

## ECONOMY

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<b>ITEM NUMBER</b>	5.3
<b>SUBJECT</b>	Planning Proposal for land at 38-42, 44 & 44A Wharf Road, Melrose Park, 15-19 Hughes Avenue & 655 Victoria Road, Ermington and 8 Wharf Road, Melrose Park
<b>REFERENCE</b>	RZ/1/2016 - D04734224
<b>REPORT OF</b>	Project Officer Land Use
<b>PREVIOUS ITEMS</b>	8.5 - Outcomes of Public Exhibition of Draft Melrose Park Northern Structure Plan - Council - Development - 12 Dec 2016 6.00pm 7.1 - Draft Structure Plan for 38-40, 42 & 42A Wharf Road, Melrose Park - Council - 22 Aug 2016 6.00pm
<b>LANDOWNER</b>	PAYCE MP DM PTY LTD (38-42, 44 & 44A WHARF ROAD) ERMINGTON GOSPEL TRUST (15 – 19 HUGHES AVENUE & 655 VICTORIA ROAD) JAE MY HOLDINGS PTY LTD (8 WHARF ROAD)
<b>APPLICANT</b>	PAYCE MP DM PTY LTD THE ERMINGTON GOSPEL TRUST JAE MY HOLDINGS PTY LTD

### PURPOSE

The purpose of this report is to seek the Independent Hearing and Assessment Panel's (IHAP) endorsement to forward a Planning Proposal for land at 8, 38-42, 44 and 44A Wharf Road, Melrose Park and 15-19 Hughes Avenue and 655 Victoria Road, Ermington in accordance with the recommendations outlined in this report to the NSW Department of Planning and Environment for a Gateway determination.

### RECOMMENDATION

**That** the IHAP recommend to Council:

- (a) **That** Council endorse the Planning Proposal for land at 38-42, 44 and 44A Wharf Road, Melrose Park, 15-19 Hughes Avenue and 655 Victoria Road, Ermington and 8 Wharf Road, Melrose Park (**Attachment 1**) which seeks to amend the Parramatta Local Environmental Plan 2011 (PLEP) in relation to the subject site by:
1. Rezoning 38-42, 44 and 44A Wharf Road, Melrose Park from IN1 General Industrial and R2 Low Density Residential to a mix of R4 High Density Residential, B4 Mixed Use, B2 Local Centre and RE1 Public Recreation;
  2. Rezoning 15-19 Hughes Avenue and 655 Victoria Road, Ermington from Part SP1 Special Activities and R2 Low Density Residential to R4 Mixed Use; and
  3. Rezoning 8 Wharf Road, Melrose Park from IN1 General Industrial to B4 Mixed Use.
  4. Designate 19, 27, 29 & 31 Hope Street as a deferred matter and rezone from IN1 General Industrial to R4 High Density Residential but retain existing building height and FSR controls.
  5. Amending the applicable maximum building height and FSR controls on

the site subject to the outcomes of the TMAP.

6. Insert a new local provision that includes a minimum non-residential floor space requirement on the site.
- (b) **That** the Planning Proposal be forwarded to the Department of Planning and Environment for Gateway determination.
- (c) **That** the preparation of the TMAP proceed and the outcomes be reported to Council prior to the exhibition of the Planning Proposal to allow Council to endorse the FSR and building height limits to be included in the exhibition material prior to exhibition.
- (d) **That** a site-specific Development Control Plan (DCP) be prepared and reported to Council prior to formal exhibition of the Planning Proposal.
- (e) **That** Council officers proceed with the preparation of an Infrastructure Needs List and subsequent negotiations for a Voluntary Planning Agreement (VPA) with the proponents in relation to the Planning Proposal on the basis that any VPA entered in to is in addition to Section 94A developer contributions payable.
- (f) **That** the site-specific DCP and VPA be publicly exhibited concurrently with the Planning Proposal, should Gateway determination be issued.
- (g) **That** Council advises the Department of Planning and Environment that the CEO will be exercising the plan-making delegations for this Planning Proposal as authorised by Council on 26 November 2012.
- (h) **Further, that** Council authorises the CEO to correct any minor anomalies of a non-policy and administrative nature that arise during the plan-making process.

