

Appendix 3 - Council Report 14 December 2015 - Draft Parramatta CBD Planning Proposal - Resolution of Key Policy Areas

ECONOMY

ITEM NUMBER	7.7
SUBJECT	Draft Parramatta CBD Planning Proposal - Resolution of Key Policy Areas
REFERENCE	F2013/02004 - D04001352
REPORT OF	Team Leader Strategy

PURPOSE:

To seek Council's strategic direction in relation to key policy issues affecting the finalisation of the Draft Parramatta CBD Planning Proposal, which affects all land in the Parramatta CBD, and to provide options to resolve these issues as requested at the Councillor workshop held on 14 November 2015.

RECOMMENDATION

- (a) **That**, in relation to the preparation of the Draft Parramatta CBD Planning Proposal, Council resolve to proceed in accordance with **Option FSR-1 together with Option ALT-1** with respect to the **FSR Sliding Scale and 'Alternate FSR Clause'**, as follows:

"That Council implement the Proposed Sliding Scale (with the option to achieve the maximum FSR on sites between 1000sqm – 1800sqm that achieve design excellence and cannot be amalgamated)."

- (b) **That**, in relation to the preparation of the Draft Parramatta CBD Planning Proposal, Council resolve to proceed in accordance with **Option SOL-1** with respect to **Solar Access Controls**, which reads as follows:

"That FSRs and heights in solar access affected areas be reduced to align with solar access planes."

- (c) **That**, in relation to the preparation of the Draft Parramatta CBD Planning Proposal, Council resolve to proceed in accordance with **Option HER-1** with respect to **Heritage Controls**, which reads as follows:

"(1) That heritage items in the CBD core (ie. area shown as 10:1 in the Architectus Study) have FSRs similar to adjoining properties, except for the following:

- *Church Street between the river and Macquarie Street, given the strong concentration of heritage items and its heritage character.*
- *Harrisford House, given this is a state heritage item with a direct connection with the river.*
- *Area directly to the north of Lancer Barracks, given this is an item of national heritage significance.*
- *Areas adjoining state heritage items within a significant landscape*

setting, including St John's Church and St John's Cemetery.

- *Along the eastern edge of the CBD to allow for a transition to HCAs.*

- (2) *That heritage items and some key adjoining sites have lower FSRs in transitional areas (ie. areas shown as 6:1 in the Architectus Study) to prevent overdevelopment, minimise any adverse impacts on their heritage significance and respond to their modest residential scale."*
- (d) **That**, in relation to the preparation of the Draft Parramatta CBD Planning Proposal, Council resolve to proceed in accordance with **Option VAL-1** with respect to **Value Sharing Mechanisms**, which reads as follows:
- "(1) *That Council implement a 'Phase 1 Value Sharing' mechanism, where existing FSR controls remain in place and additional higher FSR controls can be achieved by sharing 50% the value of the uplift with the community for the provision of infrastructure.*
- (2) *That Council implement a 'Phase 2 Value Sharing' mechanism, where higher FSRs than those proposed in Phase 1 can be achieved for nominated 'Special Areas' by sharing 50% of the value of uplift with the community for the provision of infrastructure and subject to preparation of a site-specific DCP (or Stage 1 Concept DA) to demonstrate the site can accommodate the proposed additional yield without any adverse impacts.*
- (3) *That Council nominate the 'Special Areas' for 'Phase 2 Value Sharing' and the amount of potential additional FSR for each area when considering the Draft Parramatta CBD Planning Proposal in early 2016.*
- (4) *That Council prepare an Infrastructure Delivery Plan to provide an infrastructure works program to provide transparency in how any income received through the value sharing scheme will be spent.*
- (5) *That Council prepare a Development Guideline to explain the process for provision of infrastructure through the value sharing scheme, including nominating a dollar value per square metre of additional GFA being sought (which should be scheduled to provide certainty and reviewed annually), in case monies are dedicated towards infrastructure, rather than works.*
- (6) *That the Value Sharing mechanism applies only to additional residential GFA, not commercial GFA.*
- (7) *That the Value Sharing system be used instead of pursuing Ministerial approval for an increase of section 94A from 3% to 4.5%.*
- (8) *That the Value Sharing mechanism operates in addition to existing section 94A contributions."*
- (e) **That**, in relation to the preparation of site-specific planning proposals at 14-20 Parkes Street, Harris Park and 122 Wigram Street, Harris Park, Council amends these planning proposals currently being prepared to adopt a similar approach for value sharing as that adopted above for the Draft Parramatta CBD Planning Proposal.
- (f) **Further that**, in relation to existing site-specific planning proposals currently being processed by Council in the Parramatta CBD, Council resolve to adopt a similar approach for value sharing in negotiating Voluntary Planning Agreements (VPAs) for these sites as that adopted for the Draft Parramatta

CBD Planning Proposal above in (d) and Council advise applicants where Council is currently negotiating a VPA that the value sharing methodology outlined in (d) above is now Council's position in relation to the negotiation of these VPAs.

