

ECONOMY

ITEM NUMBER	9.3
SUBJECT	Planning Proposal for land at 142 - 154 Macquarie Street, Parramatta
REFERENCE	RZ/15/2014 - D03484311
REPORT OF	Project Officer Land Use

PURPOSE:

To seek Council's endorsement to forward a planning proposal to increase the maximum building height and FSR controls and introduce two site specific clauses on land at 142 – 154 Macquarie Street, Parramatta (the former Cumberland newspaper site) to the Department of Planning and Environment for Gateway determination.

RECOMMENDATION

- (a) **That** Council endorses the planning proposal at Attachment 2 to increase the building height to 157 metres and floor space ratio to 7:1 and introduce two site specific clauses at 142 – 154 Macquarie Street, Parramatta and forwards it to the Department of Planning and Environment for Gateway determination.
- (b) **That** Council grant delegated authority to the CEO to make any minor amendments and corrections of an administrative and non-policy nature that may arise during the plan making process.
- (c) **That** a site specific DCP be reported to Council prior to formal exhibition of the planning proposal.
- (d) **That** Council proceed with negotiations on a Voluntary Planning Agreement (VPA) with the applicant in relation to the planning proposal on the basis that any contribution in a VPA would be in addition to Section 94A contributions payable for the development.
- (e) **Further, that** delegated authority be given to the CEO to negotiate the VPA on behalf of Council and that the outcome of the negotiations be reported back to Council.

THE SITE

1. The subject site is located at 142 – 154 Macquarie Street, Parramatta. It comprises a large single allotment, being Lot 11 DP790287, with an area of 1.25 hectares. The site occupies almost 80% of the street block bounded by Macquarie Street, Harris Street, George Street and Argus Lane. The remaining, north-eastern corner of the block is occupied by The Albion Hotel (0.35 hectares). The owners of the Albion Hotel are in the preliminary stages of preparing their own planning proposal.

2. Situated near the Parramatta River Gasworks Bridge, the site is at the north-eastern gateway to the CBD. It is 700 - 800 metres from Parramatta Rail Station and 350 metres from the Parramatta Ferry Wharf.
3. **Figure 1** identifies the subject site, key surrounding land uses and nearby sites that are under development or the subject of planning or development proposals (in yellow).
4. The site is currently occupied by an industrial building with attached offices, a number of outbuildings and an expansive at grade car park (refer to **Figure 2**). The buildings are currently vacant but were formerly occupied by the Cumberland Newspaper Group with primary activities comprising administration, printing and warehousing.
5. Development Approval was granted in October 2012 (DA/140/2011) for a staged redevelopment of the subject site involving a 6 storey retail/commercial building (16,407m²) on George Street and a 15 storey residential/commercial building (37,873m²) on Macquarie Street.