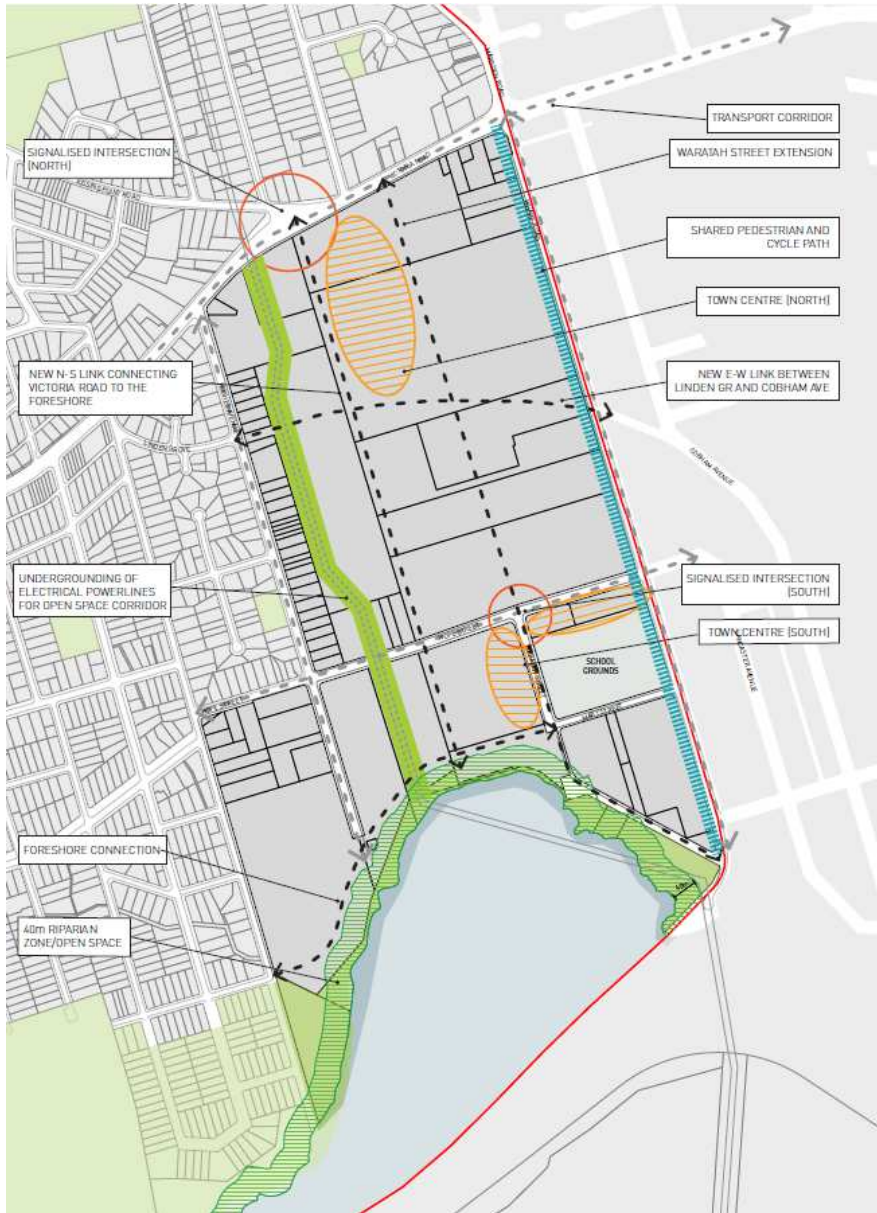
## BACKGROUND

1. Council adopted the Parramatta Employment Lands Strategy (ELS) at its meeting of 11 July 2016, which identified the Melrose Park precinct as being a Structure Plan precinct and suitable for redevelopment for non-industrial uses due to a decline in the pharmaceutical manufacturing industry within the precinct, which had a significant presence within the precinct.
2. In February 2016, PAYCE MP DM Pty Ltd (PAYCE) lodged a draft Planning Proposal and draft Structure Plan for the northern part of Melrose Park.
3. A Structure Plan seeks to set out the vision and principles (e.g. future connections and rationale for the distribution of densities and location of commercial and retail areas and open space) to guide the future redevelopment of a precinct. A Planning Proposal is a formal application to rezone land and / or amend planning controls (e.g. height of buildings and FSR) on a property.
4. Due to the complexity of both the structure plan and planning proposal and the need to establish a development framework and guide for all planning proposals in the precinct, it was decided to place the assessment of the Payce planning proposal on hold and proceed with the assessment of the structure plan in the first instance.

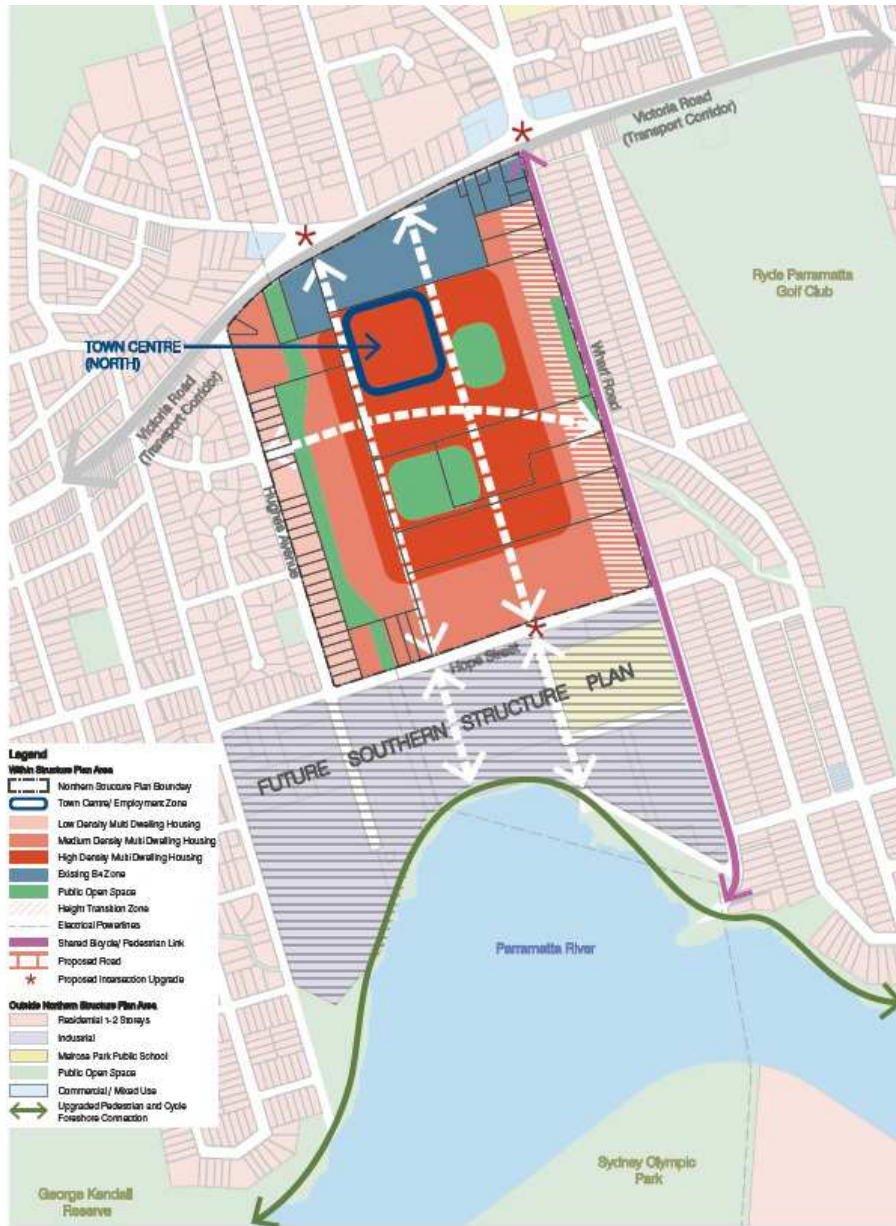
5. In July 2016, Council resolved to consider the structure planning of Melrose Park precinct in two parts (a Northern Structure Plan and Southern Structure Plan), as opposed to one structure plan for the entire precinct (as originally intended in the ELS). This was in recognition of PAYCE's significant landholdings in the northern part of the precinct and the progress of PAYCE's structure plan to date. Furthermore, given the relatively fragmented land ownership pattern in the southern precinct, a separate structure plan could be considered for the southern precinct, subject to cooperation of all landowners.
6. In August 2016, Council resolved to exhibit the draft Northern Structure Plan and supporting documents (refer to Item 7.1 of **Attachment 2**).
7. In December 2016, Council adopted the Melrose Park Northern Structure Plan with minor amendments (refer to Item 8.5 of **Attachment 2**).
8. In March 2017, PAYCE submitted a revised Planning Proposal and supporting documents for land at 39-42, 44 and 44A Wharf Road for consideration.
9. Throughout the preparation of the Northern Structure Plan, redevelopment interest from other landowners increased. During this time, a preliminary planning proposal was received for the site at 15-19 Hughes Avenue and 655 Victoria Road and provided informal feedback from Council officers.
10. However, as the complexity of the northern precinct increased, it was decided that no planning proposals in the northern part of Melrose Park would progress until the Northern Structure Plan has been finalised and landowners were advised accordingly. As a result, the applicant from 15-19 Hughes Avenue and 655 Victoria Road was advised to not make further progress on the future planning proposal at that time.
11. Upon finalisation of the Northern Structure Plan it is now possible to proceed with planning proposals for land in the northern precinct. As a result, two planning proposals have been received for land at 15-19 Hughes Avenue and 655 Victoria Road and 8 Wharf Road.

### **Melrose Park Structure Plan Principles Document & Northern Structure Plan**

12. The Melrose Park Structure Plan Principles Document (refer to **Figure 1**) was developed by Council Officers in response to the complexity of the Melrose Park precinct and increasing developer interest and was endorsed by Council as a consultation document along with the adoption of the ELS in July 2016. The Diagram establishes principles for the precinct that must be taken into consideration by all future planning proposals in Melrose Park and to assist in the assessment of structure plans. This includes, but is not limited to, pedestrian and vehicular connections, open space locations and intersection upgrades.
13. The Northern Structure Plan lodged by Payce applies to all land bound by Victoria Road, Wharf Road, Hope Street and Hughes Avenue and is intended to guide future development in the northern precinct of Melrose Park (refer to **Figure 2**).
14. The ELS identified Melrose Park as a 'Structure Plan Precinct' and The Northern Structure Plan is consistent with the abovementioned Principles diagram and is intended to act as a guide for future development in Melrose Park