BACKGROUND

Parramatta CBD Planning Strategy

1. At its meeting of 27 April 2015, Council resolved to adopt the *Parramatta CBD Planning Strategy* ('the Strategy'). The objectives of the Strategy are as follows:
 - (a) *To set the vision for the growth of the Parramatta CBD as Australia's next great city.*
 - (b) *To establish principles and actions to guide a new planning framework for the Parramatta CBD.*
 - (c) *To provide a clear implementation plan for delivery of the new planning framework for the Parramatta CBD.*
2. The Strategy is the outcome of technical studies and consultation that was undertaken in 2013 and 2014. The Strategy is being used to inform the development of a Draft Planning Proposal to amend planning controls for the CBD.
3. The study that informed planning and urban design considerations in the Strategy was the '*Draft Parramatta City Centre Planning Framework Study*' (23 September 2014), which was prepared by consultants Architectus ('the Architectus Study'). The study that informed the economic considerations in the Architectus Study was the '*Parramatta CBD Planning Framework: Economic analysis – Draft Report*' (August 2014), which was prepared by consultants SGS Economics and Planning ('the SGS Study'). These studies provided a high level, strategic analysis of the CBD planning framework and their findings were subject to further, more detailed analysis and technical studies.
4. The Architectus Study (supported by the SGS Study) contained a number of recommendations which were generally carried over into the Strategy, subject to some amendments. Amendments were made by Council following consideration of the submissions received during the exhibition and also some further analysis.
5. The Strategy sets a framework for preparation of a Planning Proposal, which is the statutory mechanism for changing planning controls for the Parramatta CBD. The Strategy includes an Implementation Plan for delivery of these changes to the controls, including a requirement to undertake a number of technical studies, which are currently being prepared.

Council Workshops

6. Since the Strategy was adopted on 27 April 2015, six Councillor workshops have been held to help inform the development of the Draft Planning Proposal (including a half day Saturday workshop). These workshops have covered the following areas:

- (a) 3 August 2015 – Draft Planning Proposal Update
 - (b) 7 September 2015 – Achieving A-Grade Office Space
 - (c) 14 October 2015 – Outcomes of Technical Studies
 - (d) 21 October 2015 – Urban Design Analysis
 - (e) 14 November 2015 – Draft provisions and maps
 - (f) 30 November 2015 – Options for resolving key policy areas
7. As a result of the outcomes of these Councillor workshops, there are four key policy areas which require strategic direction from Council to enable the finalisation of the Draft Planning Proposal. These four policy areas, which are addressed in detail in this report, include the following:
- (a) Sliding Scale for FSR
 - (b) FSR/Heights for areas affected by solar access
 - (c) FSR/Heights for areas affected by heritage
 - (d) Value Sharing Mechanisms

FSR SLIDING SCALE

8. The table below provides data on the land size of developable sites within the CBD. The table demonstrates that 70% of developable properties in the Parramatta CBD are under 800sqm and a further 6% have an area between 800sqm and 1000sqm (ie. a total of 76% have an area of 1000sqm or less). It is therefore critical that appropriate controls are prepared to promote amalgamation and to prevent overdevelopment and inappropriate built form on small sites.

Land Area Range	No. Properties	Percentage of Properties
Under 800 sqm	478	70.0%
800 – 1000 sqm	42	6.1%
1000 – 1800 sqm	94	13.8%
1800 sqm and over	69	10.1%
Total	683	100.0%

Note: Some adjoining sites may already be in single ownership and this is not reflected in the figures above.

Current/Adopted FSR Sliding Scale

9. FSR sliding scales are not a new concept for Parramatta. The current *Parramatta City Centre LEP 2007* uses a FSR sliding scale to control density on small sites and encourage amalgamation.
10. An amended version of the current sliding scale has also been carried over into *Draft Parramatta LEP 2011 (Amendment No 10)*, which is the instrument that is consolidating the *Parramatta City Centre LEP 2007* with the *Parramatta LEP 2011*. *Draft Parramatta LEP 2011 (Amendment No 10)* was adopted by Council on 25 November 2013 and is close to finalisation.
11. The amendments to the current sliding scale as proposed under *Draft Parramatta LEP 2011 (Amendment No 10)* effectively:
- (a) Lower the upper threshold to achieve the maximum FSR from 2,500m² to 1,800m².
 - (b) Adjust the sliding scale formula between 1,000m² and 1,800m², so as to allocate a more generous uplift upon meeting the lower and upper threshold amounts.

Proposed FSR Sliding Scale

12. Following detailed urban design testing in response to the Strategy, Council officers are recommending retaining the sliding scale in the new CBD Planning Proposal, subject to further amendments. The Council officer recommended sliding scale is as follows:

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 $X = (\text{the site area in square metres} - 1000)/800$

13. The major differences between the proposed sliding scale in the Parramatta CBD Planning Proposal and the sliding scale proposed under *Draft Parramatta LEP 2011 (Amendment No 10)* are as follows:
- Increase the range of mapped FSRs affected by the sliding scale, given the increased range of FSRs being proposed in the CBD (ie. the FSRs in the transition areas to the north and south of the proposed CBD are included where previously they were not).
 - Adjust the formula to allow a smooth and more equitable transition of FSR increase for sites between 1,000sqm and 1,800sqm.
14. Feedback from Councillors at workshops held on the CBD planning proposal requested officers consider alternative options, including the following:
- The approach used by the City of Sydney Council in dealing with small sites.
 - The proposed sliding scale, but with the lower and upper thresholds adjusted downwards.
 - Inclusion of an 'out-clause' that allows all sites to be able to achieve the maximum FSR if they demonstrate design excellence.

City of Sydney Approach

15. The City of Sydney does not use a sliding scale to limit overdevelopment on small sites. Instead it uses a clause to cap development at 55m (approx. 16-17 storeys) in height for sites under 800sqm. Development can go higher on sites less than 800sqm, but only where certain criteria in an LEP clause are met. These criteria include:
- Must have a freestanding tower, each face of which will be able to be seen from a public place.
 - Provide adequate amenity and privacy.
 - Ground activated with retail.
16. Should Council choose to adopt the City of Sydney approach instead of an FSR sliding scale, it is recommended that the clause apply to all sites less than 1,000 sqm (rather than 800sqm) given the constraints these smaller sites have in achieving the maximum FSR and still being able to comply with SEPP 65/ADG. Further, an additional requirement to undertake a design competition and

achieve design excellence should also be added to the clause, to achieve a tower taller than 55m (approx. 16-17 storeys).

