



Parramatta CBD planning proposal

*Gateway determination
report
November 2018*

November 2018

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Executive summary

City of Parramatta Council has prepared a planning proposal to guide the growth and development of the Parramatta central business district (CBD). The intent of the planning proposal is to grow Parramatta as Sydney's Central River City, as outlined in the Greater Sydney Commission's Greater Sydney Region Plan.

While this planning proposal focuses on the creation of jobs and housing through built form outcomes, it is recognised that the CBD has significant cultural, social, historical and aesthetic qualities and the intended growth needs to support the aspirations set out in the Central City District Plan for Parramatta as a desirable place to live and work.

The state government is investing in Parramatta through significant infrastructure projects such as the Parramatta Light Rail and the proposed Sydney Metro West, from the Sydney CBD to Westmead. In this respect, the Parramatta CBD is not an isolated urban locale. It is surrounded by significant health and education precincts at Westmead and Western Sydney University, and the proposed infrastructure will contribute to the desirability of Parramatta as a CBD. The new planning framework must be supported by an appropriate infrastructure funding mechanism to enable the delivery of infrastructure as more people live and work in the city.

The purpose of this Gateway assessment is to consider the strategic merit of the planning proposal. Conditions have been attached to the Gateway determination to provide further guidance to Council in developing its planning proposal, having regard to implementing the desired strategic outcomes and considering more site-specific issues such as heritage, solar access and traffic and transport.

The planning proposal has been amended several times since it was lodged with the Department, with the latest amendments confirmed in September 2018. In endorsing these amendments, Council recognises that further studies are required, and that the planning proposal documentation would need to be updated. As such, Council has asked the Department to issue a conditional Gateway determination that allows the planning proposal to be updated and consolidated to provide further resolution of key policy issues prior to public exhibition.

The key issues associated with the planning proposal have been identified as follows:

- **Heritage** in relation to how the heritage values within the CBD and on the CBD periphery are proposed to be managed, including the interface of high-density development with small-scale heritage items;
- **Flooding** As most of the Parramatta CBD has the potential to be inundated in a probable maximum flood, Council is seeking to introduce controls that require additional consideration of how buildings are designed;
- **Floor space ratio (FSR) controls**, including the application of a sliding scale and an FSR out-clause and how they will incentivise site amalgamations and encourage the provision of high-quality commercial floor plates;
- **Height of buildings** as Council is seeking to remove the maximum height of building control on certain sites. This needs further resolution as there are known height limits associated with the operation of airports;

- **Solar access to public open spaces** and the identification of the public open spaces that will require further protection and the introduction of solar access planes; and
- **Infrastructure funding** as there is a need to ensure an appropriate framework so Council can deliver the infrastructure required to support the future population.

Collaboration with relevant agencies, industry groups and the community will be key to the implementation of a successful new planning framework. The next stage in the planning process will be for Council to amend the planning proposal to reflect the Gateway conditions and resubmit it to the Department for approval.

Part 1 – Introduction

1.1. Overview

LGA	City of Parramatta
PPA	City of Parramatta Council
NAME	Parramatta CBD planning proposal
NUMBER	PP_2017_COPAR_002_00
LEP TO BE AMENDED	Parramatta LEP 2011
ADDRESS	Parramatta CBD
DESCRIPTION	Land generally described as the Parramatta CBD
RECEIVED	20 September 2018
FILE NO.	IRF18/4384
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1.2. Description of planning proposal

This Gateway determination assessment considers the merits of a planning proposal submitted by City of Parramatta Council to implement a new planning framework intended to guide the growth and development of the Parramatta CBD. The background to the lodgment of the planning proposal is provided at **Appendix 1**.

The planning proposal (**Attachments A1–A4**) seeks to introduce a range of planning controls that will generate approximately 20,000 dwellings and 48,000 jobs (SGS Economics, 2014) within the Parramatta CBD¹ through the following amendments to the Parramatta LEP:

- expand and define the CBD boundary;
- amend the permitted land uses within the B3 Commercial Core and B4 Mixed Use zones;
- exempt commercial development within the B3 Commercial Core from maximum floor space ratio (FSR) controls;
- review the height and FSR mapping;
- introduce a range of height and FSR incentives via specific clauses to achieve planning, heritage, environmental and urban design outcomes;
- amend the FSR sliding scale and introduce an out-clause to waive FSR sliding-scale provisions in certain circumstances;

¹ Since 2014, several site-specific planning proposals have been prepared, which have contributed to the dwellings and job numbers accounted for in this estimate.

- introduce 'opportunity sites' to the CBD;
- introduce a solar plane access control to protect public domain in the Parramatta CBD from overshadowing;
- introduce a mechanism to fund local (community) infrastructure; and
- introduce a new flood planning clause to apply development controls to land affected by the probable maximum flood (PMF).

The proposed controls aim to provide opportunity for accommodating additional growth within the CBD while considering the constraints to development such as heritage, flooding and protecting solar access to public spaces. The Gateway determination aims to assess the suitability of these proposed controls in guiding the growth of the Parramatta CBD, consider their strategic merit, and provide recommendations and conditions to enable community consultation on the planning proposal.

1.3. Strategic context

A Plan for Growing Sydney, which preceded the Greater Sydney Region Plan, was released in 2014 and stated that the NSW Government would 'work with Parramatta Council to review expansion opportunities in the Parramatta CBD'. It highlights Parramatta's role as Sydney's dual CBD. Council then commenced a review of planning controls and strategies for the CBD to develop a new planning framework to guide its growth.

On 27 April 2015, Council adopted the Parramatta CBD Planning Strategy (**Attachment E**), which was the result of work that aimed to establish the Parramatta CBD as not only Sydney's second CBD, but also as 'Australia's next great city'. The strategy established a vision for growth, principles and actions to guide a new planning framework and an implementation plan for delivery.

The strategy proposed preliminary built form controls, expressed as FSR (**Figure 1, page 9**). It identified a maximum FSR of 10:1 and suggested bonus FSR for large sites or sites that satisfied certain criteria. The strategy outlined that further investigations were required, and a suite of technical studies were subsequently prepared to address economic, environmental, heritage, built form and transport issues.

The Greater Sydney Region Plan replaced A Plan for Growing Sydney in March 2018. The importance of the Parramatta CBD in the context of Sydney is not diminished in the most recent regional plan. The plan is supported by the Central City District Plan and the planning proposal is required to give effect to these strategic documents.

The regional and district plans have been developed in conjunction with Future Transport 2056 and the State Infrastructure Strategy, which identifies key infrastructure projects that aim to increase opportunities for the growth of the Parramatta CBD and the broader Greater Parramatta and Olympic Peninsula (GPOP) Economic Corridor. Parramatta is proposed to be anchored by key infrastructure projects that will improve access to the city centre, including the Parramatta Light Rail (funded) and proposed Sydney West Metro (not yet funded). The regional plan also identifies government and institutional investments into health, education, recreation, culture, entertainment and amenity improvements.

GPOP is identified in the district plan, as shown in **Figure 3** (page 10). GPOP covers 4000ha of land including:

- the Parramatta CBD and Westmead Health and Education Super Precinct;
- next generation living from Camellia to Carlingford;

- essential urban services, advanced technology and knowledge sectors in Camellia, Rydalmere, Silverwater and Auburn; and
- an Olympic Park Lifestyle Super Precinct.

The growth of the Parramatta CBD is one component of the overall vision for GPOP.

A draft Interim Land Use and Infrastructure Implementation Plan (LUIIP) has also been prepared for the Greater Parramatta Priority Growth Area. This LUIIP supports the growth of the Parramatta CBD and recognises the need for additional regional infrastructure to support growth and development.

1.4. The Parramatta CBD

The Parramatta CBD has a clearly defined and zoned commercial core, as demonstrated in the LEP maps submitted with the planning proposal (**Attachment F**). The Parramatta commercial core is primarily surrounded by a mixed-use zone that supports commercial and residential development through the permissibility of shop-top housing and commercial premises and other complementary land uses. Within the boundary of the CBD planning proposal there are also pockets of land zoned R4 High Density Residential and R3 Medium Density Residential.

The Parramatta CBD contains many significant heritage items of world, national, state and local significance. The locality immediately surrounding the Parramatta CBD is dominated by heritage conservation areas, parkland and heritage precincts. **Figure 4** (page 11) demonstrates the relationship of the Parramatta CBD with some of the key open spaces and heritage conservation areas in the locality.

The planning proposal seeks to expand the boundaries of the Parramatta CBD primarily at the northern and southern periphery. The planning proposal does not seek any changes to the planning controls within the Park Edge Highly Sensitive Area on the western edge of the city centre adjacent to the World Heritage-listed Old Government House and Domain (**Figure 5, page 12**), which is subject to a conservation agreement between the federal, state and local governments, signed in 2015.

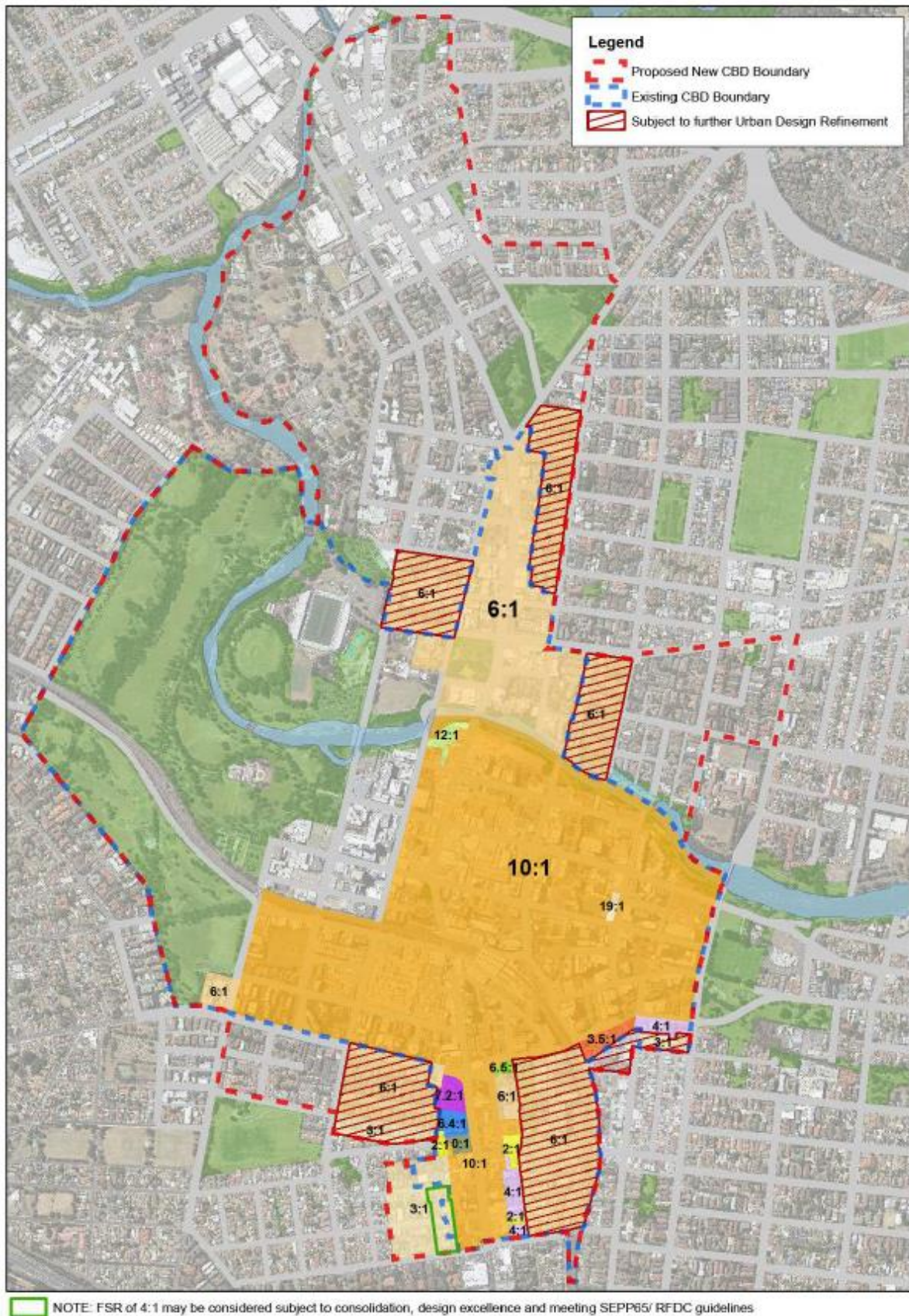


Figure 1: Indicative built form outcome, expressed as FSR in the Parramatta CBD Planning Strategy.