**Figure 1.** Melrose Park Structure Plan Principles Document



Melrose Park - Northern Structure Plan  
 SP\_L01 Revision A5  
 February 2017

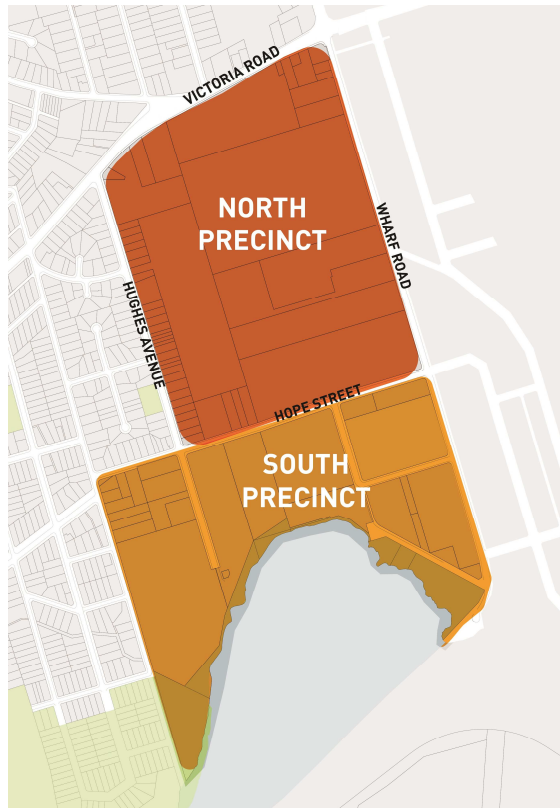


**Figure 2.** Melrose Park Northern Structure Plan

15. The Northern Structure Plan was subject to multiple changes throughout its development. The original version as submitted in February 2016, focused the main employment zone around the Wharf Road / Hope Street (south-east) part of the precinct with it extending the entire length of Hope Street.

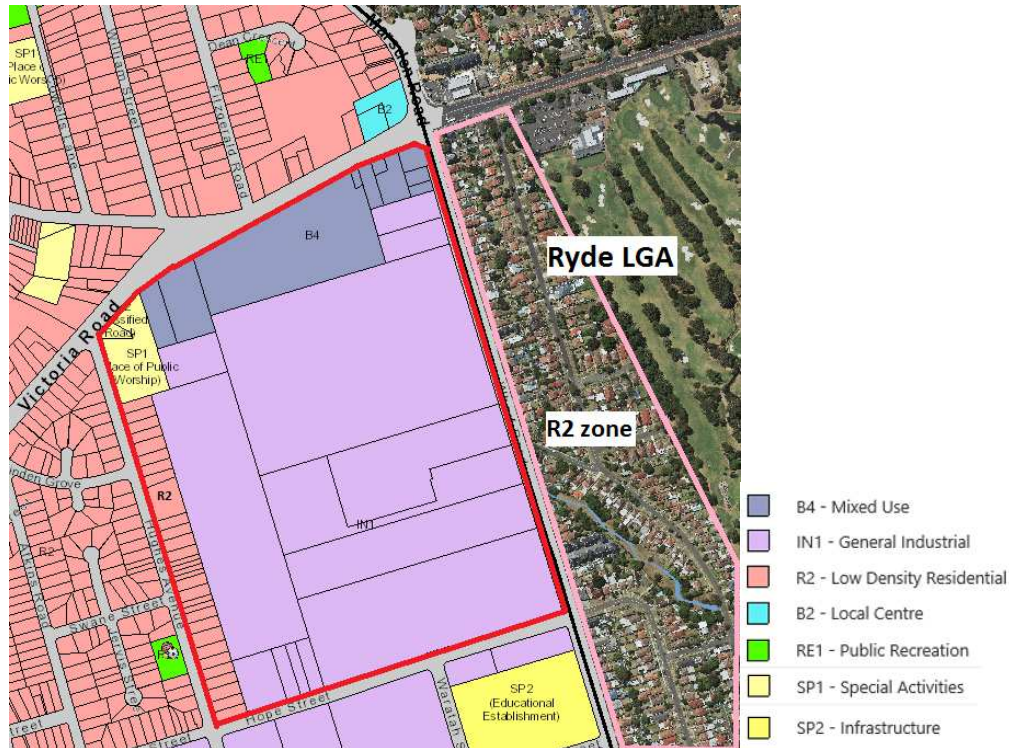
**SITE CONTEXT AND DESCRIPTION**

16. The Melrose Park North precinct comprises of land bound by Victoria Road to the north, Wharf road to the east, Hope Street to the south and Hughes Avenue to the west and is approximately 35 hectares in land area. Refer to **Figure 3** for an image of the northern and southern precinct areas.



**Figure 3.** Location of Melrose Park Northern and Southern precincts

17. The site is located in close proximity to Victoria Road, which is identified as a key strategic transport corridor between the Parramatta and Sydney CBDs.
18. The site is located approximately 2.5km from Meadowbank and West Ryde Railways Stations.
19. West Ryde Town Centre is approximately 2km east of the site and the smaller Ermington centre is approximately 2km to the west. Sydney Olympic Park is within close proximity to the site and provides a range of open space, sport and entertainment facilities.
20. The land use zones that currently apply to the site under *PLEP (2011)* (refer to **Figure 4**):
  - IN1 General Industrial
  - B4 Mixed Use
  - SP1 Special Activities (Place of Public Worship)
  - R2 Low Density Residential



**Figure 4.** Current and surrounding land use zones

21. The Site (outlined in red in **Figure 4**) is heavily developed and consists primarily of industrial buildings with a strip of low density residential and a church on the western side of the site and a portion of B4 Mixed use zoned land along the Victoria Road frontage (659-661 Victoria Road).
22. The Site is surrounded by low density residential uses to the north, west and east (within Ryde Council LGA). Industrial uses occupy land to the south of the site down to the Parramatta River, with the exception of the Melrose Park Public School, which is zoned for special activities (refer to **Figure 4**).

### Heritage

23. The Site includes Heritage Item 311 as listed under Schedule 5 of *Parramatta Local Environmental Plan (LEP) 2011* and is located at 38-42 Wharf Road and the adjacent land at 8 Wharf Road. This item consists of both a stand of Lemon Scented Gums from the 1960s and 1970s that are a representation of industrial landscaping from that era and two moveable items including millstones and a vintage mobile fire pump. Although these two moveable items aren't listed individually as heritage items, they are within the curtilage of Item 311 and therefore need to be taken into consideration. There is no known Aboriginal heritage on the site.

### Flora and Fauna

24. UBM Ecological Consultants has undertaken a preliminary site inspection to determine the ecological values of the site. Landscaping on the site dates back to the mid-1950s when a quasi-native style using broadly Australian plants was popular and aside from the heritage listed lemon-scented gum trees on the Wharf Road frontage, there is no remnant or significant native vegetation (bushland) present on the site.
25. The vegetation on nearby streets and through the suburb has been identified as "urban/exotic", which also applies to the vegetation on the site and planted with a mixture of non-local native trees and shrubs with an exotic understory. Given

the growth rate (60+ years) for the trees on this site it is difficult to determine whether these are naturally occurring or purposely planted.

26. Given the long-term presence of large mature trees on the site it is likely that the habitat supports arboreal mammals (possums), birds and possibly microbats and macrobats (flying fox). It is recommended that a nocturnal fauna survey be undertaken as part of the development application process.