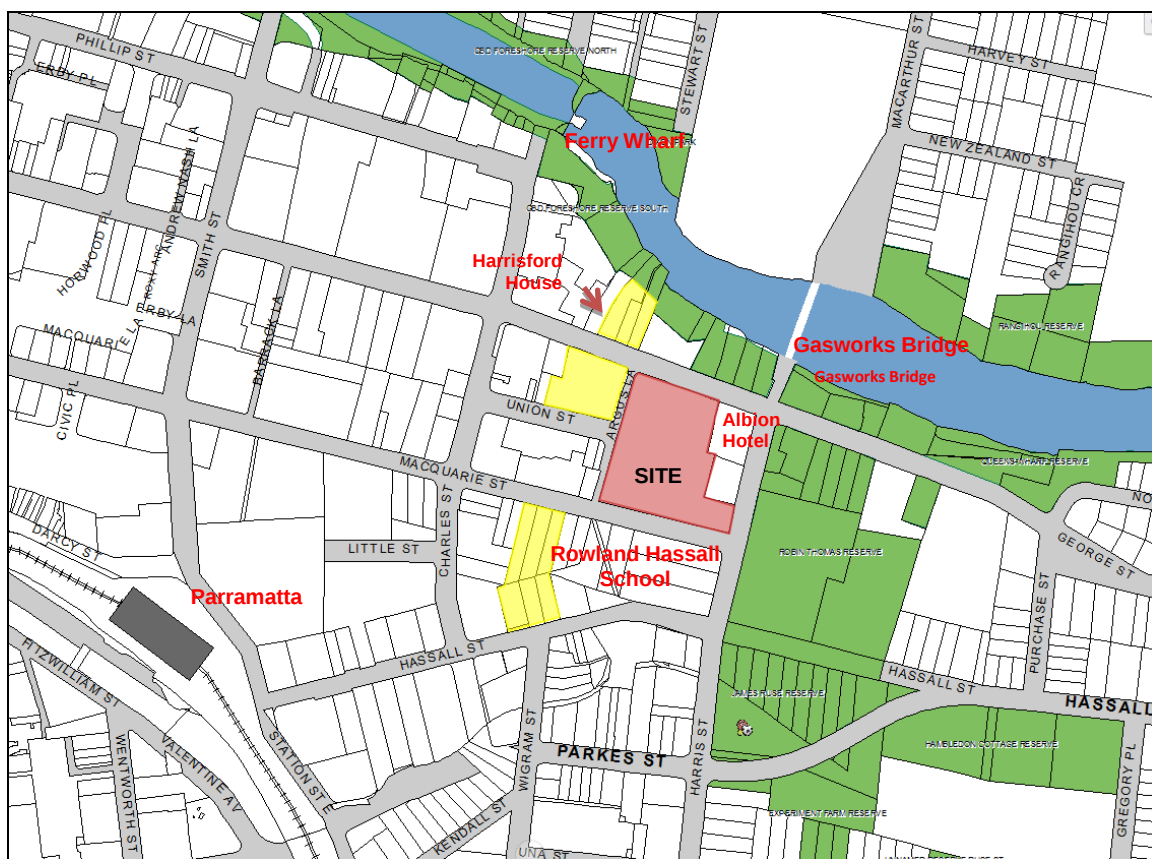


Figure 1 – Location Map

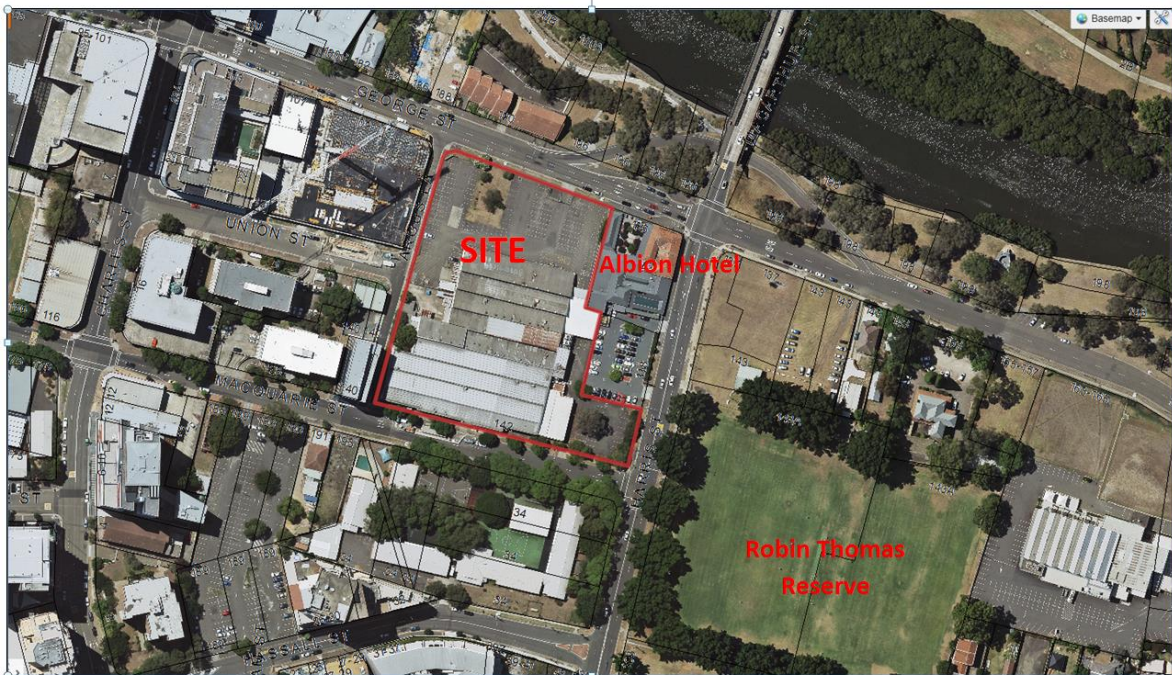


Figure 2 – Aerial Photograph

CURRENT PLANNING CONTROLS

6. The site is zoned B4 Mixed Use (**figure 3**), with height (**figure 4**) and FSR (**figure 5**) controls of 54 metres (approximately 17 storeys) and 4:1 (50,000sqm of floor space), respectively under *Parramatta City Centre LEP 2007*. Under this LEP a Design Excellence Bonus of 10% (in height or FSR) may be achieved.
7. Upon amalgamation of PCC LEP 2007 and Parramatta LEP 2011, the City Centre Design Excellence Bonus will increase to 15%.