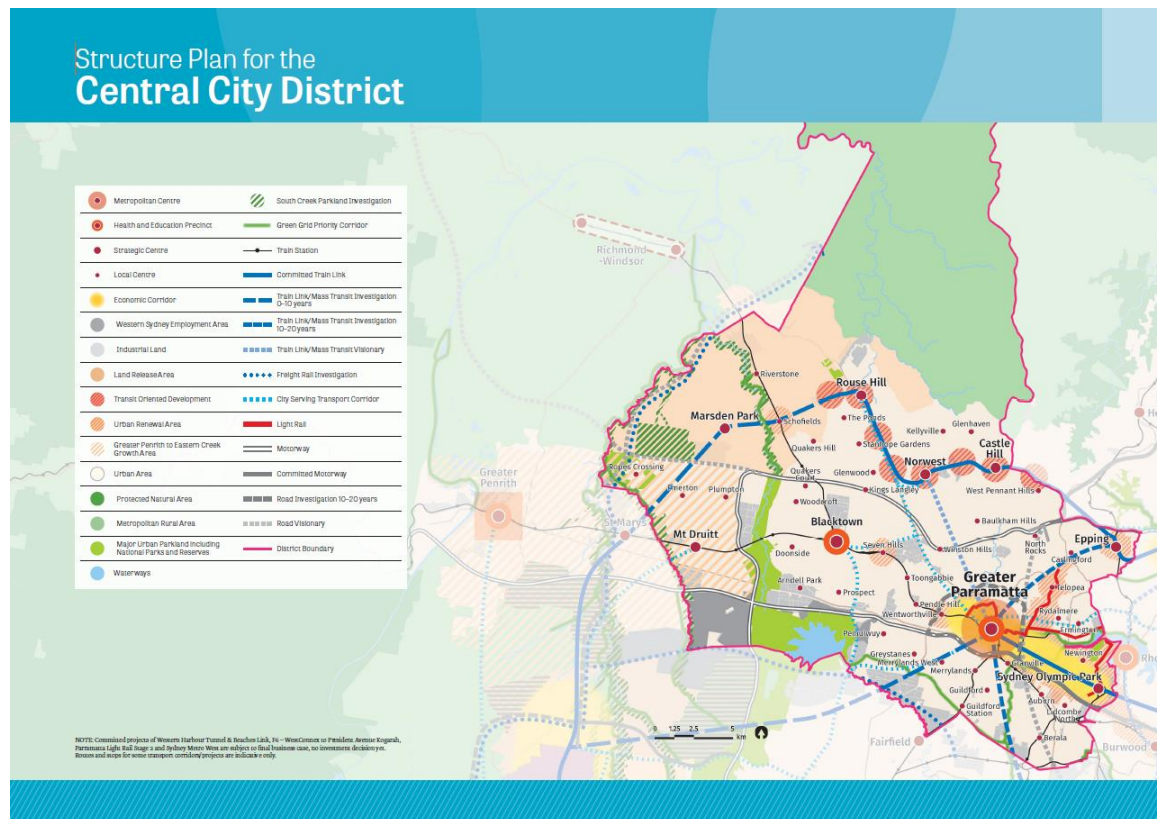


Figure 2: Central City District Plan (source: GSC).

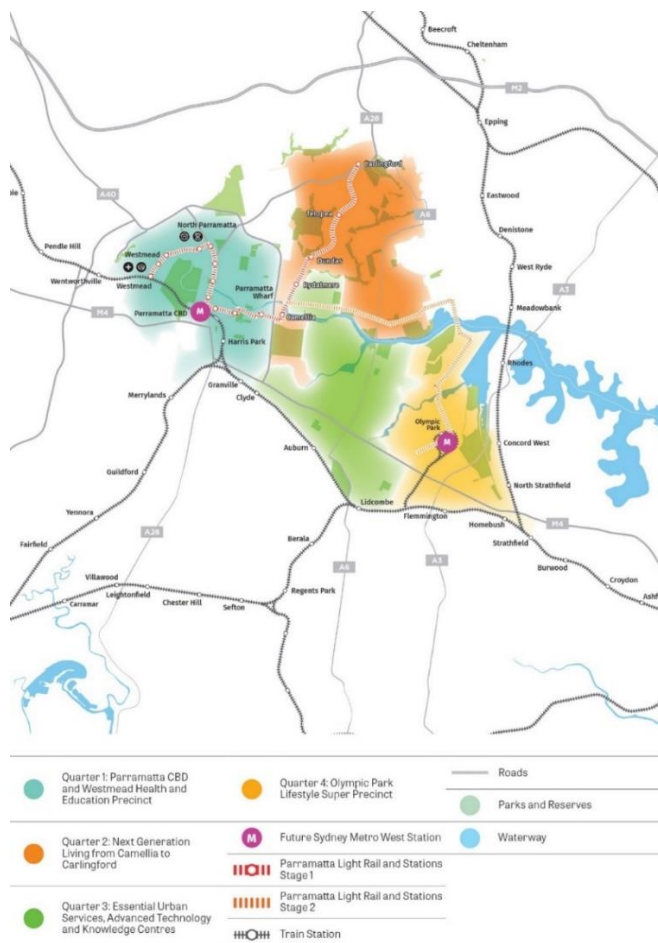


Figure 3: GPOP precincts (source: GSC).



Figure 4: Key open spaces and heritage conservation areas in the Parramatta CBD. Note: this is not exhaustive but is provided for indicative purposes only (source: Department of Planning and Environment, August 2018).

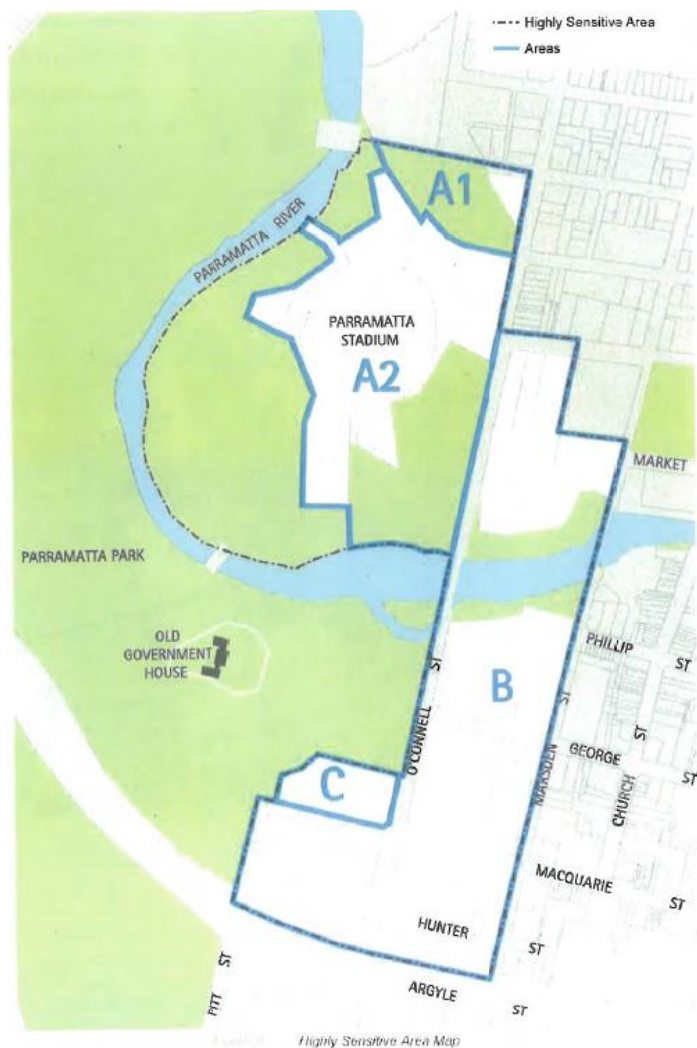


Figure 5: The Park Edge Highly Sensitive Area within the Parramatta CBD. No amendment to the height or FSR controls is proposed within the areas edged blue.

1.5. Key issues summary

The growth of the Parramatta CBD is important for the continued growth and development of Greater Parramatta as Sydney's Central City. This assessment concludes that the planning proposal should proceed, subject to conditions.

The Gateway determination requires that Council resubmit the amended planning proposal to the Department prior to community consultation. The planning proposal has been amended several times since it was lodged with the Department, with the latest amendments confirmed in September 2018. In endorsing these amendments, Council recognises that further studies are required, and that the planning proposal documentation would need to be updated. As such, Council has asked the Department to issue a conditional Gateway determination that allows the planning proposal to be updated and consolidated to provide further resolution of key policy issues prior to public exhibition.

Table 1 represents a summary of each of the key provisions of the planning proposal and provides a cross-reference with the applicable Gateway condition and the relevant section in this report where the reason for the imposition of the condition is explained.