Proposed Sliding Scale with adjusted thresholds

17. One option Councillors requested be investigated was a proposed sliding scale with the lower and upper thresholds adjusted downwards. Urban design analysis has been undertaken to adjust the lower and upper thresholds from 1000sqm and 1800sqm down to 800sqm and 1600sqm respectively. Urban design testing has shown this is the lowest that thresholds can be reduced before they are ineffective and do not add value.
18. A request was made at the Councillor workshop on 30 November 2015 to investigate lowering thresholds even further for all FSRs up to 6:1. At the time of writing this report, this additional request is being investigated and the results will be provided to Councillors under separate cover.

Inclusion of an 'Alternate FSR Clause'

19. Clause 7.10(5)(b) of *Draft Parramatta LEP 2011 (Amendment No 10)*, which was adopted by Council on 25 November 2013, allows applicants with isolated sites the option of achieving the maximum FSR (despite the sliding scale) if they carry out a design competition and achieve design excellence. However, this applies to sites between 1,000sqm and 1,800sqm in area and only where amalgamation with adjoining sites is not physically possible. Council officers are recommending retention of this 'Alternate FSR Clause' in the Draft Parramatta CBD Planning Proposal, with some words added to allow for recent changes to strata legislation, so as to include not only isolated sites where amalgamation is not physically possible, but also where it is not reasonably achievable.
20. Following feedback received from Councillors at workshops on the Draft Parramatta CBD Planning Proposal, a potential option could be to further amend this 'Alternate FSR Clause' to allow for increased flexibility and apply it to all sites up to 1,800sqm. It could also include additional criteria from the City of Sydney approach highlighted earlier in this report to build in further 'safe guards' to restrict overdevelopment of small sites.

No FSR Sliding Scale

21. The option also exists to proceed with no FSR sliding scale. This would mean all sites, regardless of size, are able to attempt to access the FSR identified on the map, subject to design excellence. There would be no incentive to amalgamate with adjoining properties under this option.

Options – FSR Sliding Scale

22. The table below summarises the **five options** for consideration by Council on how to progress FSR density controls in the Draft Parramatta CBD Planning Proposal.

OPTIONS TABLE – FSR SLIDING SCALE

No	Option	Pros	Cons
FSR-1	That Council implement the Proposed Sliding Scale at paragraph 12.	Will restrict overdevelopment on small sites. Incentivises amalgamation. Minimises poor amenity dwellings and cumulative impacts.	May still allow overdevelopment on narrow sites. Does not allow much flexibility for unique sites. There will remain pressure to vary the controls and give higher FSR even with these controls. Perception that this benefits large developers/landowners over smaller ones.
FSR-2	That Council implement the Draft Parramatta LEP 2011 (Amd 10) Sliding Scale (as discussed in paragraphs 10 and 11)	Allows more significant uplift at the lower and upper thresholds. Incentivises amalgamation.	Incentivises development at the lower end of the size range. May still allow overdevelopment on narrow sites. Does not allow much flexibility for unique sites. Still the perception that this benefits larger land owners and pressure to vary the controls and give higher FSR even with these controls but not as significant an impact as with Option FSR-1. More cumulative impacts at the lower end of scale.
FSR-3	That Council implement the Proposed Sliding Scale with thresholds adjusted downwards to 800sqm and 1,600sqm respectively	Likely to facilitate redevelopment by lowering acquisition costs. Better than having no sliding scale.	Less incentive to amalgamate. Increase number of units with less amenity. May result in more overdevelopment on smaller sites, with taller towers grouped closely together resulting in adverse cumulative overshadowing and view impacts. May still allow overdevelopment on narrow sites.
FSR-4	That Council remove the existing sliding scale and that the Draft Parramatta CBD Planning Proposal proceed without a sliding scale.	Flexibility – allows maximum FSR to be achieved on all sites that achieve design excellence. Perception that it benefits smaller landowner/developers.	No incentive to amalgamate. Increase of units with less amenity. Does not align controls with likely development capacity of site for development market.

		Simpler planning controls.	May result in more overdevelopment on smaller sites, with taller towers grouped closely together resulting in adverse cumulative overshadowing and view impacts. Conflict at DA stage - first development may be approved and surrounding development miss out.
FSR-5	That Council remove the sliding scale and implement instead a City of Sydney style clause (to apply to sites under 1,000sqm and include a requirement for design excellence) as discussed in paragraphs 15-16.	Merit based approach, allows for flexibility. Caps development at 55m (approx. 16-17 storeys) on small sites. Above that towers must be freestanding and subject to design excellence.	Clause really intended to deal with isolated sites, not amalgamation issues. Sydney CBD built form at a different maturity and context than Parramatta CBD so amalgamation less of an issue in the City of Sydney. Likely to produce a built form that is significantly different to Council's vision for tall, freestanding towers. May still allow overdevelopment on narrow sites. Could result in many bulky buildings attempting to fit in as much FSR under the 55m height cap.

23. Should Council adopt a sliding scale under options FSR-1, FSR-2 or FSR-3 above, they may wish to also include an 'Alternate FSR Clause' to provide some flexibility. The table below provides **two options** for a potential 'Alternate FSR Clause' for consideration by Council.