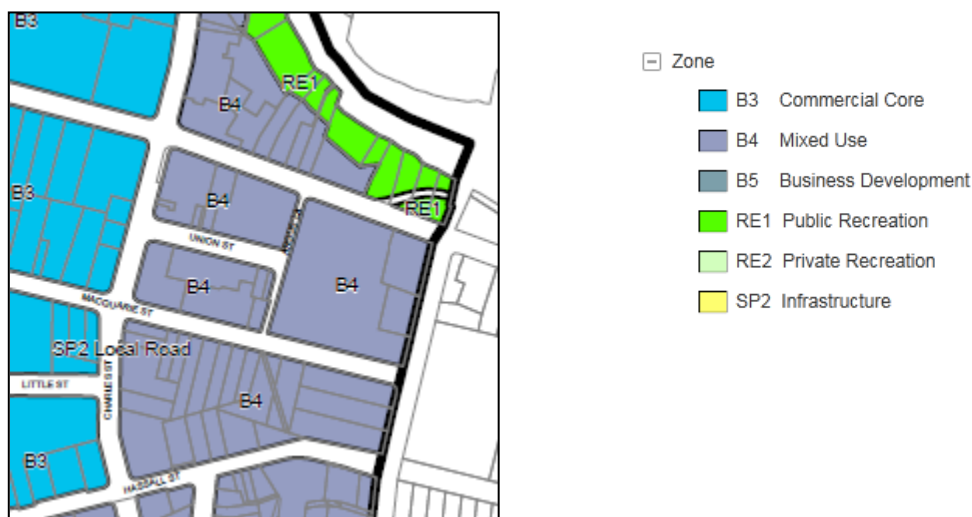


Figure 3: PCCLEP 2007 zoning map

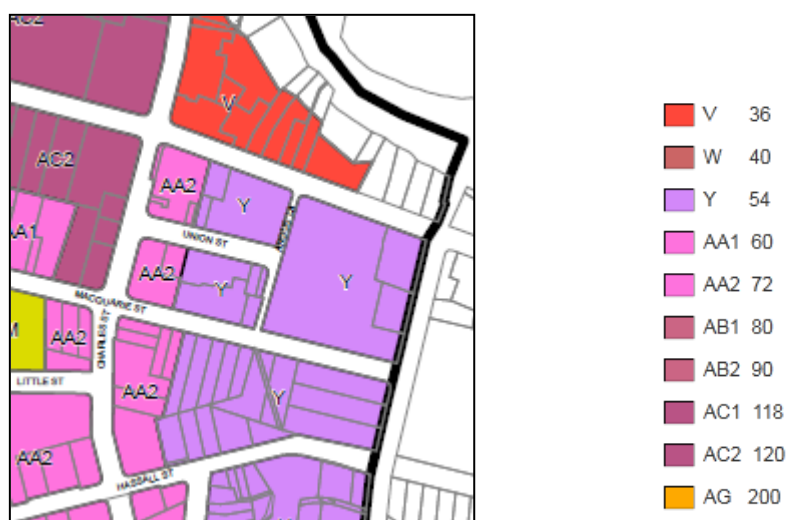


Figure 4: PCCLEP 2007 height map



Figure 5: PCCLEP 2007 FSR map

THE PLANNING PROPOSAL

8. In May 2014, Council received a planning proposal application and accompanying Urban Design Analysis from Dyldam on behalf of the landowner, Landmark East Pty Ltd.
9. The application seeks to increase the Maximum Building Height from 54m to 157m and the Maximum Floor Space Ratio from 4:1 to 7:1. With the Design Excellence Bonus of 15% under the amalgamated LEP, the height could potentially increase to 180m and the FSR to 8:1.
10. An indicative development scheme utilising the proposed planning controls was also submitted. This scheme, as illustrated in **Figure 6**, comprises of:
 - a 60 storey tower in the south-west quadrant;
 - a 35 storey tower in the south-east quadrant;
 - a 25 storey tower in the north-west quadrant; and
 - a public square (3,740sqm) in the north-east quadrant.

It is noted that the above scheme is inclusive of a 15% Design Excellence (DE) bonus, to illustrate the maximum achievable development on the site.

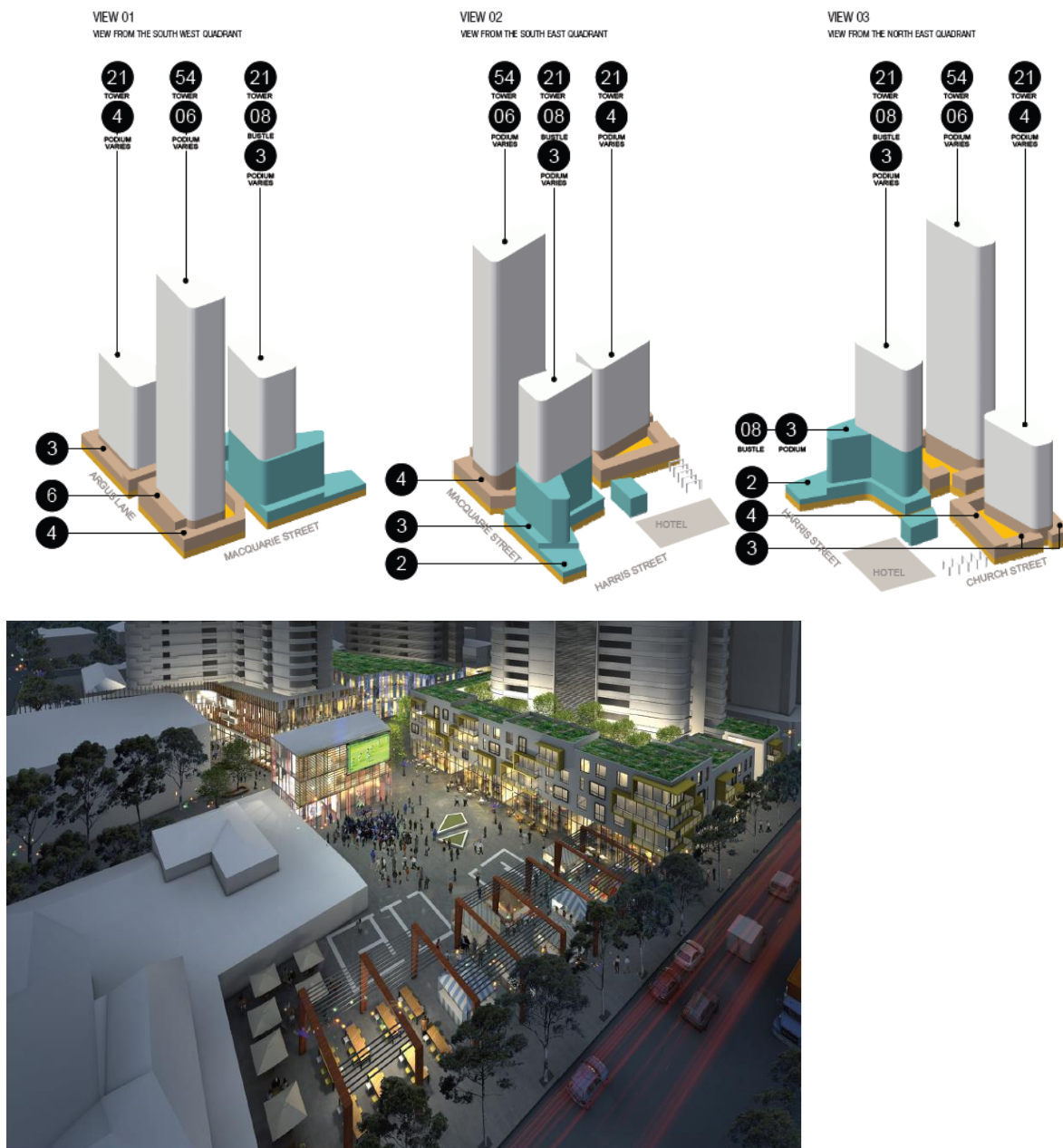


Figure 6: Indicative development scheme

11. The proposed land use mix, and related job and resident estimates, for the indicative development scheme is shown in **Table 1**. The provision of non-residential floor space is proposed to be secured in a site specific clause in the planning proposal.