Table 1: Summary of provisions and amendments required

Provision	Proposed map / clause amendment	Amendment or further information required?	Relevant section in report
LAND USE			
City centre boundary	Map – LAP map	N	-
Land use zones	Map – LZN map	N	-
Land use tables	Clause – land use tables	N	-
FSR			
Base FSR map	Map – FSR map	Y	3.1.1
Incentive FSR map	Map – IFS map	Y	3.1.1
FSR sliding scale	Clause – insert new	Y	3.1.2
FSR out-clause	Clause – insert new	Y	3.1.3
FSR minimum commercial floor space	Map – ALP and clause – insert new	N	3.1.4
FSR BONUS INCENTIVES			
Opportunity sites	Map – OPS and clause – insert new	Y	3.1.5
High performance buildings	Clause – insert new	Y	3.1.6
FSR commercial floor space exemption B3 and B4 zones	Map – ALP and clause – insert new	Y	3.1.4
BUILDING HEIGHT			
Base height of buildings map (HOB)	Map – HOB map	Y	3.2.1
Incentive HOB map	Map – IHB map	Y	3.2.1
Sun access protection	Map – SAP and clause – insert new	Y	3.3
Airspace operations	Map – ALP and clause – insert new	Y	3.2.1, 4.3.3
INFRASTRUCTURE FUNDING			
Community infrastructure	Clause – insert new	Y	3.8
Design excellence	Clause – insert new provisions	Y	3.4
Heritage	Clause – insert new	Y	3.5,4.3.1
Dual water systems	Clause – insert new	N	-
End-of-journey facilities	Clause – insert new	N	-
Active street frontages	Map - ASF and clause – insert new	N	-
Floodplain risk management	Map – FRM and clause – insert new and exceptional circumstances	Y	3.6,4.3.5
Parramatta Park and Park Edge Highly Sensitive Area	Clause – provide new clause to preserve built form controls	N	1.4
Traffic and parking provisions	Clause – maximum parking rates and MAP (LRA) land acquisition for infrastructure	Y	3.7
ADDITIONAL PERMITTED USES and SPECIAL PROVISIONS AREAS			
Dixon, Rosehill and Boundary Streets	Map – SPA and clause – insert new	N	3.5.4,4.3.7
Church Street (Auto Alley)	Map – APU and clause – insert an additional permitted use	N	4.3.7
DEFINITIONS			
Amend definition of the Parramatta development control plan and insert new map references	Definitions – insert new and omit	N	-

See pages 14-15 for map descriptions.

Part 2 – The planning proposal

2.1 Objectives and intended outcomes

The planning proposal seeks to amend the planning controls for the Parramatta CBD to provide for an expanded and more intense commercial core supported by higher-density mixed-use and residential development.

The objectives or intended outcomes of the proposed amendments to the Parramatta LEP are to:

- strengthen Parramatta's position as the dual CBD for metropolitan Sydney;
- increase the capacity for new jobs and dwellings to create a dynamic and diverse city;
- encourage a high-quality and activated public domain with good solar access;
- facilitate the provision of community infrastructure to service the growing city;
- strengthen the opportunities for the provision of high-quality commercial floor space;
- future proof the city through the efficient and sustainable use of energy and resources; and
- manage risks to life and property from flooding.

It is considered that these objectives and intended outcomes are relevant to the planning proposal and generally fit for purpose. Minor amendments to these objectives and intended outcomes are required prior to community consultation to ensure they are consistent with the Gateway determination

Recommendation 1: It is recommended that the objectives and intended outcomes be amended to reflect the current description of Parramatta as Sydney's Central City in the Greater Sydney Region Plan (Objective 1) and to include an additional objective that refers to the need for appropriate consideration of heritage items and heritage interface areas.

2.2 Explanation of provisions

The explanation of provisions is required to be updated in accordance with the Gateway determination conditions. **Attachments G1–G3** provide Council's interpretation of how the explanation of provisions in the planning proposal may be translated into LEP clauses. However, as these provisions are required to be legally drafted by Parliamentary Counsel, this assessment report focuses on the explanation of provisions in the planning proposal document (**Attachment A**) and subsequent amendments.

2.3 Mapping

The proposal includes amendments to the following LEP maps:

- land application map (LAP);
- land zoning map (LZN);
- height of buildings map (HOB);
- floor space ratio Map (FSR);
- additional local provisions map (ALP);
- additional permitted uses map (APU); and
- key sites, special provisions, sun access protection map (CL1).

The proposal includes the proposed creation of the following LEP maps:

- incentive height of buildings map (IHB);

- incentive FSR map (IFS);
- floodplain risk management map (FRM);
- active street frontage map (ASF);
- opportunity sites map (OPS);
- special provisions area map (SPA); and
- sun access protection map (SAP).

The maps (**Attachment H**) as presented will require modification in accordance with the recommendations within this report.

Recommendation 2: Council should update the maps prior to community consultation to provide a consolidated map set and reflect the Gateway determination conditions. The consolidated map set should be submitted to the Department for approval prior to community consultation.

2.4 Relationship to site-specific planning proposals

The planning controls that apply to the Parramatta CBD are changing as site-specific planning proposals are considered. **Figure 6** (next page) demonstrates the planning proposals that have been lodged with the Department within the Parramatta CBD and their status in the LEP plan-making process as at 9 November 2018. Many of these planning proposals have site-specific clauses included in the Parramatta LEP. Planning proposals lodged since 2016 are generally consistent with the policy framework proposed within the Parramatta CBD planning proposal in terms of outcomes.

Recommendation 3: Council is to review the LEP provisions as they relate to site-specific planning proposals and make a preliminary recommendation regarding whether site-specific clauses and mapping outcomes will be retained or whether they can be deleted and new planning controls applied.

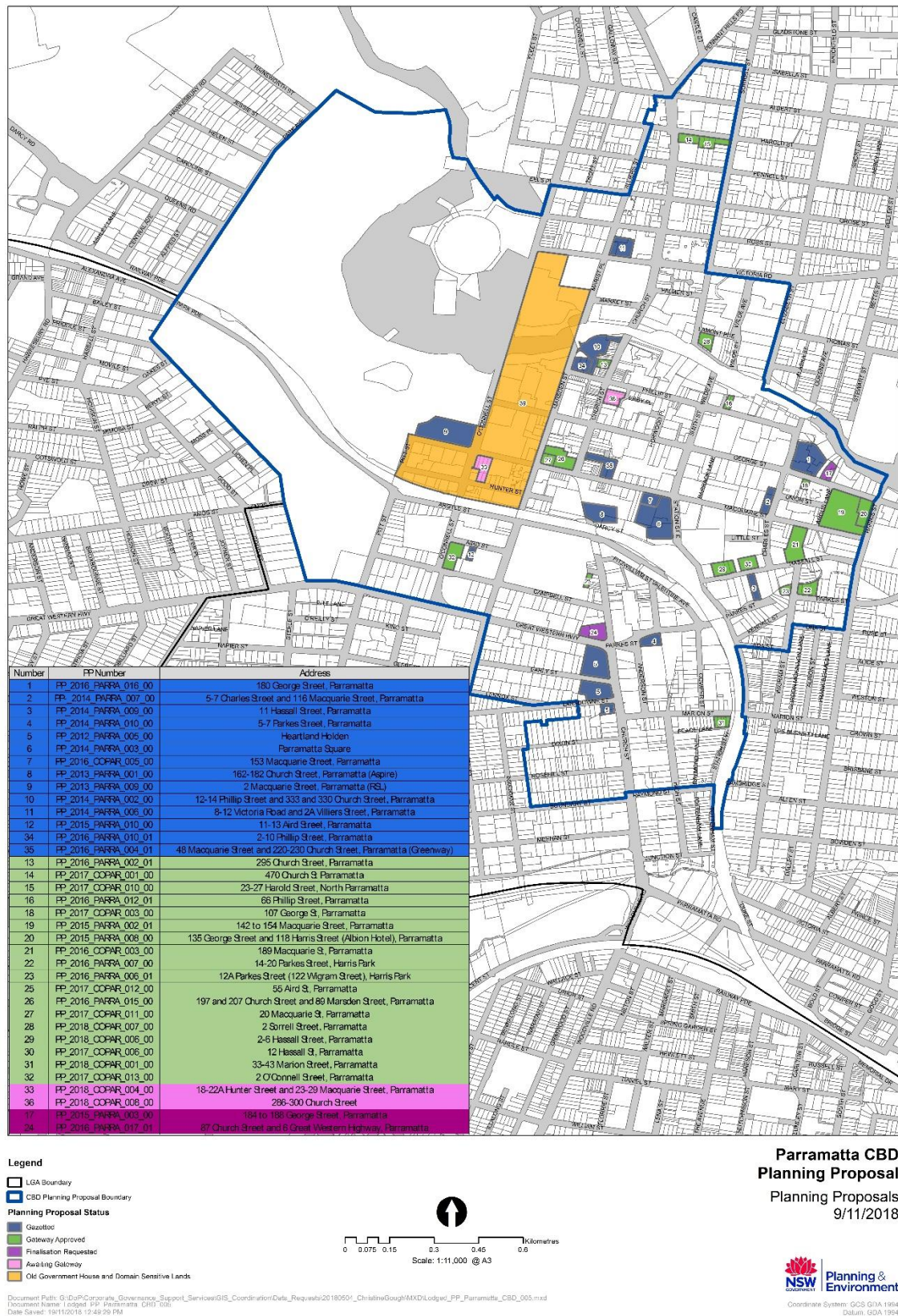


Figure 6: Planning proposals in the Parramatta CBD and their status as at 9 November 2018. Note: this does not include planning proposals that have been lodged with Council and not submitted for Gateway.

Part 3 – Key issues and recommendations

This section discusses the key issues and recommendations that are included in the Gateway determination. Where no issues are identified, the planning proposal as submitted to the Department is considered suitable for community consultation. The Department may revisit aspects of the planning proposal throughout the plan-making process as the policy framework develops and evolves.

3.1 Built form – FSR controls

Council is proposing to introduce a range of FSR controls to support the growth of Parramatta, strengthen the commercial core via new incentive mechanisms and revise the sliding-scale provisions to encourage site amalgamations and control FSR on small sites. Each FSR provision is discussed below.

3.1.1 Base and incentive FSR

It is proposed to amend the built form controls to introduce a base FSR control. This is generally the same as the current mapped FSR. The application of a base FSR is linked to the proposed community infrastructure funding mechanism associated with residential development and provides a base from which to measure planning uplift under the proposed funding mechanism (see section 3.8 of this report).

Incentive FSR enables an increase in FSR where the development contributes towards the provision of community infrastructure. The incentive FSR mapping generally reflects the Parramatta CBD Planning Strategy, with the CBD core being mapped at 10:1 FSR and the periphery areas being mapped at 6:1 FSR.

The exception to this is in the B3 Commercial Core zone, where there is no difference between the base FSR and the incentive FSR as residential development is not permitted in the B3 zone and there is no requirement to measure planning uplift under Council's proposed funding

Recommendation 4: Where there are known environmental constraints that dictate a maximum building height (such as a solar access plane) and there is a need to control building bulk and scale through FSR, the base and incentive FSR maps should be amended to reflect these constraints. For example, where there is a solar access plane, the maximum FSR should align with the maximum building height to ensure appropriate built form outcomes.

3.1.2 FSR sliding scale

There is a sliding scale in the Parramatta LEP, as shown in **Figure 7**. The sliding scale was implemented as there is a high proportion of properties within the CBD that are under 1000m² (**Attachment I**) and the sliding scale serves to incentivise site amalgamations that achieve improved urban design outcomes and discourage overdevelopment on small sites. The current sliding scale has a lower and upper threshold of 1000m² and 1800m².

FSR shown on existing FSR Map	Site is less than or equal to 1000sqm	Site is greater than 1000sqm but less than 1800sqm	Site is equal to or greater than 1800sqm
6:1	4:1	$(4 + 2X):1$	6:1
8:1	5:1	$(5 + 3X):1$	8:1
10:1	6:1	$(6 + 4X):1$	10:1

$$X = (\text{the site area in square metres} - 500)/1500$$

Table 3 – PLEP 2011 Clause 7.2 Floor space ratio – existing

Figure 7: Existing FSR sliding scale.

Urban design testing reported to Council on 14 December 2015 indicated that 800m² and 1600m² is the lowest that the lower and upper thresholds can be reduced before the sliding scale controls become ineffective and do not add value. Council resolved to reduce the FSR to a lower and upper threshold of 500m² and 1300m².