### **Flooding**

27. Technical studies prepared by Northrop and Geotechnique do not identify this site as being flood affected. The site is located approximately 300m north of a tidal reach of Parramatta River but is not affected by mainstream flooding from the main river channel (1% AEP (100ARI) or PMF floods).
28. The site is within Archer Creek catchment, which drains towards the south east and discharges into the Parramatta River. Approximately 6.2ha of residential land drains to the site from the north. In minor events, stormwater discharges to northern and western boundaries of the site. In rare events, overland flow from this area is conveyed east by Victoria Road and then flows around the site through Wharf Road. From here, floodwater enters Jennifer Park floodway and the Ryde-Parramatta Golf Club. Existing residential areas downstream from the site are flood prone.

### **Contamination**

29. Phase 1 investigations have completed by Senversa, GHD, Geotechnique, and DLA Environmental Services for the site. The investigations revealed that due to the existing industrial uses on the site there is the potential for some contamination to be present. It is also acknowledged that while there are no obvious indicators of contamination at surface level, a number of areas will require further investigation and remediation to enable redevelopment for the intended uses. A Phase 2 investigation will be required to be undertaken as part of the development assessment process to establish appropriate management and remediation actions.

### **Traffic access**

30. Key intersections surrounding the site include Victoria Road/Marsden Road/Wharf Road, Victoria Road/Kissing Point Road, Victoria Road/Hughes Avenue (left in/left out) and Hope Street/Hughes Avenue. Currently the site is accessed via Wharf Road and Hope Street.
31. There are a number of identified potential traffic impacts that are associated with the Planning Proposal and these will be addressed in a later section of this report.

### **CURRENT PLANNING CONTROLS**

32. Refer to Table 1 below and the following maps for a summary of the planning controls currently applicable to the entire Melrose Park North precinct.

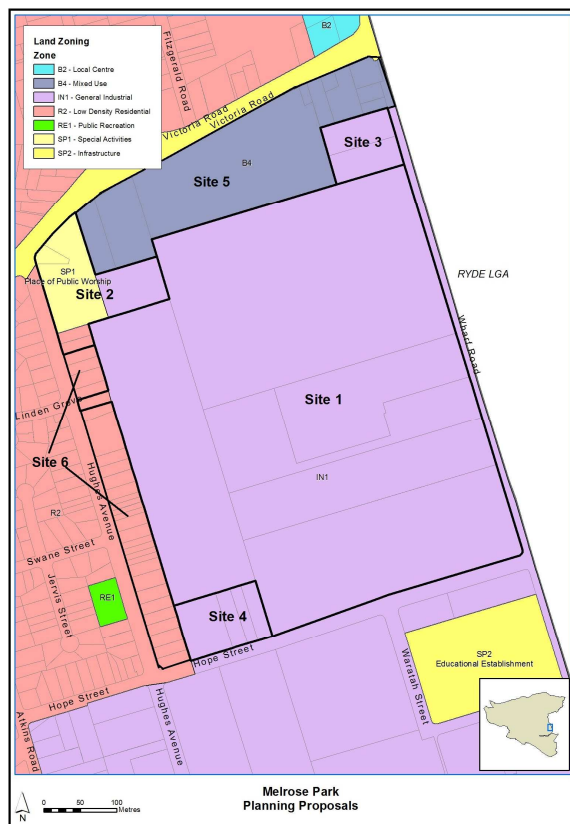
<b>Site</b>	<b>Zone</b>	<b>FSR</b>	<b>HOB</b>	<b>Heritage</b>
1. 38-42, 44 and 44A Wharf Road and 29 Hughes Avenue	IN1 General Industrial and R2 Low Density	1:1	9m & 12m	I311. Stand of lemon-scented gums & two



					moveable items.
2.	15-19 Hughes Avenue & 655 Victoria Road	SP1 Special Uses & R2 Low Density Residential	0.5:1, 1:1 & 2:1	9m, 12m & 28m	Nil
3.	8 Wharf Road	IN1 General Industrial	1:1	12m	1311. Stand of lemon-scented gums & two moveable items
4.	19, 27, 29 & 31 Hope Street	IN1 General Industrial	1:1	12m	Nil
5.	659-661 Victoria Road	B4 Mixed Use	2:1	28m	Nil
6.	21-27 & 31-77 Hughes Avenue	R2 Low Density Residential	0.5:1	12m	Nil

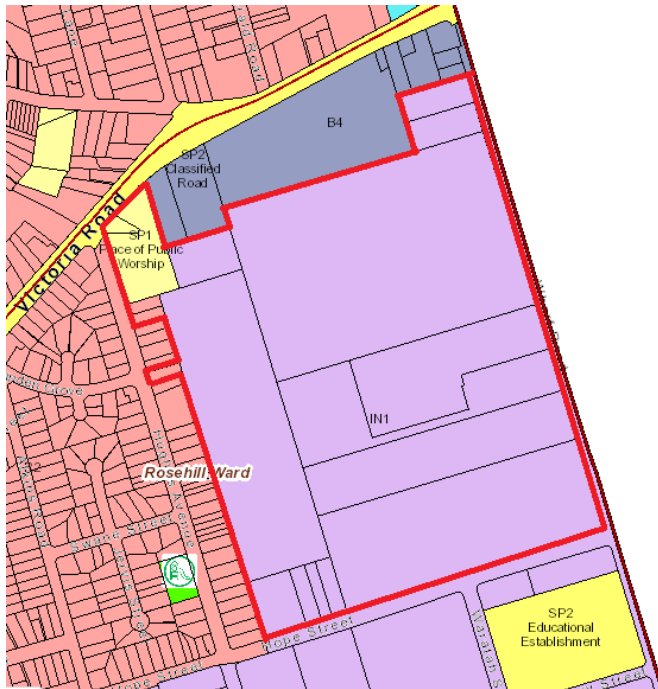
**Table 1.** Summary of current planning controls in the precinct

33. Refer to **Figure 5** showing the location of the six sites within the precinct as mentioned in Table 1 and their current land use zones.