Table 1: Proposed Land Use Mix

Land Use	GFA (sqm)	Percentage	No. people
Retail/other	7,000	7%	1,050 ¹
Commercial/other	14,000	14%	
Residential	79,000 (910 dwellings)	79%	2,275 ²
TOTAL	100,000	100%	
Public square	3,740	-	-

¹ Based on 1 job/20 sqm

² Based on average household size of 2.5 persons/dwelling

12. Airspace above the Parramatta CBD is affected by operational requirements for those airports. A building that penetrates the Obstacle Limitation Surface (OLS) requires approval under that legislation, via the Commonwealth Department of Infrastructure and Regional Development. This planning proposal seeks to introduce a site specific clause which requires that the consent authority must not grant development consent to development that is a controlled activity within the meaning of Division 4 of Part 12 of the Airports Act 1996 of the Commonwealth unless the applicant has obtained approval for the controlled activity under regulations made for the purposes of that Division.
13. Given the proximity of the site to State listed heritage items, the planning proposal was referred to the NSW Heritage Branch for initial comment. The matters raised by the Heritage Branch include impact on archaeology, heritage values and overshadowing. These issues are addressed in the section below and in the detailed assessment of the planning proposal at **Attachment 1**.

KEY ISSUES

14. Council's Catchment Management, Urban Design, Environmental Outcomes, Heritage, Open Space, Social Outcomes, Cultural Services, Traffic and Transport Teams have all been involved in the consideration of this planning proposal.
15. The key issues that have been considered are summarised below.
 - (a) **Land use mix**
16. The planning proposal, with a 15% DE bonus, would enable a doubling of achievable gross floor area (GFA) on the site to 100,000sqm. Council wants to ensure that the CBD remains vibrant and active throughout the day by encouraging a true mix of residential, commercial and other uses. Given the scale of development that would be enabled on the subject site, securing an appropriate land use mix is crucial.
17. An indicative land use mix of 79% residential and 21% commercial, retail and other uses has been proposed. Whilst this still favours residential uses it is considered reasonable given that:

- the site is located on the north eastern periphery of the CBD, removed from the centre of the CBD;
- the commercial/other component of the development would amount to 21,000 sqm of GFA which is considerable and **under the current controls** would equate to just under half of the developable floor space on the site;
- the proposed commercial/other component equates to an FSR of 1.1:1 which is consistent with the Draft Parramatta CBD Planning Framework's recommended minimum commercial component on mixed use sites; and
- the proposed mix contains enough floor space for commercial/other uses to activate the precinct throughout the day and be consistent with the objectives of the B4 Mixed Use zone.

18. To secure the proposed land use mix for the site, it is **recommended** that a clause be added to the LEP, stipulating that at least 21% of the GFA be used for a purpose other than residential accommodation or serviced apartments.

(b) Height – built form outcome and CBD skyline

19. The proposed maximum height of 157m (or 180m with a 15% DE bonus) is considered acceptable on the grounds that this height would:
- visually emphasise and create a vibrant destination at the north-eastern gateway to the CBD;
 - complement heights at other landmark sites in the CBD – in the centre (the Aspire building at 243m), at the northern gateway (Meriton and LIDIS sites on the River at 150 – 177m) and at the southern gateway (Heartland Holden site at 118m); and
 - overshadowing impacts of the proposed slender towers may be more appropriate than bulkier tower forms.
20. The proposed controls would enable the on-site floor space to be accommodated in tall, slender towers as opposed to lower but bulkier buildings which tend to be less elegant and create greater “blocks” of overshadowing. This approach is consistent with the Draft Parramatta CBD Planning Framework which encourages tall, slender building forms provided that they do not result in adverse overshadowing impacts or encroach on airspace safety zones.
21. The proposed height does not appear out of place in the CBD and would complement similar heights on other gateway sites whilst not diminishing the iconic status of the proposed Aspire tower at the centre of the CBD. This is illustrated in the skyline diagrams at **Figures 7 and 8**.
22. The NSW Heritage Office has raised concern about the visibility of the proposed towers from the World and National Trust listed Old Government House and Government Domain (OGHD). Council officers consider that the Conservation Agreement prepared in response to this issue satisfactorily

protects the heritage values of this item and suggests a referred would not be required under the *Environment Protection and Biodiversity Conservation (EPBC) Act, 1999*.