Council recognises that the FSR sliding scale is a valid control, however, there is insufficient evidence provided in the planning proposal to support the proposed lower and upper thresholds of 500m² and 1300m² respectively.

In the absence of further evidence, the upper threshold of 1800m² is recommended as it:

- enables the development of large floor plates in the B3 and B4 zones, contributing to the provision of A-Grade office space; and
- is consistent with the minimum threshold for the development of opportunity sites (discussed in section 3.1.5 of this report), therefore reducing complexities in the planning framework.

In the absence of further evidence, the lower threshold of 1000m² is recommended as it:

- captures a significant number of small sites within the CBD and requires consideration of site amalgamations as part of the due diligence process; and
- is considered a sufficient size to enable a reasonable FSR uplift without compromising built form outcomes.

In Council's December 2015 report, Council officers recommended the sliding scale shown in **Figure 8** below. However, this was not adopted by Council. For the reasons outlined above, it is recommended that this be reinstated and incorporated into the planning proposal, unless further evidence is provided demonstrating that an alternative threshold would be appropriate.

FSR Shown on Map	Site is less than or equal to 1,000m ²	Site is greater than 1,000m ² but less than 1,800m ²	Site is equal to or greater than 1,800m ²
4:1	3:1	(3+1X):1	4:1
6:1	4:1	(4+2X):1	6:1
7:1	4.5:1	(4.5+2.5X):1	7:1
8:1	5:1	(5+3X):1	8:1
10:1	6:1	(6+4X):1	10:1

Where X = (the site area in square metres – 1000)/800

Figure 8: Department-recommended FSR sliding scale for the Parramatta CBD.

Recommendation 5: The FSR sliding scale is to be amended to reflect the sliding scale in **Figure 8** of this report, known as Option FSR-1 in Council's December 2015 report, unless further urban design evidence is provided demonstrating that an alternative threshold would be appropriate.

3.1.3 FSR out clause

A sliding scale out clause has been introduced in the planning proposal, which allows a development application to be considered with an FSR up to the maximum mapped FSR on all sites, provided it demonstrates design excellence, compliance with State Environmental Planning Policy No 65 – Design Quality of Residential Flat Development and activated street frontages.

The FSR out clause as proposed is not supported as it has the potential to be used to avoid site amalgamation and may create an expectation of higher densities, increasing pressure at the development application stage to resolve urban design and density issues.

In Council's December 2015 report, Council officers recommended the proposed FSR sliding scale include an additional provision that allows applicants with isolated sites the option of achieving the maximum FSR if they carry out a design competition and achieve design excellence. This is recommended to only apply to sites greater than 1000m² where it is demonstrated that site amalgamation was not possible or feasible. This is supported as it is considered there is potential for sites less than 1800m² to accommodate increased density and there is merit in allowing this to occur in certain circumstances without the need for the proponent to lodge a Clause 4.6 Variation to Development Standards request with the development application.

Recommendation 6: The FSR out clause is to be amended to apply only to sites greater than 1000m² in the B3 and B4 zones in accordance with option ALT-1 in Council's December 2015 report, but only for isolated sites and where design excellence is achieved. Isolated sites are to be clearly explained in the planning proposal. The lower limit or threshold for the FSR out clause should relate directly to the lower threshold in the sliding scale.

3.1.4 FSR controls – B3 Commercial Core

It is proposed to introduce a provision to encourage office development in the B3 Commercial Core. The provision will exempt office premises from maximum FSR controls.

The proposed removal of the sliding scale from the commercial core, coupled with the removal of maximum FSR controls, could result in suboptimal office accommodation being developed. Council's report (**Attachment J**) suggests that to deliver A-Grade office space, a minimum commercial floor plate of 1300m² net lettable area (NLA) is required, with a minimum of 1500m² being preferred by commercial tenants. As such, the site area needs to be large enough to accommodate the required footprint to deliver this floor space.

The FSR sliding scale in the Parramatta LEP currently applies to the B3 Commercial Core and ceases to apply at 1800m². As A-Grade office development can only be achieved on large sites, it is recommended that unlimited floor space only applies to sites over 1800m².

Recommendation 7: Amend the B3 Commercial Core controls so unlimited office premises floor space only applies to sites over 1800m² to ensure the potential to achieve A-Grade office space. This may be adjusted subject to urban design testing and the demonstration of the ability to achieve high-quality office premises on smaller sites.

3.1.5 FSR incentive – opportunity sites

The planning proposal introduces opportunity sites to the CBD, which can be used to obtain a bonus FSR up to 3:1. Opportunity sites generally apply to land zoned B4 Mixed Use that meet certain conditions and are included in the proposed mapping. The opportunity sites provision was amended by Council on 10 September 2018 to include additional provisions to address site isolation and impacts on historic streetscapes and to add minimum site depth requirements as follows:

- 35m, where the site is a corner with at least two frontages; or
- 40m in all other situations.

The opportunity sites provision effectively means that buildings within the B4 zone can be developed up to a maximum FSR of 15:1 if all the incentive clauses in the planning proposal are implemented. The draft provision requires that all opportunity sites undergo a design excellence process (design competition) and put in place a site-specific development control plan (DCP) or propose a concept development application under section 4.23 of the *Environmental Planning and Assessment Act 1979*.

There have been emerging issues with site-specific planning proposals on the CBD fringe where tall buildings have been proposed that seek to implement the opportunity sites provision. The potential impact of tall buildings overshadowing surrounding low-density residential zones, heritage conservation areas and heritage items has not been fully considered in the planning proposal.

While it may be acceptable for one tall, slender building to extend its shadows into areas outside the CBD boundary, there is concern that the proposed provisions will enable multiple sites to be developed and could create significant shadow impacts across surrounding residential areas. This is an issue in the southern section of the CBD, where cumulative tall buildings have the potential to cause shadows throughout the day. If this were to occur, the residential amenity of the surrounding locality outside the CBD boundary could be compromised.

Further urban design testing is required to demonstrate that the height and FSR in the interface areas will not have an adverse amenity impact because of overshadowing.

Further, the opportunity sites provision should be reviewed in locations where heritage values could be compromised, for example, along Church Street between Lennox Bridge and Macquarie Street.

Recommendation 8: Review the proposed opportunity sites considering known environmental constraints, provide further justification and consider removing opportunity sites where the additional bulk and scale could have an adverse impact on the amenity of surrounding localities or heritage items.

3.1.6 FSR Incentive – high performance buildings

This FSR incentive is enabled if a mixed-use development meets water and energy targets (above the BASIX requirements). On 10 September 2018, the planning proposal was amended by Council to apply this requirement to sites with an incentive FSR greater than 6:1 and provide a 5% FSR bonus if the high performance building targets are achieved. At an FSR of 10:1 and above, a flat FSR bonus of 0.5:1 applies.

For development in the B3 zone, compliance with the high performance building targets is required for sites delivering over 10,000m² of floor space.

This provision also requires dual water systems (both potable water pipes and recycled water pipes) to be installed in all buildings within the CBD. Sufficient documentation has been submitted with the planning proposal to demonstrate the potential outcomes of this policy on sites with a proposed FSR greater than 10:1, and no further testing is required prior to community consultation. However, insufficient evidence has been provided to demonstrate that the proposed bonus is suitable for sites where the FSR would be less than 10:1.

Recommendation 9: Carry out urban design and feasibility testing to demonstrate that sites with an FSR less than 10:1 are suitable for the intended 5% FSR bonus for high performance buildings and incorporate the intended policy into the explanation of provisions of the planning proposal.

3.2 Built form – height of buildings

All land is proposed to have a base and incentive height control. Certain sites within the CBD are proposed to have no incentive height limit. In this case, the provisions of Clause 7.6 Airspace Operations are proposed to apply. Each of these matters is discussed below.

3.2.1 Mapped height of building

Incentive height controls are only mapped on sites in Church Street (Auto Alley and between Macquarie Street and the Parramatta River) and some sites adjoining heritage items. In other locations, a sun access plane has been implemented to protect public space from overshadowing (see section 3.3 of this report). Throughout the remainder of the CBD, the maximum mapped incentive height of buildings has been removed.

The Department, through the Gateway assessment process for site-specific planning proposals, has been requiring the application of a maximum mapped building height control. The maximum height of buildings in the CBD is known to be limited by an obstacle limitation surface (OLS) for Bankstown Airport of 156 AHD and may extend up to the Procedures for Air Navigation Services – Aircraft Operations Surfaces (PANS-OPS) height limit of approximately 240 AHD if approval is sought in accordance with Clause 7.6 Airspace Operations.

It is the Department's preference that a mapped maximum height of building be provided for the Parramatta CBD. Consultation with the federal Department of Infrastructure, Regional Development and Cities (DIRDC) and the Civil Aviation Safety Authority (CASA) is required before community consultation to determine if a maximum mapped height of building in the Parramatta CBD can be provided where there are no known environmental constraints. This will remove any uncertainty about the maximum building height in the CBD.

While it is the Department's preference to provide a mapped maximum building height, Council may provide further evidence demonstrating why a mapped building height is not required or appropriate following consultation with DIRDC and CASA. Insufficient evidence is provided to demonstrate why the removal of maximum building heights is the most appropriate framework.

Recommendation 10: Consult with DIRDC and CASA to determine the appropriate maximum height of building for unconstrained land in the CBD and provide either a mapped maximum building height or further justification for the removal of building heights on unconstrained land in the CBD.

3.3 Sun access protection

The intent of this provision is to protect identified public open spaces from overshadowing between 12pm and 2pm. There is currently a sun access plane for Lancer Barracks and Jubilee Park. A new sun access plane is to be introduced for the Parramatta River Foreshore South Bank, Prince Alfred Park and Exhibition Farm, with the Exhibition Farm sun access plane being extended from 10am to 2pm. The sun access planes for these public spaces have been identified in the mapping.

There are other public spaces on the periphery of the CBD that have not been identified within the planning proposal where there is no intent to provide a sun access plane. No evidence has been submitted with the planning proposal to demonstrate the potential overshadowing impact of the proposed LEP controls, noting that the existing LEP controls already allow overshadowing of these public spaces. This is relevant to the public land immediately east of Harris Street identified as the Queen's Wharf Reserve, Robin Thomas Reserve and James Ruse Reserve (**Figure 9**).



Figure 9: Identified public land east of the CBD includes the Queen's Wharf Reserve, Robin Thomas Reserve and James Ruse Reserve. Harris Street forms the western edge of the CBD boundary.

Recommendation 11: It is recommended that Council assesses the following so that potential impacts can be understood and assessed:

- potential overshadowing impact from the proposed LEP controls on public open spaces surrounding the CBD compared to the existing LEP controls; and
- potential overshadowing impacts on Experiment Farm that may result from the proposed planning controls (outside the proposed sun access plane of 10am – 2pm).

3.3.1 Parramatta Square

The protected area of Parramatta Square makes up 31.5% of the entire square (**Figure 10, next page**). The Department previously considered overshadowing of Parramatta Square in the context of site-specific planning proposals relating to: Greenway Plaza at 48 Macquarie Street and 220-230 Church Street, Parramatta (PP_2016_PARRA_004_00); 197 and 207 Church Street and 89 Marsden Street (PP_2016_PARRA_015_00); and 20 Macquarie Street (PP_2017_COPAR_011_00). The Gateway determination for these planning proposals required that Council amend the proposals to ensure no additional overshadowing of the protected area of Parramatta Square between 12pm and 2pm.