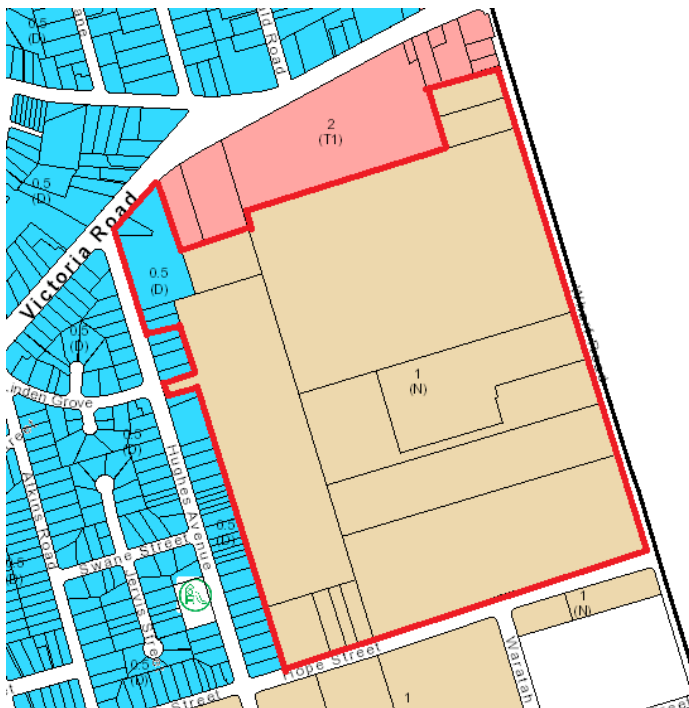


**Figure 5.** Six sites within Melrose Park North

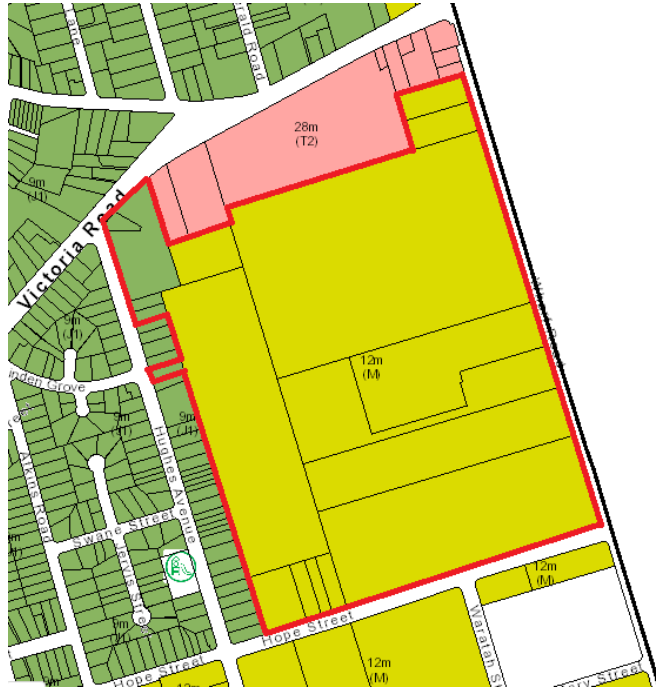
Refer to the Figures 6, 7, 8 and 9 below for the land use zones, FSR, height of building and heritage controls applicable to the Site.



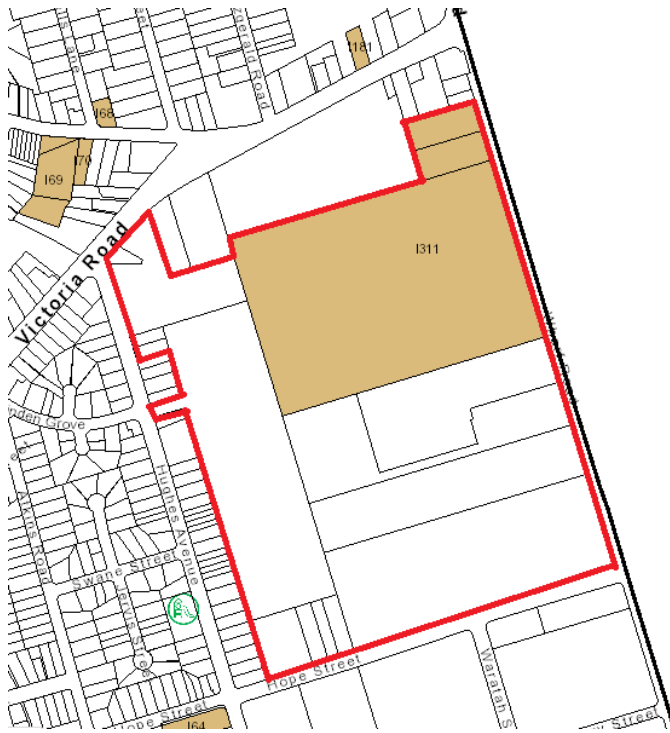
**Figure 6.** Land use zones applicable to the Site.



**Figure 7.** Floor Space Ratios applicable to the Site



**Figure 8.** Height of Building controls applicable to the Site



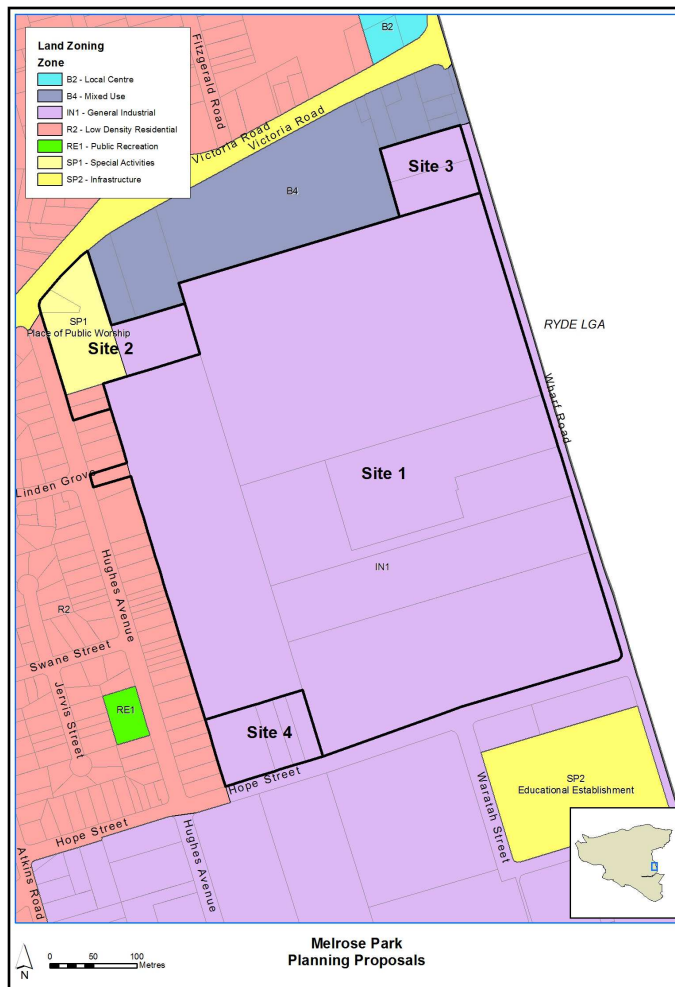
**Figure 9.** Heritage items located within the Site

**THE PLANNING PROPOSALS**

34. Three (3) separate Planning Proposals have been received for properties within the precinct, which relate to sites 1, 2 and 3 as represented in Table 2 above and **Figure 5** above. The sites are under the following ownership:

	Owner	Legal Description
1.	Payce MP DM Pty Ltd (referred to as Payce)	Lot 10 DP 1102001, Lots 11& 12 DP787611, Lot 2 DP 128544, Lot 6 DP 232929 & Lot 1 DP 127769
2.	Ermington Gospel Trust (referred to as the Ermington Church)	Lot 1 DP 399372, Lot 1 DP 588575 & Lots 1 & 2 DP 509307
3.	Jae My Holdings Pty Ltd (referred to as 8 Wharf Road)	Lot 8 & 9 DP 111186
4.	19, 27, 29 & 31 Hope Street	Lot G DP 369480, Lot 7 DP 232929 & Lots E & F DP 376231

**Table 2.** Sites subject to the Melrose Park North Planning Proposal



**Figure 10.** The four sites subject to the Melrose Park North Planning Proposal

35. These planning proposals seek to amend *PLEP 2011* to enable redevelopment for high density residential, and mixed use, commercial and retail and open space (refer to Table 2).
36. These four sites comprise of approximately 28ha of the 35ha northern precinct, which equates to approximately 80%.
37. The status of the remaining properties (see 5 & 6 in Table 1 and **Figure 5**) within the northern precinct are as follows:
- Site 5 – zoned B4 Mixed Use development and is subject to a DA currently being assessed by Council.
  - Site 6 – During the preparation of the Northern Structure Plan, landowners were given the opportunity to provide feedback on the preferred future zone of these properties with the options being the retention of the existing R2 Low Density Residential zone or an uplift to either the R3 Medium Density Residential or R4 High Density Residential zone. While some feedback was received with the preference for a higher density residential zoning, the majority of landowners did not provide an indication and therefore it is recommended Council retain the existing low density zone. Although these properties are included in the Northern Structure Plan, they are not considered to be key sites within the precinct at this stage and do not affect the developability of the remainder of the precinct.
38. A summary of the changes proposed to the planning controls in each of the planning proposals is represented in the Table below.