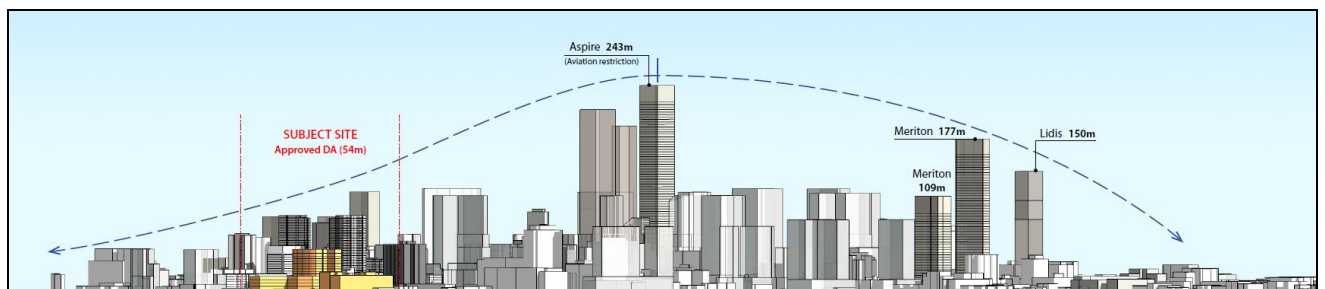
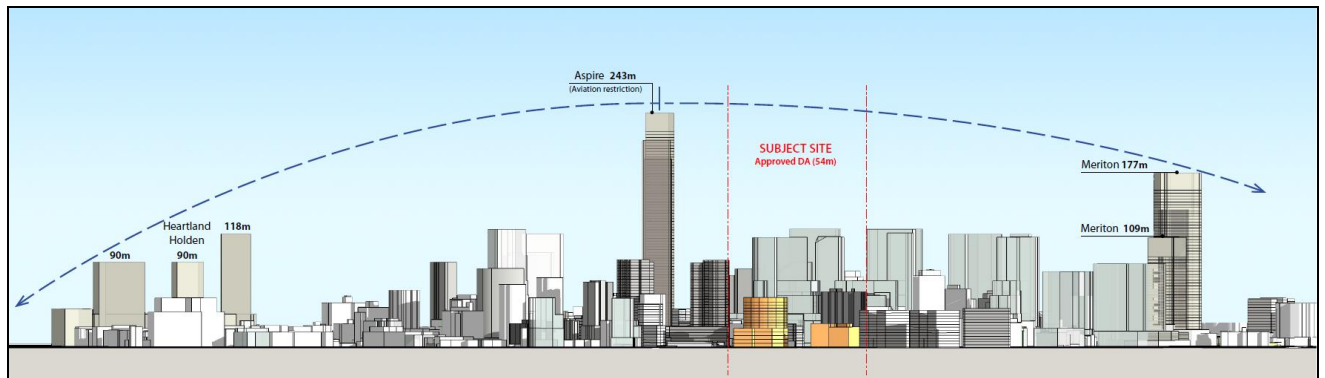


Figure 7 – Parramatta Skyline views from the east and north, respectively (built form for the site in accordance with 2011 DA, shown in orange)

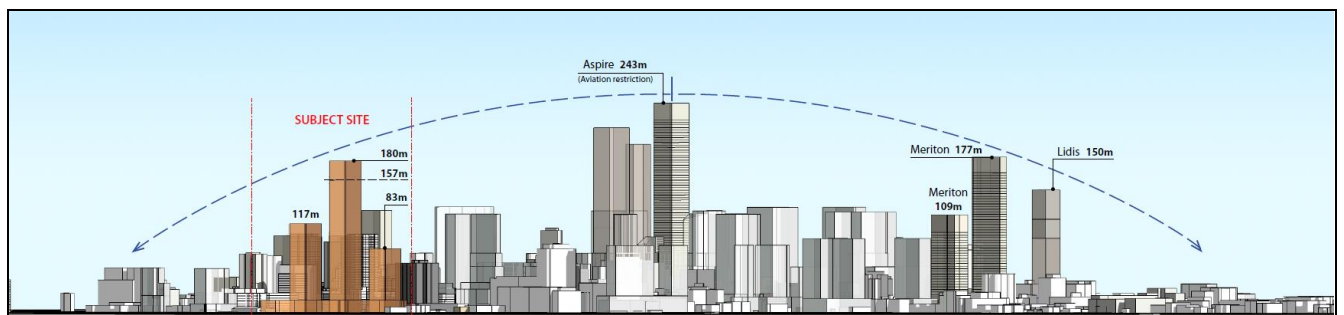
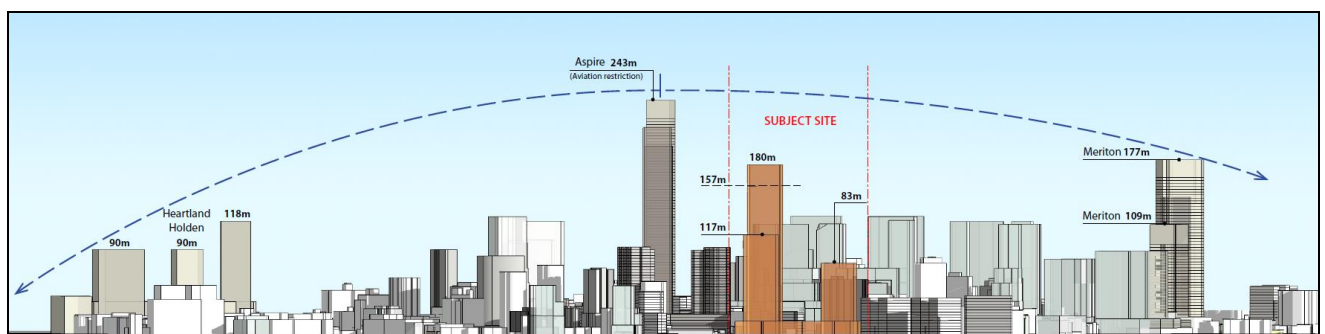


Figure 8 – Parramatta Skyline views from the east and north, respectively (built form in accordance with the planning proposal shown in orange)

(c) Height – overshadowing impact

23. Development in accordance with the proposed controls has the potential to overshadow nearby sensitive land uses – namely, Rowland Hassall School, Robin Thomas Reserve, Experiment Farm (a State heritage item) and

Hambledon Cottage (a State heritage item). The NSW Heritage Office has also raised concern about this issue.