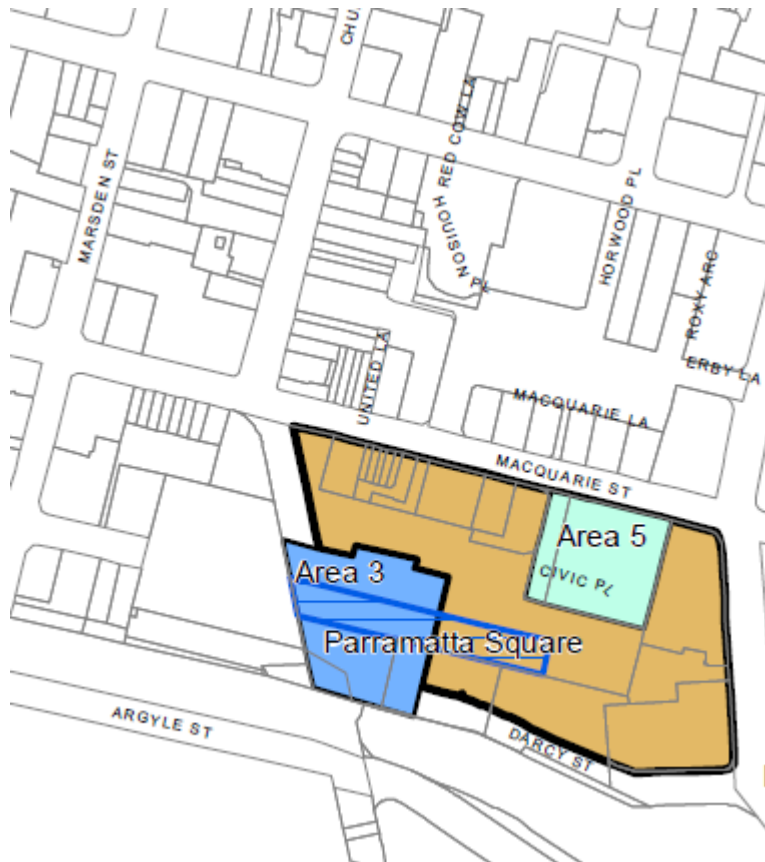


Figure 10: The protected area of Parramatta Square is shown hatched blue on the sun access protection CL1_10 map of the Parramatta LEP 2011 (source: NSW Legislation).

The Independent Planning Commission (IPC) recently endorsed the protection of solar access to Parramatta Square (**Attachment K**) as part of the Gateway review of the planning proposal for 197 and 207 Church Street and 89 Marsden Street, Parramatta.

A sun access plane for the protected area of Parramatta Square has partially been introduced through Amendment No. 29 to the Parramatta LEP for the Greenway Plaza planning proposal. Only a portion of the Parramatta Square sun access plane was introduced as part of this amendment as it was only required to apply to the sites within the CBD where the existing height of building map controls had the potential to overshadow the protected area of Parramatta Square between 12 and 2pm. This primarily applied to land subject to the existing sun access plane for Lancer Barracks (where the sun access plane for the protected area of Parramatta Square was lower than the sun access plane for Lancer Barracks, and land immediately adjoining Parramatta Square between the Square and Macquarie Street).

The Department considers that further analysis is required to inform the sun access plane for Parramatta Square as the additional height and scale proposed has the potential to overshadow the protected area of Parramatta Square. This analysis should clarify the times of year that the protected area should not be overshadowed between 12 and 2pm. The draft mapping and planning proposal should be amended accordingly.

As part of the finalisation of the Greenway Plaza planning proposal (Parramatta LEP 2011 (Amendment No 29) gazetted 7 November 2018), Council requested that an additional clause be

considered for inclusion that would enable minor features like flagpoles and other architectural and design features to overshadow the protected area of Parramatta Square

The final drafting of the Greenway Plaza planning proposal did not include this requirement as it was considered there was insufficient explanation of the intended provision and inadequate analysis of the impact of this provision on protecting solar access to Parramatta Square. The planning proposal should be amended to outline the impacts of the proposed control.

Recommendation 12: Undertake further analysis to inform the sun access plane for Parramatta Square to ensure protected area is not overshadowed between 12 and 2pm. This analysis should clarify the time of year that the proposed controls would apply. Draft maps and the planning proposal should be updated as required.

Should minor intrusions into Parramatta Square be proposed, this needs to be clearly explained and identified in the planning proposal, along with an analysis of potential impacts.

3.4 Design excellence

There are design excellence provisions in the Parramatta LEP (Clause 7.10) that provide a 15% FSR or height bonus if the design excellence process is for mixed use and a 25% bonus for commercial premises. The planning proposal further refines these provisions and recommends additional requirements to achieve design excellence, including lowering the threshold height from 55m to 40m.

These amendments are supported as new CBD buildings should be required to exhibit design excellence and lowering the height threshold will ensure this occurs. Achieving best practice in an emerging CBD is desirable, therefore, it is recommended that the office of the Government Architect NSW review the design excellence clause to ensure it is fit for purpose and ensures best practice.

Recommendation 13: Review the proposed design excellence provisions in consultation with the office of the Government Architect NSW to ensure best practice is achieved and delivered.

3.5 Heritage

Council commissioned the Parramatta CBD heritage study (Urbis, December 2015) (**Attachment L**) and a further study of heritage interface areas (Hector Abrahams Architects (HAA), June 2017) (**Attachment M1**). The recommendations of both reports were not adopted in their entirety by Council. Key heritage conservation areas within the Parramatta CBD are shown in **Figure 4** (page 11). There are four known issues relating to heritage, each of which is addressed below.

3.5.1 Heritage interface areas

After the completion of the Urbis heritage study, the Department considered several site-specific planning proposals that raised issues with the heritage interface areas at the periphery of the proposed new CBD boundary. In response to these issues, Council commissioned the HAA study, which made recommendations about heritage interface areas that differed from Urbis's recommendations. Council's partial adoption of this study and the amendments to the planning proposal are provided in **Attachment M2**. The planning proposal will need to be updated to reflect this document, except where the Gateway conditions require further amendment or explanation of issues.

A new LEP clause was recommended by HAA to be inserted to emphasise the consideration of heritage issues when development applications are being considered by Council. The planning

proposal is required to be updated to clearly explain the intent of the new provisions proposed by HAA and adopted by Council which are to:

- include the words 'and heritage values' in the objectives for the B4 Mixed Use zoning; and
- include a new clause to 'manage heritage impacts' (**Appendix 2** of this report and **Attachment G3**).

There are concerns regarding potential amenity impacts on the southern side of the CBD where tall buildings have the potential to overshadow low-density residential areas for significant periods of the day.

To assist in the assessment of the heritage interface issues, the Department commissioned GML Heritage to carry out a peer review of the heritage interface areas (**Attachment M3**). There are inconsistencies between the recommendations in the HAA and GML reports and the recommendations for height and FSR in the planning proposal. For example, the heritage reports recommend a 2:1 FSR for Marion Street, but Council has proposed a 6:1 FSR. It is considered that insufficient justification has been provided to demonstrate why these inconsistencies are appropriate.

Council is required to review the planning proposal and provide further evidence to support the intended outcomes where there is an unresolved inconsistency between the outcomes in the CBD planning proposal and the heritage interface reports. Further evidence may be in the form of an urban design study to test built form outcomes, more detailed heritage investigations or further details regarding overshadowing impacts.

Recommendation 14: It is recommended that Council:

- carry out further investigations of heritage interface areas and clearly identify where there are inconsistencies between the intended outcomes in the planning proposal and the heritage reports that have been prepared. Council is to provide further information to identify where the inconsistencies exist, the extent of the inconsistencies and how they are proposed to be addressed;
- carry out an urban design study of the southern interface areas to ensure that excessive cumulative shadow impacts are not created across the northern sections of adjoining heritage conservation areas (HCA), including the Harris Park HCA, Experiment Farm HCA, Tottenham Road HCA and the South Parramatta HCA. These areas should receive a minimum of two hours' direct sunlight between 9am and 3pm at midwinter (21 June). If required, heights and FSRs are to be adjusted accordingly; and
- consider removing opportunity sites within interface areas where the additional height and FSR would have a potential adverse impact on the character and amenity of surrounding low-density precincts through overshadowing or inappropriate transition of bulk and scale.

3.5.2 Church Street between Lennox Bridge and Macquarie Street

On 10 September 2018, Council resolved to amend the base and incentive HOB maps for Church Street between Macquarie Street and the Parramatta River (**Figure 11, next page**) to provide a 12m tower setback control with a maximum 12m height control in this setback area. This is shown in the draft planning proposal maps at **Attachment H**.

Street unless a heritage, urban design and commercial feasibility study is undertaken to support a reduction in the development controls. This study may also investigate alternative mechanisms to incentivise redevelopment of land along Church Street that enhances historical values.

Any such study should be done in consultation with the NSW Heritage Council and the Office of Environment and Heritage – Heritage Division.

3.5.3 Impact on heritage items and significant archaeology

The Office of Environment and Heritage (OEH), on behalf of the NSW Heritage Council, has been involved in early consultation as part of the development of this planning proposal. The proposal has subsequently changed and, therefore, further consultation is necessary. A new clause to address heritage issues in addition to those already embedded in clause 5.10 of the Parramatta LEP is proposed in the planning proposal and this will need to be reviewed and considered by OEH and the NSW Heritage Council (**Appendix 2** of this report and **Attachment G3**).

There is significant archaeological potential within the Parramatta CBD. The CBD planning proposal, while increasing height and FSR and therefore density, is not altering the potential of land to be developed and therefore the potential threat to archaeological items is not increased as a result of the planning proposal.

Recommendation 16: The planning proposal, including the maps, must be updated prior to exhibition having regard to the additional heritage studies that have been prepared and submitted to the Department for approval. It is also recommended that further consultation with relevant statutory and non-statutory heritage authorities occur as part of the community consultation process.

3.5.4 West Auto Alley

On 10 September 2018, Council resolved to adopt new controls for West Auto Alley (**Attachment S1**), being land bound by Lennox, Lansdowne, Dixon, Rosehill and Boundary Streets (**Figure 12, next page**) by increasing the adopted proposed maximum incentive FSR from 3:1 to 6:1 and removing the HOB controls. The proposed controls are inconsistent with the recommendations of the HAA study of interface areas, which recommended a maximum FSR of 3:1 and a reduction in the maximum permissible height limit of 40-80m to create an improved interface with adjoining low-density areas.



Figure 12: Extract of the incentive FSR map for the Church Street Precinct, with the West Auto Alley precinct shown in red, with an FSR of 3:1 (source: City of Parramatta Council).

Council also resolved to undertake a precinct-based heritage study to provide evidence that the proposed height and FSR are appropriate in this location and to prepare a detailed precinct plan to identify additional opportunities for public open space, through-site links and road widenings to support the proposed density. It is considered that this level of detailed study is appropriate to investigate the appropriate height and FSRs for this precinct.

Recommendation 17: It is recommended that a heritage study and precinct plan be developed to guide the future land-use controls for West Auto Alley. The precinct plan should justify the proposed FSRs and building height. This is to be prepared prior to community consultation.

