Planning on 30 January 2017.

In her opening address, the Premier confirmed her policy priorities being:

- local infrastructure;
- housing affordability;
- and building a strong economy, with an emphasis on more jobs

In talking housing affordability the Premier has promised to concentrate on boosting housing supply rather than tax reform. In February a cross government working group was established, which would include input from former Reserve Bank of Australia governor Glenn Stevens to assist tackle the problem, although increasing housing supply was still the priority of the NSW Government.

The Planning Minister, who is also the Minister for Housing, has also committed to working across Government to make housing more affordable. NSW is currently struggling with affordability of housing in a state where the Sydney median house price has topped \$1.1 million and where earlier this year the state capital was labelled as the world's second-least affordable city, behind Hong Kong (*US Demographia International Housing Affordability Survey, 2016*).

The Planning Minister in a recent speech also reasserted supply-side measures as the Government's priority in tackling the state's housing affordability crisis. The Minister stated at a major speech in early April that boosting supply, cutting red tape and encouraging innovation were at the core of the Government's whole of system approach to the issue and the key lever to accommodate an additional 2.1 million people over the next 20 years.

Further, in January this year the Prime Minister Malcolm Turnbull clarified his position on housing affordability, being that building more dwellings is the secret to curbing property prices. The Prime Minister commented that *"there is a tendency for people to overlook the fundamental reality that the reason housing affordability has deteriorated is simply because demand has consistently been exceeding supply. We have not been building enough dwellings"*.

This renewed emphasis on supply side solutions to affordable housing has occurred following the release of the Parramatta Road Corridor Urban Transformation Strategy, and since the appointment of a new Premier and Planning Minister for NSW. The Prime Minister and Treasurer continue to press for further housing growth as a solution.

It is in this context that the original controls as exhibited under the Strategy, endorsed by Council and supported by the Department of Planning and Environment at Gateway stage (subject to an appropriate FSR across the block) need to be reconsidered. There is a very real opportunity to meet the objectives of the Government on a large site within walking distance to the Granville train station and well connected to Parramatta and the City of Sydney. While many sites within the Parramatta Road Corridor may be fragmented, contain complex strata ownership or be constrained by heritage items or already developed, the subject site has the ability to provide significant housing growth beyond that identified by the final Strategy.

Therefore, the inconsistency with the Strategy and Section 117 Direction is considered minor in the context of the Government's renewed policy principle to increase housing supply. The subject site is an appropriate location and can be redeveloped in the short term given the amalgamated land ownership pattern.

(c) Is of minor significance

As discussed, this brief has demonstrated that the 'out of sequence' checklist does not apply, and the Planning Proposal achieves a better planning outcome than that recommended by the Strategy. Further, infrastructure improvements can be achieved through the Planning Proposal in accordance with UrbanGrowth NSW comments in relation to additional density and height to that recommended by the Strategy.

Notwithstanding, this brief has also demonstrated that the difference between a concept at 4.5:1 and 6:1 being 339 units, is of minor significance. This is considered of minor significance in the context of 10,700 units required by 2050. It also supports growth and housing supply on a site capable of delivering in the short term.

5. Conclusion

Therefore, it is requested that the Secretary (or delegate) of the Department of Planning and Environment agree to any inconsistency with S117 Direction 7.3 Parramatta Road Corridor Urban Transformation Strategy for the following reasons:

- The Planning Proposal is consistent with the Strategic Vision, Actions and Principles of the Parramatta Road Corridor Urban Transformation Strategy.
- The subject site is identified as being within the Precinct release 2016-2023 and therefore is considered to be 'in sequence' for the purpose of staging of planning proposals and redevelopment.
- The Planning Proposal is consistent with the draft Parramatta Road Corridor Urban Transformation Strategy (as exhibited), has been endorsed by the former elected Council, has received a Gateway determination from the Department of Planning and Environment (subject to an appropriate FSR across the block) and has received support from Council staff following extensive testing of built form outcomes in a consultative workshop arrangement. It is therefore considered that the proposed controls were considered acceptable until the final PRCUTS was released which provided little evidence for the controls proposed by the final Strategy across the site.
- The Planning Proposal (at 6:1 and 82 metres) will facilitate a much better planning outcome as follows:
 - The link along the railway line to the west of the site will be upgraded and embellished to provide a safe and accessible cycle link in accordance with the PRCUTS;
 - The dedication of a 3,200sq.m north facing public park will support and provide open space and recreational opportunities for existing and future residents, noting the shortage of open space identified by the PRCUTS across the Granville Precinct;
 - The dedication of a 3 metre wide land contribution to the Government along Parramatta Road for future road widening, in support of the infrastructure upgrades required in the Precinct; and
 - Three (3) site through links, strengthening north south connections.
- There is an identified shortage of public open space across the Granville Precinct but particularly at the western end. The dedication of 3,200sq.m of public open space will provide a public park in the short term. This will create significant social benefits.
- The dedication of the public park, the dedication of land on Parramatta Road and the through site links will also have significant economic benefits to Council and the State. In total, the economic benefit could be expected to be in excess of \$89 million. As the required levies have been estimated at \$22.8 million, the benefits exceed the levies by nearly \$67 million.
- The 6.0:1 scheme results in a reduction in traffic generation of 88 vehicles per hour the AM peak and 254 vehicles per hour for the PM peak period in comparison to the 4.5:1 scheme. The traffic generated by the 6.0:1 scheme demonstrates a clear improvement over the 4.5:1 scheme. Therefore, a reduced traffic impact will result in a better planning outcome not only for the site but for the Granville Precinct.
- The land dedication to RMS is proposed as part of the FSR 6.0:1 whereas as no such dedication is offered under the 'complying' 4.5:1 scheme. This land dedication has potential to unlock a key piece of the previously identified road network improvements which - when combined with the predicted decrease in traffic generation - is considered to more than offset any minor increase in density on the subject site.
- Since the release of the Strategy a new Premier and a new Planning Minister have been appointed and a renewed emphasis on housing supply has been announced. The Premier has promised to concentrate on boosting housing supply and the Planning Minister has reasserted supply-side measures as the Government's priority in tackling the state's housing affordability crisis. The Planning Proposal therefore presents an excellent opportunity given the extensive work already undertaken and the amalgamated land patterns on a large and significant Gateway site to provide a

significant contribution to the supply of housing within 390 metres (500 metres walking distance) of a major train station.

- Given the NSW Government's emphasis on housing supply, the current Planning Proposal is clearly a better outcome than that recommended by the final Strategy.
- The difference between a concept at 4.5:1 and 6:1 is 339 units. This is considered of minor significance in the context of 10,700 units required by 2050. It also supports growth and housing supply on a site capable of delivering in the short term. Other sites within the Precinct have not undergone the same rigor and history as this Planning Proposal has for this site. It also has the capability to provide significant public benefit to the existing and new communities.
- The proposed FSR and height is no greater than controls recommended for the rest of the Granville Precinct. In fact, the proposed controls are recommended for land directly opposite. The subject site does not contain significant land use conflict and has the capacity to generate landmark towers on entry to the Precinct from the west. Further, the proposed FSR is responsive to that expected in a hierarchy of centres sense, being significantly less than those in the centre of Parramatta, but greater than a centre such as Auburn for example. If the proposed controls are applied to this site however, significantly better outcomes can be achieved for the site as discussed throughout this submission.