OPTIONS TABLE – 'ALTERNATE FSR CLAUSE'

No	Option	Pros	Cons
ALT-1	Include an 'Alternate FSR Clause' for the maximum FSR to be achieved on sites between 1000sqm – 1800sqm that achieve design excellence and cannot be amalgamated.	Will restrict overdevelopment on small sites. Incentivises amalgamation of sites below 1000sqm. Minimises poor amenity and cumulative impacts. Flexibility – allows maximum FSR to be achieved on sites between 1000sqm – 1800sqm that achieve design excellence and cannot be amalgamated.	Does not allow much flexibility for unique sites. Will restrict development on sites less than 1000sqm. Perception that it benefits larger landowners/developers over small sites.
ALT-2	Include an 'Alternate FSR Clause' that allows any site to achieve the maximum FSR permitted	Allows for flexibility. Better suited to unique sites that can meet design criteria.	May encourage overdevelopment on small sites.

	by the map subject to meeting the following criteria: (a) achieving design excellence, and (b) the building will have a freestanding tower each face of which will be able to be seen from a public place, and (c) the development will provide adequate amenity and privacy, and (d) the ground floor of all sides of the building facing the street will be activated.		'Out-clause' potentially open to misuse and undermines incentive to amalgamate. Significant conflict likely to arise at DA stage between refusing application or accepting poor amenity outcomes for future residents.
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24. **Option FSR-1 together with Option ALT-1 is recommended**, being the proposed sliding scale with the option to achieve the maximum FSR on sites between 1000sqm-1800sqm that achieve design excellence and cannot be amalgamated. This is because on balance, these options facilitate the best urban design outcomes when compared with the other options.

FSR/HEIGHTS FOR AREAS AFFECTED BY SOLAR ACCESS

Approach to Solar Access Protection

25. The Architectus Study recommended the application of sun access controls, based on retaining sun access to a defined portion of nominated open spaces from 12pm-2pm in midwinter. The open spaces identified by Architectus included the southern part of Prince Alfred Square, the south bank of the Parramatta River Foreshore, part of Parramatta Square and Jubilee Park. Architectus recommended the sun access controls for Lancer Barracks be removed as it retained good solar access in all the scenarios which were tested in that study.
26. The Strategy generally adopted the Architectus recommendations for solar access protection to key public spaces (refer to Action A2.3). However, Parramatta Square was removed based on the resolution of Council on 9 March 2015 to amend the DCP control relating to overshadowing of Parramatta Square and this was recently reconsidered and confirmed by Council at the meeting of 23 November 2015. A separate clause dealing specifically with solar access to Parramatta Square will be included the Draft Parramatta CBD Planning Proposal but it will not be shown as the same type of solar access controls proposed for other open space areas.
27. The approach taken in the Draft Parramatta CBD Planning Proposal is to prepare solar access planes to protect parts of Prince Alfred Square, Jubilee Park, Lancer Barracks and southern bank of Parramatta River foreshore. Heights and FSRs align with the solar access plane to provide certainty. A separate provision for Parramatta Square is proposed which requires consideration of solar access against DCP provisions.
28. At previous Councillor workshops, Councillors requested Council officers present an alternative option which retains the solar access plane, but does not lower the

height and FSRs to align with the solar access plane. In other words, heights and FSRs would be generally consistent with those of adjoining properties which are unaffected, but the sun access plane would still apply.

Options – Solar Access

29. The table below summarises **two options** for consideration by Council on how to progress solar access controls in the Parramatta CBD Planning Proposal.

OPTIONS TABLE – SOLAR ACCESS CONTROLS

No	Option	Pros	Cons
SOL-1	That FSRs and heights in solar access affected areas be reduced to align with solar access planes.	Consistency in controls – less open to challenge. More likely to achieve overall objective of protecting solar access to public open spaces. Will not result in bulky built form outcomes, as FSR and height will align with the solar access plane.	Less flexibility. Results in much more complexity in planning controls. Still open to challenge via DA process.
SOL-2	That heights and FSRs in solar access affected areas be consistent with those shown on adjoining unaffected properties (with solar access planes to remain as an overarching control).	Allows for flexibility. Simpler planning controls. Allows proponents to explore options for other land uses. Encourages developers to do much better due diligence checks before purchasing.	Sends an incorrect signal to the market about development potential, as the residential FSR is unlikely to be ever achieved within the height plane on some sites. FSR and height controls would be inconsistent with the solar access plane, and therefore constantly subject to challenge. Proponents are likely to 'fill in' as much FSR as possible within the solar access plane, creating very bulky built form. Solar access controls are likely to be undermined.

30. **Option SOL-1 is recommended** as it is likely to produce the best design outcomes, protect solar access and be less open to challenge.

FSR/HEIGHTS FOR AREAS AFFECTED BY HERITAGE

Heritage Study

31. Given the need to address the NSW Heritage Council submission, Section 117 Direction No. 2.3 – Heritage Conservation, and also be consistent with the Implementation Plan in the Strategy adopted by Council on 27 April 2015, Council commissioned a Heritage Study to support the preparation of the Draft Parramatta CBD Planning Proposal. The key recommendations of the Heritage Study with respect to FSR can be summarised generally as follows:

- (a) Allow heritage items to have similar FSRs to adjoining properties in the CBD core (being the area generally bound by the river to the north and the

Great Western Highway/Parkes/Hassall Streets to the south, with the following exceptions:

- (i) Church Street between the river and Macquarie Street, given the strong concentration of heritage items and its heritage character.
 - (ii) Harrisford House, given this is a state heritage item with a direct connection with the river.
 - (iii) Area directly to the north of Lancer Barracks, given this is an item of national heritage significance.
 - (iv) Areas adjoining state heritage items within a significant landscape setting, including St John's Church and St John's Cemetery.
 - (v) Along the eastern edge of the CBD to allow for a transition to HCAs.
- (b) In the transitional areas north of the river and south of Great Western Highway/Parkes/Hassall Streets, FSRs generally transition down to the six heritage conservation areas which adjoin the CBD. Heritage items and some sites immediately adjoining some items in these transitional areas have been allocated lower FSRs to prevent overdevelopment, minimise any adverse impacts on their heritage significance and respond to their modest scale.