3.6 Floodplain risk management

The Parramatta CBD is affected by the 1:20 and 1:100-year flood events and there are provisions in the Parramatta LEP and DCP to ensure appropriate development outcomes and consideration of flooding impacts. The Parramatta CBD is also affected by the PMF event.

The planning proposal seeks to apply an additional provision to all land affected by the PMF. In accordance with the relevant section 9.1 Directions, exceptional circumstances are required to be granted to enable this to occur, which is discussed in greater detail in section 4.3.5 of this report.

The draft Update of Parramatta Floodplain Risk Management Plans by Molino Stewart (February 2016 (**Attachment P4**)) concluded that due to the nature of flooding in the Parramatta CBD, a

shelter-in-place policy is recommended as the most appropriate flood response for most buildings in the Parramatta CBD.

Council has proposed a draft clause that seeks to implement this provision (**Attachment G2**). The Department has had discussions with the NSW State Emergency Service (SES), and discussions between the SES and Council are ongoing. The SES has provided preliminary guidelines about appropriate development controls for the broader Parramatta CBD should a shelter-in-place policy be implemented (**Attachment T**).

Recommendation 18: Council is to further liaise with the SES, OEH and the Department in relation to the proposed new flood plan management provision.

3.7 Transport and traffic

The strategic transport study (AECOM, March 2017) (**Attachment O**) for the Parramatta CBD assesses the likely impacts on the transport network from the proposed increases in residential and commercial development.

The study is the first phase of three components for considering transport issues. The next phase comprises detailed analysis of traffic issues using a mesoscopic simulation model and preparation of an integrated transport plan, which is proposed to be completed prior to the final gazettal of the planning proposal. Both Transport for NSW (TfNSW) and Roads and Maritime Services (RMS) have agreed to this approach.

Since the strategic transport study was completed, several announcements about future transport links have been made and planned for, which will impact on the Parramatta CBD – for example, the Sydney Metro West and Parramatta Light Rail Stage 2. It is likely that a transport mode shift will occur so more workers are commuting by public transport.

Recommendation 19: Council is to prepare a mesoscopic model and integrated transport plan prior to the finalisation of the planning proposal and, if required, amend the planning proposal to reflect the outcomes. Council should liaise with TfNSW to integrate the proposed new infrastructure into the mesoscopic traffic study.

It is further recommended that land required for any road widening to facilitate either road improvements or public transport be identified, ensuring transport and traffic matters are fully considered.

3.8 Infrastructure funding

3.8.1 Local infrastructure funding

Council has proposed a two-phase value-sharing model, referred to as community infrastructure funding as follows:

- Phase 1 (currently calculated at \$175/square metre) – the difference between the base FSR controls and the incentive FSR controls; and
- Phase 2 (currently calculated at \$375/ square metre) – the difference between the incentive FSR controls and any additional FSR for opportunity sites.

A funding mechanism to provide community infrastructure funding as part of development has been implemented in other local government areas. For example, the Penrith LEP contains a provision where community infrastructure is delivered on identified key sites. However, the difference between the Parramatta model and the Penrith model is that within the Parramatta model, there is a broad

collection of funds to contribute towards infrastructure projects, whereas in the Penrith model community infrastructure is provided on the development site only.

The Department recognises the need to provide infrastructure to support growth. However, the *Environmental Planning and Assessment Act 1979* provides a clear legislative framework for infrastructure funding in association with development. Sections 7.11 and 7.12 of the Act provide methods for a development to contribute towards the cost of local infrastructure necessitated by the development in accordance with a contributions plan. The Department considers that the proposal's community infrastructure funding will need to be amended to be limited to the provision of community infrastructure on the development site and will not address or capture funding to address a broader need.

The proposed infrastructure contributions associated with the planning proposal need to be further developed by Council prior to the public exhibition of the planning proposal. It is considered that Council should investigate a section 7.11 plan covering the Parramatta CBD.

The provision of community infrastructure within a development should be complementary to traditional funding mechanisms. Council should liaise with the Department should it resolve to revise its section 7.12 plan or introduce a section 7.11 plan to fund local infrastructure that is needed to support the growth of the Parramatta CBD.

Recommendation 20: The community infrastructure funding mechanism is to be amended to remove reference to value sharing.

The planning proposal is to be amended to clearly articulate that any community infrastructure is to be provided on the development site.

Council should investigate revising its section 7.12 plan or preparing a section 7.11 plan for the Parramatta CBD.

3.8.2 State infrastructure funding

While a special infrastructure contributions (SIC) levy has not been formally announced for Greater Parramatta, it has been identified as part of the Greater Parramatta Interim Land Use and Infrastructure Implementation Plan as a potential funding mechanism. Accordingly, the planning proposal is required to include a satisfactory arrangements clause for the funding of state infrastructure.

Recommendation 21: A satisfactory arrangements clause is to be included in the planning proposal to enable a contribution towards state infrastructure.

3.9 Review of studies

The planning proposal relies on studies that are 2-4 years old. At its meeting of 10 September 2018, Council amended the planning proposal. As previously discussed in Section 1.5, Council has asked the Department to issue a conditional Gateway determination that allows the planning proposal to be updated and consolidated to provide further resolution of key policy issues prior to public exhibition.

It is therefore considered appropriate that the studies included with the planning proposal should be updated, as required.

Recommendation 22: It is recommended that Council review the consultant studies that have been prepared and update them as required. Given the number of site-specific planning proposals that have been considered, Council should review the job and housing estimates within the planning proposal,

noting the significant development activity that has occurred in the past four years to properly inform infrastructure planning and ensure housing and job targets are achieved.

Part 4 – Strategic assessment

4.1 Regional and district plans

4.1.1 Greater Sydney Region Plan

It is considered that the planning proposal has the potential to be consistent with the Greater Sydney Region Plan. However, the planning proposal needs to be updated to address the directions, objectives and metrics in the plan.

The plan establishes a five-year housing supply target (2016-2021) for the Central City of 53,500 new houses and a 20-year strategic housing target (2016-2036) of 207,500 houses. The original planning framework proposed to enable the development of 20,000 dwellings in the Parramatta CBD, some of which are under construction following consideration of site-specific planning proposals. This represents 9% of the housing supply target for the entire Central City District.

The regional plan establishes a jobs target of 441,180 additional jobs for the Central City. The CBD planning proposal seeks to create an additional 49,000 jobs in the Parramatta CBD. This represents 11% of the required additional jobs for the Central City in the Parramatta CBD.

The planning proposal does not address the provision of affordable housing, noting a target of 5-10% is established in the plan. The provision of affordable housing in the Parramatta CBD is subject to a separate process and relies on the City of Parramatta being included in State Environmental Planning Policy 70 – Affordable Housing (Revised Schemes) and, as such, the provision of affordable housing is outside the scope of the planning proposal. The planning proposal was initiated prior to this target being set and focused on other planning outcomes such as high performance buildings, design excellence and local infrastructure funding.

Council is reviewing its LEP as part of the LEP review program being coordinated by the GSC and the Department and is also required to prepare a housing strategy. The LEP review program will require Council to indicate how it will meet the required affordable housing targets.

4.1.2 Central City District Plan

It is considered that the planning proposal is broadly consistent with the Central District Plan and a detailed assessment needs to be provided in the updated planning proposal. The district plan commits to additional housing supply with access to jobs and services (Planning Priority C5) through a 21,650 five-year housing supply target for the Parramatta LGA, but this housing growth is intended to be supported by liveability, productivity and sustainability outcomes. The structure plan for the Central City District (**Figure 2, page 10**) clearly demonstrates that Greater Parramatta is the metropolitan centre of the Central City District.

4.1.3 Greater Parramatta Interim Land Use and Infrastructure Implementation Plan

It is considered that the planning proposal is broadly consistent with the Interim Land Use and Infrastructure Implementation Plan (Interim LUIIP) but Council is required to update it to address the Interim LUIIP.

The intent and purpose of the Interim LUIIP is discussed in greater detail in section 4.3.8 of this report.

Recommendation 23: The CBD planning proposal should be amended to reflect and demonstrate how it gives effect to the Greater Sydney Region Plan, the Central City District Plan and the Interim

LUIIP. The planning proposal should be updated to reflect the demographic data from the 2016 census and demonstrate how it will contribute towards meeting dwelling and job targets.

4.2 Local strategic plans

4.2.1 Parramatta 2038 Community Strategic Plan

Council recently adopted a new Community Strategic Plan 2018-2038, therefore, the planning proposal is required to be updated to address the new plan.

4.2.2 Culture and Our City: A Cultural Plan for Parramatta's CBD 2017-2022

The CBD planning proposal does not address this policy, which aims to incorporate cultural objectives including diversity, liveability and vibrancy, and encourage collaboration to deliver a shared vision for the city. The planning proposal should be updated to reflect this.

4.2.3 Parramatta CBD Planning Strategy

Adopted on 27 April 2015, the Parramatta CBD Planning Strategy (**Attachment E**) is Council's long-term vision to guide future growth in the Parramatta CBD. The subject planning proposal, as lodged, addresses the consistency of the planning proposal with the planning strategy

4.2.4 City of Parramatta – Smart City Masterplan August 2015

The planning proposal appropriately addresses this local strategy.

Recommendation 24: That the CBD planning proposal is updated to address the most recent local plans, including the new community strategic plan, the cultural plan and any other relevant plans that have been developed by Council since the planning proposal was lodged.

4.3 Section 9.1 Directions

The proposal is consistent with all section 9.1 Directions except the Directions identified below.

4.3.1 Direction 2.3 Heritage Conservation

The Parramatta CBD contains significant heritage items and areas, ranging from locally listed items to convict sites inscribed on the World Heritage list.

Heritage issues will require further resolution and clarification and, therefore, this Direction should remain unresolved subject to further consideration after community and public agency consultation has occurred. This is particularly relevant given a new heritage provision is proposed to be introduced as part of the planning proposal (**Appendix 2** of this report and **Attachment G3**) and the objectives of the B4 zone are to be amended to include a reference to heritage. The intent of these proposed new mechanisms will need to be considered by relevant authorities to assess their suitability in ensuring the protection of heritage as the CBD develops.

There is significant Aboriginal archaeological heritage within the Parramatta CBD and Council has a database of known Aboriginal archaeological sites. As indicated in the Urbis heritage report (**Attachment L**), the planning proposal area comprises numerous registered Aboriginal sites and a large portion of the CBD is affected by the Parramatta Sand Body, which contains substantial and potentially ancient archaeological evidence of Aboriginal occupation and is an area of high Aboriginal sensitivity. This section 9.1 Direction requires that all planning instruments facilitate the conservation of Aboriginal objects and the *Environmental Planning and Assessment Act 1979* further requires that councils use development control mechanisms to protect items of Aboriginal heritage.

The Urbis report found that the proposed FSR and height amendments will not generally present a greater impact on the archaeological resource than the current planning controls where development is already permissible, and that each proposal to redevelop land, whether under the current or proposed controls, remains subject to approval and individual site assessment.

Recommendation 25: OEH, the National Trust of Australia, the Greater Sydney Local Land Services, the NSW Aboriginal Land Council and Deerubbin Local Aboriginal Land Council should all be consulted as part of the LEP plan-making process.

4.3.2 Direction 3.1 Residential Zones

It is expected that only apartment-style (unit) development will be constructed in the CBD. The proposal may be inconsistent with this Direction as it does not contain provisions that will broaden the choice of building types and locations available in the housing market.