24. The shadow analysis submitted with the planning proposal tested two development options for the site:
 - the indicative development favoured by the applicant which places the tallest (60 storey) tower in the SW corner of the site ("Option 1") which is the subject of this planning proposal; and
 - a scheme which places the tallest tower in the NW corner ("Option 2").
25. The analysis indicates that Option 1 would result in less overshadowing of Rowland Hassall School and Robin Thomas Reserve. It would also eliminate overshadowing of Hambledon Cottage and restrict overshadowing of Experiment Farm to the north-western corner of the grounds (i.e. no overshadowing of any of the structures).
26. Council's shadow study is illustrated in **Attachment 3** and incorporates:
 - a. The three buildings (25 storeys, 32 storeys and 60 storeys – maximum 180m) being inclusive of the 15% DE) subject to this planning proposal (the 'Cumberland Newspaper' site); and
 - b. The 120m / 38 storeys building (exclusive of the 15% DE) in the planning proposal for the site at 184-188 George Street also within the Business Paper before Council.
27. In relation to Robin Thomas Reserve, Council's shadow study indicates that during mid-winter:
 - the buildings on the Cumberland newspaper site will overshadow the south-western corner of the reserve from 2pm; and
 - the building at 184-188 George Street will overshadow a small section of the reserve from 2pm along the western boundary.
28. In relation to the proposed square in the north-east quadrant of the Cumberland Newspaper site, Council's shadow study indicates that during mid-winter the building at 184-188 George Street will increase the shadowing impacts to the square from 1pm.
29. It is noted however the assessment of the mid-winter shadow analysis prepared by the applicant for the subject site appears to indicate that the 25 storey podium and tower in the north-western quadrant of the Cumberland newspaper site will begin to overshadow the square on this site from 12noon, with the square being in complete shadow by 3pm.

30. Further analysis is required to investigate the larger cumulative shadow impacts associated with existing and proposed developments (approved DAs and Planning Proposals). This work will also include consideration of surrounding sites where future development may occur including the Albion Hotel site at 135 George Street and 118 Harris Street and the two-storey brick terraces at 190 George Street.
31. Whilst the shadow associated with the proposed tall, slender building forms will extend out considerably from the site, surrounding properties will not remain in shade for significant periods of time as the slender shadow will pass through more quickly than the shadow cast by a bulkier building. Opportunities for land owner/public comments will occur as part of the formal exhibition of the Planning Proposal associated with the Gateway Determination process.
32. In relation to other nearby sensitive land uses – namely, Rowland Hassall School, Experiment Farm (a State heritage item) and Hambledon Cottage (a State heritage item), Council's shadow study indicates that during mid-winter the buildings on the Cumberland newspaper site will:
- overshadow Rowland Hassall School through the day;
 - overshadow parts of the open space north of Parkes Street associated with Experiment Farm from 1pm until 3pm; and
 - not overshadow Hambledon Cottage.
33. Overshadowing of Rowland Hassall School is inevitable from development of the subject site, even under current controls, given that the school is situated immediately to the south of the site in Macquarie Street. However, breaks in the building form (through the proposed tower formation and proposed north-south through site link) will assist in alleviating the overshadowing impact on the school. The overshadowing of parts of the open space on Experiment Farm is limited to a small portion of the reserve and not any of the structures, within the closest distance to the structure of the shadow line being approximately 40m at 2pm.
34. The impact of overshadowing on Robin Thomas Reserve is of particular concern, given that:
- The reserve is one of a limited number of public spaces serving the CBD – the other spaces being Parramatta Park in the west, Centenary Square and the future Parramatta Square Public Domain in the centre, Prince Alfred Park in the north and Jubilee Park in the south;
 - The reserve is the only public space offering playing fields within/adjacent to the CBD; and
 - The use of Robin Thomas Reserve's active and passive spaces will increase with as densities increase in the CBD, particularly in the east.
35. The playing fields in Robin Thomas Reserve will be significantly overshadowed in the afternoons during the later months of autumn, during winter and during

the early months of spring. Whilst the users of playing fields tend not to be bothered by overshadowing in the colder months (as they are being active and less inclined to feel cold), their experience will be adversely impacted by poor turf conditions resulting from overshadowing (which slows turf growth and resilience) and increased usage.

36. However, there is potential for the impacts to be offset by VPA contributions towards maintenance and upgrade of the reserve (e.g. in accordance with the Robin Thomas Reserve Masterplan). Furthermore, replacing the grass on the playing fields with artificial turf could be investigated in the future.
37. Overshadowing of passive recreation areas tends to have a greater impact on people's level of comfort and enjoyment in the colder months. In Robin Thomas Reserve, the key passive areas are in the north (where a café with indoor and outdoor seating and an adjoining informal open space are proposed) and in the south (with a playground, water park and seating areas). The passive open spaces in Robin Thomas Reserve will be overshadowed during winter from 1pm from development on the Cumberland Newspaper site and from 3pm from proposed development at 184-188 George Street. This is considered reasonable given that:
 - these areas will receive 3-4 hours morning sunlight between 9am – 3pm in mid- winter; and
 - at the equinoxes (i.e. 23 March and 23 September) no overshadowing until 2pm in spring and until 3pm in autumn.
38. To ensure that any future development of the site does not exceed the overshadowing impacts under this planning proposal, it is recommended that site specific controls be included in the DCP illustrating the indicative distribution of heights across the site and requiring that the distribution of height can only be altered if the overshadowing impact on Robin Thomas Reserve, Rowland Hassall School, Hambledon Cottage and Experiment Farm is not worsened.

(d) Height – airspace safety considerations

39. The subject site is located approximately 20km north west of Sydney Airport and 11km north of Bankstown Airport. Airspace above the Parramatta CBD is affected by the operation of these airports. Given the potential for the proposed height to encroach on airspace safety limitations, an Aeronautical Study (by Lambert & Rehebein) was submitted with the planning proposal.
40. The proposed 157m (180m with DE bonus) height will encroach on the 155.1m Obstacle Limitation Surface (OLS) for Bankstown Airport over the Parramatta CBD. Whilst mitigation measures are available to address this (e.g. the installation of medium intensity obstacle lighting), consultation with Bankstown and Sydney Airports, Airservices Australia and the Civil Aviation Authority (CASA) would be prudent at the exhibition stage.