	38-42, 44 & 44A Wharf Road (Site 1)		15-19 Hughes Avenue 655 Victoria Road (Site 2)		8 Wharf Road (Site 3)		19, 27, 29 & 31 Hope Street (Site 4)	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
<b>Zone</b>	IN1 General Industrial & R2 Low Density Residential	R4 High Density Residential, B4 Mixed Use, B2 Local Centre, RE1 Public Recreation	IN1 General Industrial, R2 Low Density Residential, SP1 Special Uses	R4 High Density Residential	IN1 General Industrial	B4 Mixed Use	IN1 General Industrial	R4 High Density Residential
<b>FSR</b>	0.5:1 & 1:1	1.85:1	0.5:1 & 1:1	1.85:1	1:1	2:1	No change proposed	
<b>HOB</b>	9m & 12m	16m to 72m	9m & 12m	32m	12m	14m & 28m	No change proposed	
<b>Proposed dwelling yield</b>	NA	4,900 (+150 affordable housing units)	NA	367	NA	190	No change proposed	

<b>Open space</b>	NA	Combined total of 8.2ha with over 3.4ha available for public recreation	NA	0	NA	0	No change proposed
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**Table 3.** Summary of current and proposed planning control changes to each site

39. A description of each site and the proposed changes are detailed in **Attachment 4**.

### **APPROACH TO ASSESSMENT**

40. To enable a consistent approach to be taken in the assessment of planning proposals in the Melrose Park precinct, Council officers propose that these three planning proposals be incorporated into one planning proposal, referred to as the Melrose Park North Planning Proposal.
41. While each of the 3 planning proposals have been detailed individually within this report, a combined assessment will be undertaken at a precinct level and will be considered as one planning proposal through the remainder of the planning proposal process.
42. As detailed previously, Sites 1, 2 and 3 have submitted proposals, Site 5 is not subject to this process given the current status of the development application and existing zoning, and Site 6 is not considered influential to the redevelopment success of the broader precinct.
43. Despite no formal planning proposal being received for Site 4, these properties are proposed to be included in the Melrose Park North Planning Proposal. As part of the holistic approach being taken for the northern part of the precinct, land owners detailed above were requested to submit a planning proposal to Council to enable a comprehensive precinct-wide assessment to be undertaken. Despite multiple attempts to gain an understanding of the redevelopment intentions that the four landowners have for these properties, no indication has been provided.
44. As a result, the intended approach for managing this Site is to include it in the Planning Proposal but to designate it as a deferred matter. This will recognise that the Site is being considered for a change in the planning controls but will allow time for the owners of this site to engage with Council on the planning controls for these sites. If the engagement occurs prior to the TMAP being completed it may be possible to have the matter rezoned as part of the Planning Proposal currently being commenced. If the landowner is not willing to engage the site will remain a deferred matter until the owners are willing to work with Council to work out the issues relevant to their site. Whilst the matter is designated a deferred matter the existing industrial zoning and current FSR and Height controls will apply to the site so the owners can continue to operate the activities that are currently permitted under the existing zoning. In this case they effectively retain the right to continue to use the site as they are able to do

now but have a path they can follow when are ready to talk about redevelopment opportunities for their site.

## **ASSESSMENT OF MELROSE PARK NORTH PLANNING PROPOSAL**

45. The Planning Proposal has been prepared in accordance with the NSW Department of Planning and Environment's (DP&E's) *A Guide to Preparing Planning Proposals* and considers the State and local planning strategies. It aligns with the intentions and principles of the broader State Government's metropolitan strategy, *A Plan for Growing Sydney*, draft amendment *Towards Our Greater Sydney 2056*, *Draft West Central District Plan*, *GPOP Vision* and local strategies, *Parramatta 2038* and *Draft Parramatta Ways*. These plans and strategies seek to support Parramatta as Sydney's Central City by increasing housing density and employment opportunities in strategic locations. The Planning Proposal is generally consistent with these objectives.
46. While the Melrose Park precinct is centrally located, it does not benefit from factors that allow it to continue to operate successfully as an industrial precinct in the long term. These factors include having direct access to major arterial corridors, the ability to operate in a conflict-free environment with a sufficient buffer from residential uses, critical mass of land to enable clustering business activities, tenant diversity to minimize vacancy risk and generic buildings that can be easily re-purposed for other uses.
47. Following the recent departure of a number of large business from the precinct, these weaknesses have become more apparent and therefore support the justification for redevelopment.

### **Traffic and Transport Management Accessibility Plan (TMAP)**

48. A Traffic and Transport Study (prepared by AECOM) was submitted by Payce as part of the initial Planning Proposal in February 2016. The findings of this study generally indicated that the existing road network had capacity to cope with the increase in traffic that would result should the planning proposal proceed, providing the required intersection and road upgrades were undertaken as recommended.
49. The Study was reviewed internally by officers in Council's Traffic and Land use planning sections, who raised significant concerns about the potential traffic impacts that would result from the proposed development. In addition, issues were raised regarding the trip generation rates and the sites that were used as comparisons in the Study. These were not thought to be appropriate given their location and proximity to existing centres and transport nodes, including those with heavy rail services, which are two elements that are not applicable to the Melrose Park precinct and Payce-owned site in particular.
50. As a result, the Roads and Maritime Services (RMS) and Transport for NSW (TfNSW) were asked to provide non-statutory advice and comments on Payce's draft proposal to determine the appropriateness of the findings in the AECOM study.
51. Comments received from RMS & TfNSW also raised concerns about the suitability of the comparison sites used in the Study and the trip generation rates and requested that these be reviewed and more appropriate comparison sites be used. In addition, it was requested that a TMAP be prepared after the receipt of the gateway Determination but prior to the exhibition of the Planning Proposal.

52. Traffic impacts are likely to be experienced as a result of the proposed development and increased density. As a result, it was agreed with RMS officers that no planning proposals in the Melrose Park precinct (north or south) would proceed to exhibition until the TMAP was finalised. This is due to the influence that the TMAP outputs would have in determining appropriate densities for the precinct and that it was not possible to proceed with any planning proposals without this information.
53. In the interest of equity for all landowners in the precinct and the need for a transparent process during the preparation of the TMAP, a process involving representatives from both the north and the south has been agreed, so that a joint TMAP would consider the entire precinct (north and south).
54. A TMAP Brief has been prepared and is awaiting approval from RMS and TfNSW. The TMAP will be prepared by SCT Consulting and will involve testing a range of FSRs for the precinct to provide outputs for various density scenarios within the precinct. The FSR range has not been finalised but will likely be in the vicinity of 1.6:1 to 1.85:1 as a result of urban design feedback.
55. The findings of the TMAP will then be used to determine appropriate densities for the Melrose Park precinct and be the endorsed traffic study for all future planning proposals in the precinct.
56. The findings of the TMAP will be reported separately prior to the exhibition of the Planning Proposal.

### **Strategic Planning Context**

57. This planning proposal has been assessed against the relevant local and State strategic policies including Council's Employment Lands Strategy, the Draft West Central District Plan and A Plan for Growing Sydney. Full details of this assessment are contained within Part 3 of the Planning Proposal at **Attachment 1**.