However, any noncompliance is considered justified because, while there is limited opportunity for the provision of different housing types within the CBD, the proposal encourages housing choice through increased density and therefore an increase in housing supply. The Parramatta CBD is well suited to high-density residential development given its proximity to significant services and infrastructure, and it is considered that apartments are the most suitable dwelling type in the CBD. Further, the Parramatta CBD is surrounded by land zoned for low-density and medium-density residential development, which provides for housing choice in the immediate vicinity.

As such, it is considered that the noncompliance is of minor significance and is justified in these circumstances.

Recommendation 26: That the Secretary's delegate agree that the inconsistency with this Direction is of minor significance.

4.3.3 Direction 3.5 Development Near Licensed Aerodromes

Airspace above Parramatta is affected by operational requirements of Sydney and Bankstown Airports. Clause 7.6 Airspace Operations in the Parramatta LEP makes any proposed development above the obstacle limitation surface (OLS) of 156 AHD a controlled activity under the *Airports Act 1996* and requires approval from the Civil Aviation Safety Authority (CASA) and the Department of Infrastructure, Regional Development and Cities (DIRDC). Clause 7.6 applies only to selected sites in the Parramatta CBD that have been subject to a site-specific planning proposal.

The Direction notes that where land is affected by the OLS, the planning authority must prepare appropriate development standards. The Gateway determination requires the implementation of a maximum height of building in the Parramatta CBD.

While controlled activity approvals have been granted by the federal government to exceed the OLS within the Parramatta CBD for certain sites, this Direction should remain unresolved until further consultation with CASA and DIRDC has occurred. The planning proposal seeks to apply clause 7.6 of the LEP to the entire Parramatta CBD. Some site-specific planning proposals have received support to exceed the OLS at the development application stage; however, there may be unknown limitations about the number of buildings that can penetrate the OLS.

Council should work with CASA and DIRDC to determine whether the maximum building height should be 156 AHD where there are no other known constraints (heritage, overshadowing), or whether this

height can be increased up to the known height limit for Procedures for Air Navigation Services – Aircraft Operations (PANS-OPS), which is known to be approximately 244 AHD.

It is proposed that the mapped maximum height of buildings in the Sydney CBD is the PANS-OPS height limit and, as such, given the strategic importance of the Parramatta CBD to the growth of Greater Sydney, a similar framework should be investigated subject to relevant regulatory considerations.

Recommendation 27: That CASA and DIRDC be consulted prior to community consultation.

4.3.4 Direction 4.1 Acid Sulfate Soils

The Parramatta CBD is mapped as containing acid sulfate soils. Under the planning framework, any land in the Parramatta CBD that is subject to a development application is required to consider the presence of acid sulfate soils in accordance with clause 6.1 of the Parramatta LEP. Given the extent of development in the Parramatta CBD, the relative difficulties in carrying out further testing and the ability to consider acid sulfate soils at the development application stage, it is considered that the inconsistency is minor and no further consideration of this issue is warranted at the planning proposal stage.

Recommendation 28: That the Secretary's delegate agree that the inconsistency with this Direction is of minor significance.

4.3.5 Direction 4.3 Flood Prone Land

The planning proposal contains provisions that apply to land within the PMF and is therefore inconsistent with this Direction (see section 3.6 of this report for discussion on floodplain risk management). The provision applies to all land in the Parramatta CBD affected by the PMF (**Attachment H**) and requires:

- shelter-in-place to be available within a building that is above the PMF level; or
- that people can evacuate safely to land that is above the PMF; and
- that buildings be able to withstand flooding up to the PMF (through engineering certification).

Council has lodged a request for exceptional circumstances (**Attachments P1–P7**) and the responses from OEH (**Attachment Q**) and the Department's Policy team (**Attachment R**) indicate that flooding in the Parramatta CBD warrants the granting of exceptional circumstances. This Direction requires that should exceptional circumstances be required to facilitate an LEP amendment, they must be granted prior to community consultation.

OEH's advice suggests that further consultation needs to occur with the NSW SES, OEH, the Department and the GSC regarding the nature of the intended clause and any supporting DCP provisions that may be required. The most appropriate methodology to ensure this consultation occurs is through the granting of exceptional circumstances. The granting of exceptional circumstances does not represent an endorsement of the proposed provisions.

While it is considered that there is a case for granting exceptional circumstances in the Parramatta CBD as requested by Council to enable further consultation, it is not considered appropriate to justify the inconsistency with this Direction. It is therefore recommended that the Secretary's delegate agree that there are exceptional circumstances to enable the consideration of a flood planning clause that would apply to all land in the Parramatta CBD affected by the PMF. This would enable issued raised during community consultation for the proposed floodplain risk management provisions in the planning

proposal to be further considered. Following community and public agency consultation, a decision can then be made regarding the suitability of the proposed floodplain risk management provisions.

Recommendation 29: That the Secretary's delegate grant exceptional circumstances to enable consultation and consideration of a new planning provision that would apply to all land in the Parramatta CBD that is impacted by the PMF and that the overall consistency with this Direction be considered at finalisation. The NSW SES, OEH and the GSC are to be consulted before the plan is exhibited.

4.3.5 Direction 6.1 Approval and Referral Requirements

While the planning proposal does not propose to change any approval and referral requirements, the proposal to apply Clause 7.6 Airspace Operations to the entire CBD has the potential to significantly increase the number of controlled activity approvals required from the federal government under the *Airports Act 1996*. The conditions of the Gateway determination will require an amendment to the proposed building height controls and it is recommended that this Direction remain unresolved until consultation with CASA and DIRDC has occurred.

4.3.6 Direction 6.2 Reserving Land for Public Purposes

The planning proposal does not propose to change any land reservations for public purposes. However, there is a significant amount of infrastructure required to support the growth of the Parramatta CBD and, as discussed in section 3.8 of this report, the planning proposal does not contain any new SP2 Infrastructure zones to support infrastructure provision in the CBD. It is recommended that this Direction remain unresolved as further consultation with public authorities may warrant a review of the SP2 Infrastructure zones in the Parramatta CBD.

4.3.7 Direction 6.3 Site Specific Provisions

The planning proposal contains two site-specific planning controls and is therefore inconsistent with this Direction as it imposes development requirements in addition to those already contained in those zones. The two sites are:

- land principally along Church Street within the Auto Alley precinct; and
- certain land at Dixon, Rosehill and Boundary Streets.

As Council is to carry out further investigations in these precincts to support the planning proposal, it is recommended that this Direction remains unresolved.

4.3.8 Direction 7.5 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan

The planning proposal has the potential to be consistent with this Direction; however, it does not address the LUIIP. There is a clear correlation between the planning proposal objectives and the Interim LUIIP, particularly in relation to housing and jobs creation. A key action in the LUIIP is to 'work with the City of Parramatta to advance the planning proposal for Parramatta CBD to strengthen its commercial core, provide additional jobs and homes to promote Parramatta CBD as Sydney's central city'.

The Interim LUIIP also recognises the need for additional regional infrastructure to support growth and this is proposed to be implemented via a special infrastructure contribution (SIC). While an SIC has not been formally announced for Greater Parramatta, it is recommended that a satisfactory arrangements clause be included in the planning proposal to enable a contribution towards state

infrastructure and the potential future application of an SIC (see section 3.8 of this report for discussion on infrastructure funding) to ensure consistency with the Interim LUIIP and this Direction.

Recommendation 30: Council is to address the Interim LUIIP in the planning proposal to demonstrate consistency with this Direction.

4.4 State environmental planning policies (SEPPs)

The planning proposal is consistent with all SEPPs except for the following:

4.4.1 SEPP No 55 – Remediation of Land

Consistent with the requirements of this SEPP and associated supporting guidelines, Council undertook a preliminary (desktop) investigation of the area within the planning proposal boundary and a site-specific contamination assessment of the Church Street (Auto Alley) precinct.

While the investigation identified potential soil and groundwater impacts, it did not identify the potential for gross or widespread contamination that may preclude a rezoning. The investigation recommended that a detailed site investigation be undertaken at the development application stage for the redevelopment of any land within the CBD. The Department is satisfied that satisfactory measures are in place to provide for the remediation of contaminated land.

4.4.2 SEPP No 65 – Design Quality of Residential Apartment Development

SEPP 65 aims to improve the design quality of residential apartments. Council notes that any future mixed-use or residential development will likely be required to consider the SEPP 65 *Apartment Design Guide* and undertake a competitive design process if the proposal triggers the design excellence requirements in clause 7.10 of the Parramatta LEP.

As part of the development of the Parramatta CBD Planning Strategy, it was recommended that further detailed urban design testing of the preliminary built form controls be undertaken. The CBD planning proposal is underpinned by several technical studies, such as heritage, that impact on the built form outcomes within the CBD and the proposed planning controls.

The planning controls aim to encourage the development of tall, slender towers within the CBD and require design excellence (which includes a requirement to comply with SEPP 65) to be established for all buildings over 40m. There is an evidence base of site-specific planning proposals which demonstrate that a 10:1 FSR can be achieved on land in the CBD while complying with the provisions of SEPP 65.

Part 5 – Consultation

5.1 Community consultation

It is recommended that the planning proposal be exhibited for a minimum of 28 days. Prior to community consultation, the planning proposal is to be referred to the Department for approval to enable a review of the consolidated planning proposal and ensure consistency with the Gateway conditions.

5.2 Agencies

The following agencies are required to be consulted prior to community consultation:

- Transport for NSW;
- Roads and Maritime Services;
- Office of Environment and Heritage – Heritage Division;
- NSW Heritage Office;
- NSW State Emergency Service;
- Government Architect NSW;
- Civil Aviation Safety Authority; and
- federal Department of Infrastructure, Regional Development and Cities.

The planning proposal may need to be amended as a result of agency comments.

The above agencies are to be re-consulted during the community consultation period along with the following agencies:

- Department of Family and Community Services;
- Department of Education;
- Department of Industry – Trade and Investment;
- Fire and Rescue NSW;
- Department of Health;
- NSW Police Force;
- Sydney Water;
- adjoining local government area councils;
- federal Department of the Environment and Energy;
- National Trust of Australia;
- Department of Defence;
- Deerubbin Local Aboriginal Land Council;
- Western Sydney Local Health District;
- Greater Sydney Local Land Services;
- NSW Aboriginal Land Council;
- relevant service providers; and
- UrbanGrowth NSW.

Part 6 – Time frame

The proposed time frame to finalise the CBD planning proposal is 24 months from the date of the Gateway determination, which is appropriate given the scale and complexity of the project. The project timeline in the planning proposal is required to be updated prior to community consultation.

Part 7 – Local plan-making authority

It is recommended that authorisation is not issued for Council to make the CBD planning proposal due to the strategic importance of the Parramatta CBD and the need to coordinate the implementation of site-specific planning proposals to ensure consistent application of policy outcomes.

Part 8 – Conclusion

The planning proposal is supported for the reasons outlined in this report. It is recommended that a Gateway determination be issued with conditions and that the planning proposal be updated and forwarded to the Department for approval prior to community consultation. The strategic importance of the Parramatta CBD has been established and the planning proposal intends to give effect to the relevant state, regional and local plans.