Alternative Options

32. At the Councillor workshops on the Draft Parramatta CBD Planning Proposal, Councillors requested an option be presented that would allow similar FSRs/heights for heritage items to those of adjoining properties. Under this option, proponents would need to demonstrate heritage objectives can still be achieved before the maximum FSR/Height could be awarded at development application stage.

33. It is noted that this approach is what is being recommended in the Heritage Study for the CBD Core (ie. the area between the river to the north and the Great Western Highway/Parkes/Hassall Streets to the south), excluding those exceptions described in Paragraph 31 above.

Options – Heritage

34. The table below summarises **two options** for consideration by Council on how to progress heritage controls in the Draft Parramatta CBD Planning Proposal.

OPTIONS TABLE – HERITAGE CONTROLS

No	Option	Pros	Cons
HER-1	(1) That heritage items in the CBD core (ie. area shown as 10:1 in the Architectus Study) have FSRs similar to adjoining properties, except for the following: • Church Street between the river and Macquarie Street, given the strong concentration of heritage items	Allocates generous FSRs to CBD Core heritage items so as to enable transfer of floor space with adjoining properties and encourage redevelopment and renewal. Will prevent overdevelopment of heritage items in transitional areas, which are generally of a modest residential scale. Ensures significant heritage precincts within the CBD core are protected from	Potential impacts on CBD Core heritage items if subject to inappropriate overdevelopment (given higher FSRs). Less incentive in transitional areas for owners to purchase adjoining heritage items and include them in a redevelopment because of lower FSRs.

	and its heritage character. • Harrisford House, given this is a state heritage item with a direct connection with the river. • Area directly to the north of Lancer Barracks, given this is an item of national heritage significance. ▪ Areas adjoining state heritage items within a significant landscape setting, including St John's Church and St John's Cemetery. ▪ Along the eastern edge of the CBD to allow for a transition to HCAs. (2) That heritage items and some key adjoining sites have lower FSRs in transitional areas (ie. areas shown as 6:1 in the Architectus Study) to prevent overdevelopment, minimise any adverse impacts on their heritage significance and respond to their modest residential scale.	overdevelopment and adverse impacts on their heritage significance are minimised. Allows for appropriate transition to adjoining HCAs. Complies with Section 117 Direction No. 2.3 – Heritage Conservation. Approach is supported by independent Heritage Study.	
HER-2	That Council allow similar FSRs/heights for heritage items to those of adjoining properties for all areas of the Parramatta CBD.	Allows for flexibility. Allows developers to determine the value of the adjoining heritage item to their development. Simplifies planning controls.	Higher FSRs/heights on these sites are unlikely to be achieved given their heritage significance. This will mean these controls are constantly subject to challenge. Higher FSRs/heights are likely to result in overdevelopment which will have more significant adverse impacts on heritage significance. This approach will not comply with Section 117 Direction

			No. 2.3 – Heritage Conservation. This approach is unlikely to be supported by the NSW Heritage Council during the consultation phase, thereby significantly delaying the progress of the Planning Proposal through the statutory process.
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35. Option HER-1 is recommended as it will:

- (a) comply with Section 117 Direction No. 2.3 – Heritage Conservation; and
- (b) facilitate redevelopment and renewal of heritage items in the CBD core, but still protect significant heritage items; and
- (c) allow for appropriate transition to adjoining HCAs; and
- (d) prevent overdevelopment of heritage items in transitional areas which are generally of a modest residential scale.

VALUE SHARING MECHANISMS

What is Value Sharing?

36. Properties which are subject to ‘up-zoning’ generally receive an increase in land value as a result of that planning decision. A value sharing mechanism is another form of developer contribution to infrastructure that is only triggered when the site increases in land value due to changes in the planning controls. For example, a 2,000sqm property that has an existing FSR of 6:1 which is increased to 10:1 as a result of a planning decision receives a benefit of an additional 4:1. This equates to an additional 8,000sqm of GFA, or 80 units. A value sharing mechanism would aim to share some of the land value gained in this uplift with the community, so as to provide for the infrastructure needed to support these 80 additional units.

Why should Council extract some of the value uplift that results from planning decisions?

37. Value sharing will benefit future residents of development through improved community facilities and public domain. The following are the key reasons why it is reasonable for Council to extract some of the value from planning decisions for community benefit:
- (a) These planning decisions will lead to developments that generate infrastructure impacts. The extra infrastructure required by development might not be able to be provided using conventional development contributions mechanisms.
 - (b) Sharing value uplift can be justified on economic development grounds. The value uplift would not have occurred without the planning decision.

City of Sydney – Green Square Infrastructure Scheme

38. The City of Sydney operates a value sharing scheme for infrastructure in Green Square. This scheme is enabled under clause 6.14 of *Sydney Local Environmental Plan 2012*. The LEP allows for a base and a maximum FSR.

Additional floor space (called 'community infrastructure floor space') up to the 'maximum' can only be achieved where 'community infrastructure' is provided. Details of the scheme are provided in a published Development Guideline, including contribution rates, with additional residential GFA being charged at \$475/sqm. The contribution is secured by a VPA during the DA process. It is proposed that Council implement a similar system in the Draft Parramatta CBD Planning Proposal, details of which are provided below.