### **Land Use Planning Assessment**

58. During the assessment of the above planning proposals, a number of issues were raised. The two primary issues relate to traffic impacts and the density on the site(s). However, as detailed previously, in order to address and resolve these issues appropriately, a Transport Management Accessibility Plan (TMAP) will be prepared after the Gateway Determination (refer to previous section) is received and prior to the exhibition of the planning proposal, as per the requirements of the RMS/TfNSW. The TMAP will be used to establish appropriate densities for the precinct and these densities will be reported separately prior to the exhibition of the Melrose Park North Planning Proposal.
59. Other aspects of the planning proposal are addressed below.

#### *Open Space*

60. A total of approximately 8.2ha of open space will be provided as part of this planning proposal, which consists of 3.4ha for public use (i.e. parks) and 4.8ha for use only by residents (i.e. private and communal open space within the buildings) throughout the development. Public open space on the site is proposed to be located at five (4) designated areas dispersed throughout the site including the following:



- Wharf Road Gardens on the eastern edge of the site. Intended for passive recreation and will incorporate the heritage listed trees (approximately 3,694m<sup>2</sup>)
- The Common. Adjacent and to the east of the new town centre (approximately 4,024m<sup>2</sup>) for active informal recreation.
- Central Park south of the new town centre. Intended for organised community activities and passive recreation (approximately 13,183m<sup>2</sup>)
- A Pocket Park on the southern edge of the site. Intended for passive recreation use (approximately 2,000m<sup>2</sup>)
- A Landscaped Zone on the western boundary of the site (approximately 11,186m<sup>2</sup>). This area incorporates the high voltage power lines and is therefore limited to what uses what can be undertaken in this space. It is intended to provide a thoroughfare, incorporating a shared cycle and pedestrian path, and also a buffer between the adjacent low density properties on Hughes Avenue. It is also proposed to be used for community gardens and other informal community activities and passive recreation.

Council and landowners are in discussion with Ausgrid (the owner of the power lines) regarding the undergrounding of the power lines as their presence will have a significant impact on the amenity of the open space by users and residents. Should the power lines remain above ground then the ability of this corridor to be considered as true open space and factored into the total provision is questionable.

Nonetheless, an easement will remain over this land regardless of whether the power lines are relocated underground or remain overhead and therefore future development of this land will be limited. It will remain as open space however, its amenity as open space will depend on whether the power lines are located underground.

61. The Design Controls in Section 3.3.2 of the *Parramatta Development Control Plan (DCP) 2011* require a minimum of 10m<sup>2</sup> of community open space per dwelling, which can be achieved through a combination of ground-level public open space and rooftop communal open space.
62. Council's standard benchmark for open space provision requires a minimum of 15% of a site (excluding environmentally sensitive land) within 250m of all high density dwellings to ensure accessible public space offering diverse recreation options is provided. This equates to a minimum of 3.75ha of public open space to be provided within the site. The current Proposal provided 3.4ha of public open space which does not meet the minimum requirement.
63. The Proposed Pocket Park in the southern section of the site is 0.2ha in size, which is not consistent with the DP&E's *Recreation and Open Space Planning Guidelines for Local Government*. These Guidelines specify that local parks are to be at least 0.5ha in size, with 0.3ha generally considered to be the smallest viable size to allow for appropriate use and adaptation to changing community needs. The insufficient size of the pocket park is exacerbated by sharing two boundaries with private development lots which can potentially create a more private feel to a space. It is recommended that this park be reconfigured to achieve a minimum size of 0.3ha.
64. It is also noted that the Common is 0.4ha in size, which is also not consistent with the best practice Guidelines. It is recommended that this space be

increased to achieve a minimum of 0.5ha. In addition, the eastern boundary of this open space fronts a private development and may create future use conflicts and maintenance difficulties. All open space areas should clearly be separated from private areas by a road or lane.

65. To ensure ongoing protection of public spaces, it is considered appropriate that the developer be responsible for all ongoing maintenance of these areas dedicated to Council for a period of 5 years. This will be factored into the VPA negotiations.
66. Council typically requires that a maximum of 50% of a public open space is to be overshadowed between 10am and 2pm during the winter months. The proposed building heights to the north of the proposed open spaces (10 to 18 storeys) will result in significant overshadowing, especially affecting the Pocket Park, and a more detailed analysis is required for all areas of open space showing the shadowing extent at hourly intervals between 9am and 3pm.
67. The Proposal indicates a \$32 million contribution towards the upgrade of the nearby George Kendall Riverside Park to create a regional facility, including a new aquatic centre. This proposal is not supported by Council officers as it would require significant Council funding to implement and lacks consideration of the land contamination and traffic constraints for the site. To more feasibly provide for the sporting and active recreational needs of the community, monetary contributions should be directed at purchasing suitable land off-site and implementing works at George Kendall Riverside Park as identified in Council's Master Plan.
68. It is recommended that the \$1.3 million (of the \$32 million) allocated towards the upgrade of the Parramatta Valley Cycleway (PVC) be redirected to the construction of a separated cycleway on Hope Street, give the PVC is completed.
69. Notwithstanding, given the lack of certainty around density at this stage, a full assessment of the provision of public and private open space will be undertaken in detail once the densities on each site have been determined. In addition, Council is in the process of developing an Infrastructure Needs List for Melrose Park which will identify the required infrastructure for the precinct and determine funding requirements. The provision of public benefits will also be addressed as part of the future VPA negotiations.

*Community facilities, social impacts infrastructure*

70. Council's Social Outcomes team has reviewed the proposal with the key issues raised below. Further detail is provided in **Attachment 5**.

Occupancy rate of 2.1 is lower than the standard rate of 2.33 utilised by Council. This affects the population projection and needs to be revised.

Dwelling Mix - This needs revising to account for the rise in demand of 3+bedroom apartments.

Childcare provision - The number of child care centres (3) proposed on the site is supported and at least one centre should be managed by a community provider.

Community centre - The proposed space of 2000m<sup>2</sup> is supported.

Library - Council supports the provision of a learning space, however funding towards a library should be directed at updating the existing Ermington library to enable a better equipped regional service.

Affordable housing - The intended number of affordable housing units needs to be defined.

VPA – Further consideration and refinement is needed regarding the provision of community infrastructure.

### *Employment*

71. The planning proposal seeks to introduce a mix of land use zones including R4 High Density Residential, B4 Mixed Use, B2 Local Centre and RE1 Public Recreation, which will incorporate and permit the following total floor spaces for employment uses:
  - 10,500m<sup>2</sup> - retail
  - 15,000m<sup>2</sup> - employment
  - 3,000m<sup>2</sup> - community
  - 1,500m<sup>2</sup> - child care
72. The applicant submitted a number of supporting and technical studies with the planning proposal, including an Economic Impact Assessment (prepared by AEC) and Retail Assessment (prepared by Leyshon Consulting) showing that the Melrose Park Precinct has undergone significant change. In 2011, the Precinct employed 2,690 people with more than 70% in manufacturing and 12% in wholesale trade.
73. Since this time, a number of large long term occupiers including Pfizer, Reckitt Benckiser and Big Sister Foods have vacated with these changes representing a 29% loss of jobs by 2011 and a further 40% (414 jobs) reduction by the end of 2016 and is expected to continue to decline in employment.
74. Under the Proposal, it is estimated that the new land uses will provide between 1,478 – 1,873 jobs in the northern part of the site, which represents a net increase of 504-899 jobs, noting that existing jobs will continue to decrease regardless of the rezoning. This represents an average of 1,700 new jobs for the northern part of the site.
75. As detailed previously, a requirement of the ELS is that any new development in the precinct must provide the equivalent number of jobs that could be achieved under the current zoning, which is 2,546 under the existing IN1 General Industrial. The above figures relate only to the northern precinct, with the southern precinct also required to provide for employment generating land uses. However, given the northern precinct is a significant portion of the overall precinct, it is expected that more jobs would need to be provide as part of the northern redevelopment than the southern redevelopment. As a result, there is potentially a shortfall in the number of jobs proposed to be provided within the northern precinct. This will need to be resolved prior to the exhibition of any planning proposal.
76. The Proposal identifies that a total of 30,000m<sup>2</sup> of non-residential floorspace will be provided within the B2 Local Centre zone of the site. To ensure an appropriate amount of non -residential floorspace is provided, it is proposed that an amendment to PLEP 2011 is included specifying the minimum requirement. Further investigations will be conducted to determine the appropriate amount.