Part 9 – Recommendation

It is recommended that the delegate of the Secretary:

1. agree that any inconsistencies with section 9.1 Directions 3.1 Residential Zones and 4.1 Acid Sulfate Soils are justified;
2. note that the consistency with section 9.1 Directions 2.3 Heritage Conservation 3.5 Development Near Licensed Aerodromes, 4.3 Flood Prone Land, 6.1 Approval and Referral Requirements, 6.2 Reserving Land for Public Purposes, 6.3 Site Specific Provisions and 7.5 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan is unresolved and will require further justification; and
3. agree to grant exceptional circumstances under section 9.1 Direction 4.3 Flood Prone Land to enable consideration of a new LEP provision that would apply to all land affected by the probable maximum flood.

It is recommended that the delegate of the Minister for Planning determine that the planning proposal should proceed subject to the following conditions:

1. Prior to public exhibition and resubmitting the planning proposal to the Department for approval, Council is to consult with the following public authorities to further refine the planning proposal in accordance with the Gateway determination:
 - Transport for NSW;
 - Roads and Maritime Services;
 - Office of Environment and Heritage – Heritage Division;
 - NSW Heritage Office;
 - NSW State Emergency Service;
 - Government Architect NSW;
 - Civil Aviation Safety Authority; and
 - federal Department of Infrastructure, Regional Development and Cities.
2. Prior to community consultation, Council is to amend the planning proposal to:

- (a) consider sites that have been subject to a site-specific planning proposal and recommend whether the site-specific clause is to be retained in the Parramatta LEP or integrated with the proposed planning framework;
- (b) amend the objectives and intended outcomes to reflect the description of Parramatta as Sydney's Central City in the Greater Sydney Region Plan and include an objective that refers to the need for appropriate consideration of heritage items and heritage interface areas;
- (c) prepare a draft acquisition and strategic corridor preservation map to indicate land that may be required to be rezoned to SP2 to facilitate local and regional infrastructure projects;
- (d) assess the planning proposal against the Greater Sydney Region Plan and the Central City District Plan and describe how the planning proposal gives effect to and complies with these plans;
- (e) assess the planning proposal against section 9.1 Direction 7.5 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Development Plan to demonstrate consistency with this document;
- (f) address the Community Strategic Plan 2018-2038, Culture and Our City: A Cultural Plan for Parramatta's CBD 2017-2022 and the Parramatta Smart City Masterplan and demonstrate consistency with these documents;
- (g) update the planning proposal and maps to provide a consolidated explanation of provisions and assessment of the intended outcomes as amended by the Gateway determination, and review the studies that have been prepared to support the planning proposal and update if required;
- (h) review the demographic data and the job and housing numbers that could be delivered through the planning proposal;
- (i) in relation to the proposed FSR controls and incentives:
 - i. amend the base and incentive FSR maps to reflect the Gateway conditions;
 - ii. amend the planning proposal and the FSR sliding scale to reflect option FSR-1 in Council's report of 14 December 2015 unless further evidence is provided to demonstrate that alternative thresholds would be appropriate;
 - iii. amend the planning proposal and the FSR out clause to reflect ALT-1 in Council's report of 14 December 2015, but only for isolated sites and where design excellence is achieved;
 - iv. amend the planning proposal to clearly define what constitutes an isolated site;
 - v. enable unlimited office premises FSR in the B3 Commercial Core on sites greater than 1800m². Council may reduce this threshold subject to urban design testing demonstrating that appropriate commercial floor plates can be achieved;
 - vi. review the proposed opportunity sites having regard to site depth, site isolation and impacts on heritage areas and historic streetscapes, and remove the opportunity sites where the additional bulk and scale could have an adverse impact on the amenity of surrounding localities and areas of heritage significance; and
 - vii. carry out environmental analysis and feasibility testing to demonstrate that sites with an FSR greater than 6:1 are suitable for the intended 5% FSR high performing buildings bonus and incorporate the intended policy into the explanation of provisions of the planning proposal;
- (j) in relation to the proposed height of building controls:
 - i. liaise with CASA and DIRDC to either determine the maximum mapped height of building that can be applied in the Parramatta CBD or provide further justification for the removal of height controls on unconstrained land;
 - ii. provide further assessment of the overshadowing impact of the proposed controls on public open spaces surrounding the CBD compared to the existing controls;
 - iii. incorporate an assessment of the potential overshadowing impacts on Experiment Farm that may result from the proposed planning controls (outside the proposed sun access plane of 10am–2pm);

- iv. provide further analysis to inform sun access plane for the protected area of Parramatta Square between 12pm and 2pm, including the times of year that the proposed controls would apply;
 - v. update the planning proposal to address the proposed permissibility of minor intrusions into the protected area of Parramatta Square, the intended outcomes and an analysis of potential impacts;
- (k) in relation to heritage matters, which may also influence the height and FSR outcomes:
- i. carry out further investigations of heritage interface areas and clearly identify where there are inconsistencies between the intended outcomes in the planning proposal and the heritage reports that have been prepared. Council is to provide further information to identify where the inconsistencies exist, the extent of the inconsistencies and how they are proposed to be addressed;
 - ii. carry out an urban design study of the southern interface areas to ensure that excessive cumulative shadow impacts are not created across the northern sections of adjoining heritage conservation areas (HCA), including the Harris Park HCA, Experiment Farm HCA, Tottenham Road HCA and the South Parramatta HCA. These areas should receive a minimum of two hours' direct sunlight between 9am and 3pm at midwinter (21 June). If required, heights and FSRs are to be adjusted accordingly; and
 - iii. along Church Street between Lennox Bridge and Macquarie Street, retain the FSR of 3:1, the height limit of 12m and the podium setback of 18m unless a heritage, urban design and commercial feasibility study is carried out to demonstrate that a reduced tower podium setback has merit from a heritage, urban design and commercial feasibility perspective, and consider removing opportunity sites in this precinct if additional height and FSR will have an adverse impact on heritage values;
- (l) prepare a mesoscopic model and integrated transport plan in consultation with Transport for NSW, Roads and Maritime Services, Parramatta Light Rail and Sydney Metro West, taking into account planned transport infrastructure improvements;
- (m) in relation to infrastructure funding:
- i. amend the planning proposal to introduce a satisfactory arrangements clause for the funding of regional infrastructure;
 - ii. change all references to 'value sharing' in the planning proposal to 'provision of community infrastructure';
 - iii. amend the explanation of provisions to clarify that community infrastructure is only able to be provided on the development site; and
 - iv. consider a funding mechanism to support the provision of community infrastructure, such as the preparation of a new section 7.11 contributions plan or a potential increase to the levy under the current 7.12 contributions plan.

The planning proposal is to be submitted to the Department for approval prior to public exhibition.

3. Public exhibition is required under section 3.34(2)(c) and schedule 1 clause 4 of the *Environmental Planning and Assessment Act 1979* as follows:
 - (a) the planning proposal must be made publicly available for a minimum of 28 days; and
 - (b) the planning proposal authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in section 5.5.2 of A guide to preparing local environmental plans (Department of Planning and Environment 2013).
4. Consultation is required with the following public authorities:
 - Department of Family and Community Services;
 - Department of Education;
 - Department of Industry – Trade and Investment;
 - Fire and Rescue NSW;

- Department of Health;
 - NSW Police Force;
 - Sydney Water;
 - adjoining local government area councils;
 - federal Department of the Environment and Energy;
 - National Trust of Australia;
 - Department of Defence;
 - Government Architect NSW;
 - Deerubbin Local Aboriginal Land Council;
 - Western Sydney Local Health District;
 - Greater Sydney Local Land Services;
 - NSW Aboriginal Land Council;
 - relevant service providers; and
 - UrbanGrowth NSW.
5. The time frame for completing the LEP is to be 24 months from the date of the Gateway determination.
 6. Given the nature of the planning proposal, Council should not be authorised to be the local plan-making authority to make this plan.

30/11/2018

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7/12/2018

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Appendix 1 – Planning proposal timeline

The planning proposal to rezone the Parramatta CBD was first lodged with the Department in April 2016. Subsequent amendments have been made to the planning proposal by Council as per the following timeline:

21 April 2016	Planning proposal lodged with the Department (Attachment A);
24 April 2017	Provide further information to support the planning proposal on four outstanding policy matters relating to infrastructure funding models, transport and flood evacuation;
18 July 2017	Amendment to the planning proposal to incorporate Council's response to the heritage study of interface areas (Attachment A2);
21 November 2017	Submission to the Department and OEG for exceptional circumstances to apply planning controls above the 100-year flood planning level (Attachments P1–P7);
24 January 2018	Amendment to the planning proposal to amend the draft planning controls for Marion Street following a Council resolution of 11 December 2017 (Attachment A3);
20 September 2018	Amendment to the planning proposal following a Council resolution of 10 September 2018 which clarified Council's position on the proposed setback of towers to Church Street, performance provisions relating to opportunity sites, incentive FSRs for the West Auto Alley Precinct, high performance building bonus to sites with an FSR less than 10:1 and value sharing. As part of this amendment, Council provided a consolidated set of proposed LEP maps. The planning proposal document has not yet been consolidated.

Appendix 2 – Proposed heritage clause

7.21 Managing heritage impacts

(1) Objective

To ensure that development in the Parramatta City Centre demonstrates an appropriate relationship to heritage items and heritage conservation areas that responds positively to heritage fabric, the street and the wider area.

(2) Land to which this clause applies

This clause applies to any development on land in the Parramatta City Centre which includes or is directly adjacent to a heritage item or heritage conservation area.

(3) Heads of consideration – Impact on heritage

- (a) Development consent must not be granted to the erection of a building on land to which this clause applies unless the consent authority has considered the *impact* of the development on heritage items or heritage conservation areas.
- (b) In considering what constitutes an *impact* on a heritage item or heritage conservation area, the following heads of consideration must be considered in the assessment of any development application on land to which this clause applies:
 - (i) Immediate relationship – The impact upon the built fabric or within or adjacent to the lot of that heritage item, or impact upon a property located with a heritage conservation area, must be considered.
 - (ii) Street relationship – Where development is visible from the street elevation, the impact upon the street must be considered, and in the case of a corner site (or a site that is adjacent to a corner), then the impact upon both streets must be considered.
 - (iii) Area relationship – Where a development is of a certain height and is adjacent to a heritage conservation area or cluster of individually listed heritage items, then the impact of that development upon the significance of the heritage conservation area or heritage items must be considered.

(4) Heritage assessment

- (a) Development consent must not be granted to the erection of a building on land to which this clause applies unless the consent authority has considered:
 - (i) a heritage impact statement; and
 - (ii) in the case of any development involving a lot amalgamation including or adjacent to a heritage item, a conservation management plan.
- (b) The heritage impact statement should address the following:
 - (i) the extent to which the carrying out of the proposed development would affect the heritage significance of the heritage item or heritage conservation area concerned;
 - (ii) an area of context of heritage items and heritage conservation areas that is large enough to capture all potential impacts; and
 - (iii) important heritage relationships, as identified in the heads of consideration in clause (3).
- (c) Where a conservation management plan is required in accordance with clause 4(a)(ii), it should include conservation policies and management mechanisms that address the following:
 - (i) whether further lot amalgamation is required before a development may become appropriate in heritage terms; and
 - (ii) whether heritage conservation considerations have been prioritised in assessing developments that amalgamate heritage sites.