Architectus Study

39. The Architectus Study made recommendations for significant increases to FSRs that apply to the Parramatta CBD, including up to 10:1 in the core and 6:1 in the transitional areas. However, in making these recommendations, Architectus also recommended the following:

Value Uplift Sharing	
11	<i>The existing FSR controls to remain in place. The additional higher FSR controls can only be achieved by 'sharing' the value of the uplift. That is any additional new FSR is to be purchased by landowners based on 50% of the nominated dollar value per square metre GFA. The dollar value is to be scheduled to provide certainty and reviewed annually.</i>
12	<i>This is to operate for residential uses only, not employment uses.</i>
13	<i>This system will operate in addition to the existing Section 94A contributions.</i>

40. When Council considered all the recommendations from Architectus, Council resolved to modify these recommendations, as follows:

Value Uplift Sharing	
11	<i>The proposed FSR controls to become the base, and additional higher FSR controls can only be achieved by sharing the value of the uplift. That is any additional new FSR is to be purchased by landowners based on 50% of the nominated dollar value per sqm of GFA. The dollar value is to be scheduled to provide certainty and reviewed annually.</i>
12	<i>This is to operate for residential uses only, not employment uses.</i>
13	<i>This system will operate in addition to the existing Section 94A contributions.</i>
17	<i>That an additional S94A Levy of 1.5% (total 4.5%) be provided in the City Centre for recreational purposes.</i>

41. These amendments to the Architectus recommendations were consequently adopted by Council in the Strategy under Action A4.2.

Infrastructure Delivery Plan

42. Whilst the detailed infrastructure analysis is being progressed, the table below provides high level cost approximates for infrastructure likely needed to accommodate the projected growth of the Parramatta CBD.

Project	Possible Cost (Approximate)
Civic link	\$30m
River foreshore	\$300m
Theatre	\$50m
Light Rail supporting infrastructure	\$100m
City Ring Road	\$50m
Parramatta Square	\$40m
Other public domain (e.g. Green grid, link	\$50m

to Parramatta Lake)	
Other community facilities	\$50m
Cultural facilities	\$50m
Pedestrian Bridge (Morton Street)	\$15m
Swimming/sports centre	\$65m
Stadium – public domain	\$30m
Total	\$835m

43. Council currently only receives an average of \$4.1 million per year in S94A income in the Parramatta CBD with the current 3% levy. Assuming this remains generally consistent over a 20 year period, this would result in an income of \$81 million. If the Government were to approve an increase in the levy to 4.5%, this would increase the levy to \$6.15 million per year, or an overall income of \$123 million over 20 years. In either S94A scenario, there is a significant infrastructure funding shortfall over the next 20 years, as demonstrated in the table below.

Cost of Infrastructure	\$835m	
Section 94A Levy	\$81m (3%)	\$123m (4.5%)
Infrastructure Funding Shortfall	\$754m	\$712m

Value Sharing – Proposed System

44. Council officers are proposing a two phase value sharing system to operate under the Draft Parramatta CBD Planning Proposal. Details of this phasing system are provided below. In summary, the two phases are as follows:
- (a) Phase 1 – Value Sharing the *difference* between existing FSR controls and proposed FSR controls under the Draft Parramatta CBD Planning Proposal.
 - (b) Phase 2 – Value sharing additional ‘bonus’ FSR for ‘Special Areas’ above that proposed in Phase 1.
45. The proposed process for value sharing under the Draft Parramatta CBD Planning Proposal, including FSR increase, phasing, land applicability and relevant requirements (to meet each phase) is summarised in Figure 1 below.

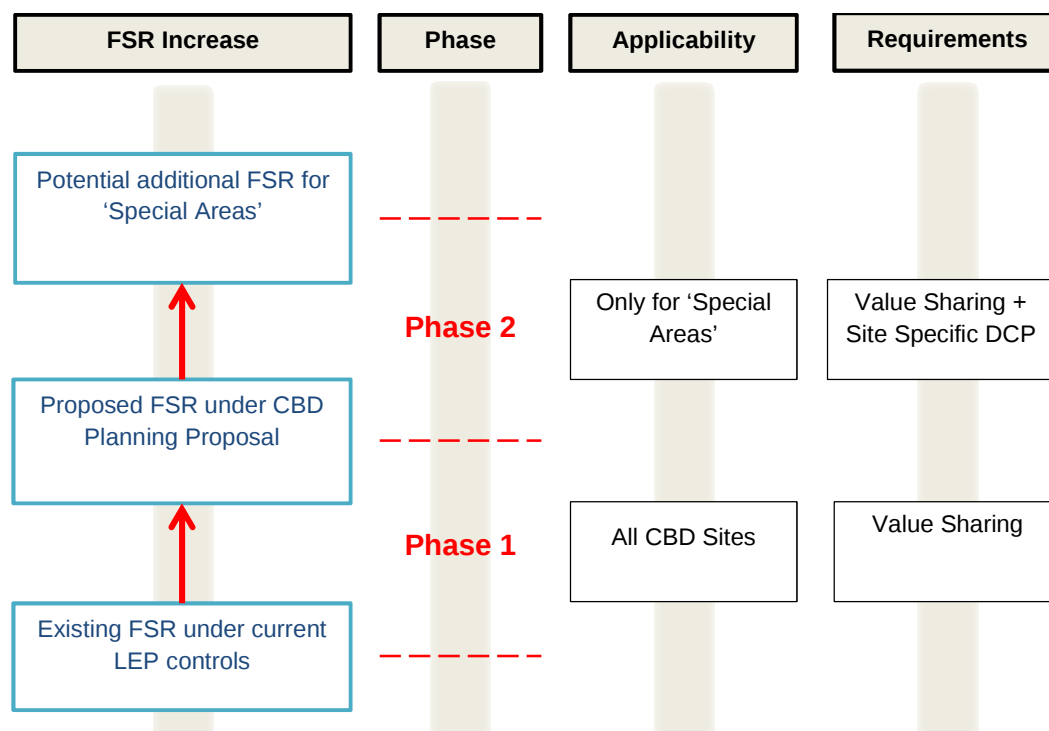


Figure 1: Value Sharing – Process

Value Sharing Mechanism – Existing FSR as the Base ('Phase 1 Value Sharing')