### *Urban Design*

77. The Urban Design team raise numerous concerns relating to proposed built form and are summarised in the following key points with additional detail provided in **Attachment 6**.

#### Density

78. The site should be developed at densities that generate heights between 4 -9 storeys and an FSR range between 1.6:1 and 1.85:1 is to be tested both from an urban design perspective and for the purposes of the TMAP.

#### Streets, site interaction and parking

79. Concern is raised over the potential perception of a 'gated' community, through-site connections and block sizes. These need to be revised.

80. On-street car parking is to be accommodated on all streets and basement parking is to be locate within the building zone.

81. Footpath widths need further consideration to ensure appropriateness for the location and adjoining building uses.

#### Open spaces

82. There is to be a clear distinction between all forms of open space, which are to be edged by streets or public access ways. The high voltage power lines on the western boundary should be relocated underground.

83. Solar access to Central Park, the Common and the Pocket Park is not satisfactory and needs further consideration.

#### **Infrastructure Needs / VPA**

84. A Voluntary Planning Agreement (VPA) can be made under section 93F of the EP&A Act and is a voluntary agreement between Council and the developer, under which the developer is required to dedicate land free of cost, pay a monetary contribution or provide other material public benefit, or any combination of these, to be used towards a public purpose. This may be in lieu of a Section 94A development contribution, as a part substitution or an additional benefit.

85. The Act specifies that a public purpose includes the provision of public amenities or public services, the provision of affordable housing, the provision of transport or other infrastructure relating to the land, the funding of recurrent expenditure relating to any of these, the monitoring of the planning impacts of a development and the conservation or enhancement of the natural environment.

86. Council has an adopted VPA policy which sets out the principles governing such agreements, matters that Council will consider in negotiating agreements, steps in the negotiating process, public probity, notification requirements and implementation. The EP&A Act and Regulation sets out the legal and procedural framework for planning agreements.

87. Key principles of Council's policy are that:

- planning decisions will not be bought or sold through planning agreements,
- development that is unacceptable on planning grounds will not be permitted because of the benefits of a planning agreement,
- the benefits of the planning agreement will bear a relationship to the application,
- Council will not give undue weight to a planning agreement when making a decision on a development application, and

- Council will not improperly rely on its position in order to extract unreasonable public benefits under planning agreements.
88. The matter of infrastructure provision and funding within the Melrose Park precinct is being addressed by Council officers, who are in the process of developing an Infrastructure Needs List (INL) for the entire precinct. This INL would be used to inform future negotiations and assessment of existing and future VPA offers to ensure works are identified and provided relative to the density of each site and proposed uplift. This process would adopt a strategic approach at the infrastructure needs of the precinct both at a micro level (e.g. community facilities, public domain upgrades, park embellishment) and macro level (e.g. wider transport infrastructure works that may include upgrades to Victoria Road and surrounding street network). For example, depending on the level of upgrade required at Victoria Road to cater for development at Melrose Park, these works could be contributed towards by a number of land owners given that the such works would benefit the wider precinct rather than one land owner in particular. This assessment would therefore need to be carried out as part of assessing each VPA offer to ensure all land owners seeking uplift are treated equitably with regards to making the appropriate contributions towards infrastructure.
89. Given that this list is intended to inform future VPA negotiations, it is expected that there will also be a degree of flexibility should an applicant/land owner seek to provide infrastructure not identified in this list. It is envisaged that Council would still have the flexibility to endorse such works after it has assessed their appropriateness as part of assessing the VPA offer.
90. Payce has provided a draft INL which identifies high level costing of the works identified as being required in the precinct. This list is currently under review and will be used to inform the final INL developed by Council.
91. To ensure a transparent and equitable approach was taken for infrastructure provision and funding within the precinct, Council officers consulted with landowners regarding the intended approach to the management of this matter. Council officers identified the need to gain agreement from landowners regarding VPAs and all interested landowners agreed to enter in to VPA negotiations as part of any future planning proposals.
92. Landowners who are not willing to enter into a VPA will be required to wait until an appropriate alternative funding mechanism was established, such as a Section 94 Contribution Plan, before proceeding with a planning proposal.
93. All three landowners involved in this planning proposal have submitted a letter of agreement to enter into VPA negotiations.

## **PLAN-MAKING DELEGATIONS**

94. New delegations were announced by the then Minister for Planning and Infrastructure in October 2012, allowing Councils to make LEPs of local significance. On 26 November 2012, Council resolved to accept the delegation for plan-making functions. Council has resolved that these functions be delegated to the CEO.
95. Should Council resolve to proceed with this Planning Proposal (**Attachment 1**), it is intended that Council will be able to exercise its plan-making delegations. This means that once the planning proposal has been to Gateway, undergone public exhibition and been adopted by Council, Council offices will deal directly

with the Parliamentary Counsel Office on the legal drafting and mapping of the amendment. The LEP amendment is then signed by the CEO before being notified on the NSW Legislation website. When the planning proposal is submitted to Gateway, Council will advise the DP&E that it will be exercising its delegation.

## **NEXT STEPS AND CONCLUSION**

96. Should IHAP endorse the Planning Proposal, it will be considered by Council at the next Council meeting in July 2017.
97. The TMAP is required to be completed prior to exhibition of the planning proposal and will inform the density and traffic managements strategies for the precinct. The outcomes of the TMAP will be reported to Council separately prior to the exhibition of the planning proposal.
98. Council officers, in collaboration with landowners, will continue to develop the INL, which will be used to inform the VPA negotiations.
99. A site specific DCP is recommended for the subject site to determine appropriate built form and urban design elements. This will be reported to Council prior to its exhibition.
100. Once a Gateway determination is received (and TMAP finalised), the Planning Proposal will be placed on exhibition and the outcomes of the exhibition reported to Council. The site-specific DCP and VPA should be exhibited concurrently with the Planning Proposal and a report on the outcomes of the VPA negotiations will be reported to Council prior to it being placed on exhibition.

## **ATTACHMENTS:**

<b>1</b>	Planning Proposal for land at 38-42, 44 & 44A Wharf Road, Melrose - Park, 15-19 Hughes Avenue & 655 Victoria Road, Ermington and 8 Wharf Road, Melrose Park (went late to panel members)	67 Pages
<b>2</b>	Previous Council Resolutions (Aug and Dec 2016)	3 Pages
<b>3</b>	Planning Proposals (3) recieved for Precinct (combined attachment)	232 Pages
<b>4</b>	Details of Individual Planning Proposals	3 Pages
<b>5</b>	Social Outcomes Comment	4 Pages
<b>6</b>	Urban Design Comment	5 Pages
<b>7</b>	Strategic Framework Detail	2 Pages

## **REFERENCE MATERIAL**

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