41. Furthermore, this planning proposal will introduce a site specific Clause which requires that the consent authority must not grant development consent to development that is a controlled activity within the meaning of Division 4 of Part 12 of the Airports Act 1996 of the Commonwealth unless the applicant has obtained approval for the controlled activity under regulations made for the purposes of that Division.

(e) Density – impact on infrastructure

42. Due to the scale of the proposed development, significant pressure is expected to be placed on existing infrastructure. In light of this it is recommended that:
- consultation occur as early as possible with utility providers to understand potential constraints on existing infrastructure and expected costs associated with meeting the future energy and water needs of the site; and
 - consideration be given to alternative infrastructure options for the site, including the potential for decentralised energy and water systems.
43. The proposal will also create increased demand for open space, recreational, social and cultural facilities. To address this, the applicant can:
- provide facilities within the development to service the on-site population such as a gym, pool, community meeting rooms, community gardens, roof top gardens, arts/cultural areas; and
 - contribute by way of a VPA to the upgrade of community, open space and recreation facilities off-site (e.g. Robin Thomas Reserve).

(f) Traffic, parking and access

44. Council's Traffic Management team has reviewed the proposal and accompanying Traffic Report and is:
- supportive of the applicant's intention to provide on-site parking at rates at below the maximums stipulated in PCC LEP 2007;
 - supportive of the proposed through-site pedestrian links and the proposed widening of Argus Lane (from a 5.5 metre one-way carriageway to a 12m two-way carriageway); and
 - confident that the proposal will not result in any adverse traffic impacts.
45. However, any future DA for the site should include SIDRA modelling of nearby intersections and factor in the development site to the west (108 – 133 George Street). To address this it is **recommended** that the DCP include a control requiring traffic modelling to accompany a DA.

(g) Flooding

46. Advice from Council's Catchment Management team confirms that a small portion of the site in the south-western corner is situated in the 1:100 year

floodplain (refer to **Figure 9** below) and the Low Flood Risk Precinct. However the entire site would be subject to inundation (to depths of 2.5 to 3 metres) in the event of a Probable Maximum Flood (PMF).

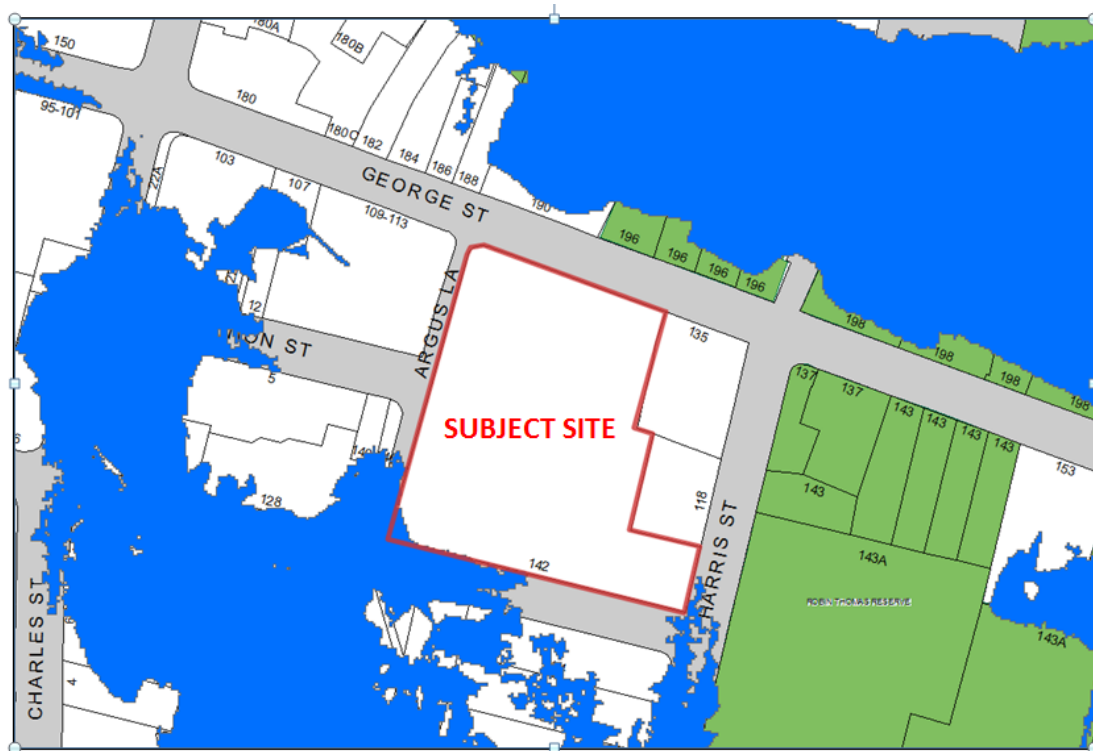


Figure 9 – Flood Map (extent of 1:100 flood)

47. The Flood Planning Levels (FPLs) for the site are:
 - RL 6.4m AHD for the 1:100 year flood (inclusive of a 0.5m freeboard); and
 - RL10.06m AHD for the PMF.
48. The supporting flood advice indicates that the development of the site is consistent with the Floodplain Development Manual 2005 and relevant Council flood planning controls. The planning proposal is also considered to be consistent with the Section 117 Direction 4.3 – Flood Prone Land as appropriate design features and evacuation measures can be implemented at the DA stage.
49. The ground levels of buildings on the site will be above the 1:100 FPL. All residential levels are proposed to be above the PMF level.
50. Any proposal for basement car parking on the site would have to adequately address all flood risks at the DA stage - for example, by establishing safe evacuation measures for all flood events (to the PMF).