46. Using the same approach the City of Sydney use for Green Square and in accordance with the original recommendation in the Architectus Study, Council could consider using a value sharing mechanism in its LEP to help fund the shortfall for infrastructure.
47. This report assumes an approximate land value range of \$80,000 to \$140,000 per residential unit in the Parramatta CBD. In other words, for every additional residential unit that can be developed on a site, its land value increases by between \$80,000 - \$140,000. If an average unit size of 100sqm is applied, this equates to:
- \$80,000/100sqm of GFA, or \$800/sqm of GFA as an approximate rate for value uplift at the lower end of the approximate range.
 - \$140,000/100sqm of GFA, or \$1400/sqm of GFA as an approximate rate for value uplift at the higher end of the approximate range.
48. In response to feedback received at the Councillor workshops, officers have tested potential income generation under various scenarios based on the projected increase in residential yield envisaged under the Draft Parramatta CBD Planning Proposal, assuming the residential land value uplift rates described above (commercial would be excluded as per the original Architectus recommendation). The results of this scenario testing are summarised in the table below.

PHASE 1		Potential Value Sharing Income Range (Approximate)	
Scenario	Description	Low ¹	High ²

1	Uplift at 50% of entire yield for value sharing	\$345.2M	\$881.9M
2	Uplift at 25% of entire yield for value sharing	\$172.6M	\$441.0M
3	First 50% of uplift not included in value sharing, balance at 50%	\$172.6M	\$441.0M
4	First 25% of uplift not included in value sharing, balance at 50%	\$258.9M	\$661.4M
5	First 1:1 of uplift not included, balance at 50%	\$226.5M	\$651.1M
6	First 2:1 of uplift not included, balance at 50%	\$138.4M	\$467.9M
7	First 4:1 of uplift not included, balance at 25%	\$22.5M	\$99.0M
8	Uplift at 20% of entire yield for value sharing	\$138.1M	\$352.8M

Notes.

¹Applies a base value of \$800/sqm, based on a hypothetical site value of \$80,000 and 100 sqm per dwelling. Applies the lowest yield due to lack of site amalgamations.

²Applies a base value of \$1400/sqm, based on a hypothetical site value of \$140,000 and 100 sqm per dwelling. Applies the highest yield assuming optimised amalgamations occur on neighbouring sites to achieve highest and best FSR. Base values are then multiplied by the percentage rates in each scenario.

Further income details of each of these scenarios on a hypothetical 1,800sqm site are provided in **Attachment 1**.

49. It is important to note that the above table reflects the increase in residential FSR *above* that currently permissible to reach that recommended in the Draft Parramatta CBD Planning Proposal. For example, a site with an area of 1,800sqm that has an existing FSR of 4:1 may have a proposed FSR of 10:1 under the Draft Parramatta CBD Planning Proposal. The owner may choose to develop at 4:1 with no additional cost, or instead 'opt in' to a bonus floor space scheme and develop at 10:1. Utilising the bonus floor space scheme would be subject to a value sharing mechanism for infrastructure for the additional 6:1, which represents additional GFA of 10,800sqm (or 108 units).
50. At the Council meeting held on 23 November 2015 Council resolved to implement a value sharing regime in relation to two site-specific planning proposal applications. The table below indicates the current FSR as well as the base and maximum FSR Council resolved for each site-specific planning proposal.

Planning Proposal Site	Current FSR (Parramatta City Centre LEP 2007)	Base FSR resolved by Council	FSR Maximum Resolved by Council
14-20 Parkes Street	4:1	8:1	10:1
122 Wigram Street	4:1	8:1	10:1

51. An estimate of the financial outcome if the approach applied with the Parkes and Wigram Street site-specific planning proposals (ie. the first 4:1 of FSR does not attract any value sharing and the balance charged at 25%) is applied generally to all CBD sites in the future is shown in the table above at Paragraph 48 (Scenario 7).
52. Given that different sites in the CBD will have different magnitudes of change between their existing FSR and the recommended FSR (ie. some sites will see their FSR increase by 6:1, others 4:1 and others even less) and the problems with sites that have more than one FSR, it would be more transparent and easier

to interpret if the preferred scenario was selected from scenarios 1-4 or 8, rather scenarios 5-7 which rely on a specified FSR.

Value Sharing Mechanism – Higher Additional FSR for “Special Areas” (‘Phase 2 Value Sharing’)

53. Consistent with the Architectus Study, the maximum FSRs envisaged in the CBD under the Draft Parramatta CBD Planning Proposal generally reach 10:1, or 11.5:1 inclusive of design excellence (with some exceptions for urban design or heritage reasons). Consistent with the previous Council resolution to apply a value sharing mechanism only to land seeking FSRs in excess of the Architectus Study recommendations, ‘Special Areas’ which potentially could accommodate additional FSR in excess of that recommended in the Draft Parramatta CBD Planning Proposal could also be identified.
54. ‘Special Areas’ could potentially include the following:
- (a) B4 Mixed Use zone areas with an FSR of 10:1 (under the Draft Parramatta CBD Planning Proposal) that are not affected by the solar access planes, meet land size requirements and can demonstrate an appropriate transition to heritage items; and
 - (b) Areas which need to provide significant publicly accessible recreation areas or links and additional ‘bonus’ FSR is needed to incentivise this.