(h) Heritage and archaeology

51. The subject site is not a heritage item but has potential to be of major (State) archaeological significance and is located within the vicinity of a number of heritage items:
 - Experiment Farm Cottage (State)

- Hambledon Cottage (State)
- Ancient Aboriginal and Early Colonial Landscape, Robin Thomas Reserve (Local)
- Elizabeth Farm (State)
- Harrisford House (State)

An archaeological assessment and testing of the site was undertaken in 2007-08 by Casey and Lowe. The findings informed DA/140/2011. Archaeological remains of State significant early 1800s houses were confirmed on Lot 46 and Lot 47 (north-western corner of the site). The structural remains in Lot 46 consisted of rubble sandstone footings for a probable brick building. See **Figure 10** below.



Figure 10 – Location of 19th century building footprints on the site (Casey and Lowe, 2008)

52. An assessment of Aboriginal archaeological potential on the site, prepared by Haglund and Associates, was also submitted with DA/140/2011. This assessment recommended that targeted archaeological salvage investigations in conjunction with appropriate permits, should be conducted prior to any bulk excavations. In relation to DA/140/2011, the NSW Heritage Office recommended that the remnants of the structures be conserved in situ rather than excavated out.
53. The latest advice from the NSW Heritage Office confirms the previous advice with regard to the archaeology on Lot 46 and 47, and that further testing be carried out within historic Lots 48 and 49 with additional in situ conservation. Further test excavation for European and Aboriginal archaeological is also recommended across the site to inform final development controls and plans. The Gateway determination is expected to include further consultation with the Heritage Office during the public exhibition.

(h) Contamination

54. The site was used for manufacturing (newspaper production) from the 1950s. The land north and southeast of the factory building was used for car parking. Records indicate that up to six underground petroleum storage tanks (USTs) and one flammable goods tank had been installed on the site.
55. A Contamination Assessment submitted with the planning proposal notes that contaminants of concern were reported on the site. However, it is indicated that the site can be made suitable for the predominantly residential high density development that is envisaged for the site, in accordance with the planning proposal. This contamination would need to be resolved as part of the DA approval process.

VOLUNTARY PLANNING AGREEMENT

56. The land owner has provided a Letter of Offer (**Attachment 4**) to enter into a Voluntary Planning Agreement (VPA) with Council relating to the planning proposal. The offer includes contributions towards open space improvements in Robin Thomas Reserve, the provision of a Public Square (3,740sqm) on the site (which could be embellished and dedicated to Council or remain in private ownership with 24/7 access to the public), the provision of two affordable housing units, the provision of public art and heritage interpretation within the development and the provision of 1,500sqm of floor space within the development for community uses.
57. Council's officers consider that **the VPA offer should be in addition to Section 94A development contributions**. Council has consistently sought Section 94A contributions in addition to VPA offers for comparable development sites to capture an appropriate portion of the land value uplift associated with the increase in development yield sought through a planning proposal.
58. There are potential planning and public benefits in this preliminary offer that should be further explored. This report recommends that, as required by Council's VPA policy, a formal resolution be made to proceed with negotiations and that an appropriate officer (CEO) be given delegated authority to explore and negotiate the VPA on Council's behalf. The outcome of any negotiations would be required to be reported back to Council for further consideration.

PLAN-MAKING DELEGATIONS

59. 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 also resolved that these functions be delegated to the CEO.
60. Should Council resolve to proceed with this planning proposal, Council will be able to exercise its plan-making delegations. This means that after the

planning proposal has been to Gateway, undergone public exhibition and been adopted by Council, Council officers will deal directly with the Parliamentary Counsel Office on the legal drafting and mapping of the amendment. When the planning proposal is submitted to Gateway, Council advises the Department of Planning and Environment that it will be exercising its delegation.

PROCESS – NEXT STEPS

61. Council as the relevant planning authority must resolve to support a planning proposal before it can proceed to “Gateway” by the Department of Planning and Environment (DP&E).
62. Should Council resolve to support the planning proposal, the proposal (and related documentation) would be submitted to DP&E for Gateway determination prior to any formal exhibition being undertaken.
63. In the meantime a site specific Draft DCP will be developed to address relevant matters such as built form, location of building height, public domain, parking, sustainability and the like. The site specific Draft DCP will be reported to Council prior to exhibition.

CONCLUSION

64. The site of the subject planning proposal is a large land holding in single ownership with the potential to dramatically transform the north eastern corner of, and gateway to, the CBD. The planning proposal would enable a substantial increase in the density and height of development on the site.
65. The proposal would enable some 910 dwellings, 21,000sqm of non-residential uses (which equates to an FSR of at least 1:1) and a 3,740sqm public square to be provided on the site. It would also enable Argus Lane to be widened to 12 metres to permit two-way traffic as several through site links.
66. Residential uses on the site would benefit from substantial amenity values nearby, including views of and recreational opportunities along the river and Robin Thomas Reserve. The non-residential uses (which are proposed to be secured via a clause in the LEP) would service the on-site and nearby residents, provide job opportunities and help to enliven the site and precinct throughout the day.
67. Given the substantial opportunities that the planning proposal presents and that related impacts (e.g. flooding, traffic and overshadowing) can be adequately managed, it is therefore recommended that Council support the planning proposal and forward it to the DP&E for Gateway determination.

Janelle Scully

Project Officer Land Use

ATTACHMENTS:

- | | | |
|---|--|----------|
| 1 | Council's Detailed Assessment of Heritage Issues | 1 Page |
| 2 | Planning Proposal | 16 Pages |
| 3 | Council's Mid Winter Shadow Analysis | 8 Pages |
| 4 | Voluntary Planning Agreement Offer | 2 Pages |

REFERENCE MATERIAL