Council could add additional ‘Special Areas’ to those recommended when it considers the Draft Parramatta CBD Planning Proposal in early 2016. For example, at recent Councillor workshops areas affected by heritage items and heritage transition were discussed as potentially being included as ‘Special Areas’ and therefore eligible for ‘bonus’ additional FSR, however there are potential section 117 direction compliance issues if these are ultimately included.

55. To obtain the higher additional FSR in whichever of the ‘Special Areas’ are ultimately adopted by Council, it is proposed that proponents would need to:
- (a) Prepare a site specific DCP (or Stage 1 concept DA) to demonstrate the site can accommodate the proposed additional yield without any adverse impacts; and
 - (b) Provide infrastructure in accordance with the value sharing scheme.
56. Preliminary testing has shown that if higher FSRs of up to 15:1 were permitted in the proposed B4 Mixed Use zone (that was already able to achieve an FSR of 10:1 based on the Draft Parramatta CBD Planning Proposal, met minimum size requirements and was not affected by the solar access plane), and some other selected ‘Special Areas’ which may be able to accommodate some additional FSR, this could potentially result in additional income for infrastructure ranging between **\$27.3M** and **\$325.4M**, depending on the extent of site amalgamations and the value uplift rate used, as demonstrated in the table below.

PHASE 2		Potential Value Sharing Income Range (Approximate)	
Scenario	Description	Low ¹	High ²
1	Uplift at 50% of entire additional FSR yield for value sharing	\$45.5M	\$325.4M
2	Uplift at 30% of entire additional FSR yield for value sharing	\$27.3M	\$195.2M

Notes.

¹Applies a base value of \$800/sqm, based on a hypothetical site value of \$80,000 and 100 sqm per dwelling. Also applies the lowest yield assuming a lack of amalgamations.

²Applies a base value of \$1400/sqm, based on a hypothetical site value of \$140,000 and 100 sqm per dwelling. Also applies the highest yield assuming an optimal mix of amalgamations to achieve the maximum FSR.

Base values are then multiplied by the percentage rates in each scenario.

Value Sharing Mechanism – Potential Income

57. The total potential income range for infrastructure under a Phase 1 and Phase 2 value sharing system is summarised in the table below:

Value Sharing Mechanism	Potential Infrastructure Income	
	Low	High
Phase 1 Value Sharing – Additional GFA using existing FSRs as the base <i>up to</i> the FSRs recommended in Draft CBD Planning Proposal	\$22.5M	\$881.9m
Phase 2 Value Sharing – Additional GFA for 'Special Areas' to allow bonus FSRs <i>above</i> the maximum permitted under Phase 1	\$27.3M	\$325.4m
Total	\$49.8M	\$1.2B

Development Viability Modelling

58. Prior to formal reporting of the Draft Parramatta CBD Planning Proposal early in 2016, Council will commission additional modelling in the Infrastructure Funding Models Study to assess the impact of Council's adopted position on value sharing (to be determined at this meeting) on development feasibility. This will consider both the impact on development viability (ie. project IRR and Profit Margin) as well as contributions Council could expect from the development. The results of this assessment will be included with the report on the Draft Parramatta CBD Planning Proposal.
59. Further to the above, Council will also request the consultant to undertake more detailed analysis of land value uplift (using current sales and market data) to assist with the determination of an appropriate rate to be used in the Development Guideline.

Options – Value Sharing

60. The table below summarises **two options** for consideration by Council on how to progress a value sharing mechanism in the Draft Parramatta CBD Planning Proposal. In summary, Option VAL-1 proposes the implementation of both a 'Phase 1 and Phase 2 Value Sharing' mechanism, whereas Option VAL-2 would be the implementation of the 'Phase 2 Value Sharing' mechanism only.

OPTIONS TABLE – VALUE SHARING MECHANISMS

No	Option	Pros	Cons
VAL-1	(1) That Council implement a 'Phase 1 Value Sharing' mechanism, where existing FSR controls remain in place and additional higher FSR controls can be achieved by sharing 50% the value of the uplift	This will enable Council to fund up to approximately \$718 million in infrastructure. Will contribute significantly to the infrastructure funding shortfall. Fair and transparent process, as the rate will be clear and consistent.	Whilst Council can include a requirement for inclusion of community infrastructure in the LEP, it cannot specify the rate. This needs to be included in a separate Guideline, and means it will subject to negotiation via a VPA process. Adds complexity to planning

	with the community for the provision of infrastructure. (2) That Council implement a 'Phase 2 Value Sharing' mechanism, where higher FSRs than those proposed in Phase 1 can be achieved for nominated 'Special Areas' by sharing 50% of the value of uplift with the community for the provision of infrastructure and subject to preparation of a site-specific DCP (or Stage 1 Concept DA) to demonstrate the site can accommodate the proposed additional yield without any adverse impacts.	Operates as an 'opt in' process only, developers are not required to participate. Will greatly assist Council in achieving its vision of becoming Australia's next great city. Precedent exists in City of Sydney for Green Square.	controls.
VAL-2	(1) That Council implement a 'Phase 2 Value Sharing' mechanism, where higher FSRs than those proposed in Phase 1 can be achieved for nominated 'Special Areas' by sharing 50% of the value of uplift with the community for the provision of infrastructure and subject to preparation of a site-specific DCP (or Stage 1 Concept DA) to demonstrate the site can accommodate the proposed additional yield without any adverse impacts.	This will enable Council to fund up to approximately \$214 million in infrastructure. Fair and transparent process, as the rate will be clear and consistent. Operates as an 'opt in' process only, developers are not required to participate.	Effectively gives away up to approximately \$504m towards infrastructure. Council will continue to have a significant infrastructure funding shortfall. Whilst Council can include a requirement for inclusion of community infrastructure in the LEP, it cannot specify the rate. This needs to be included in a separate Guideline, and means it will subject to negotiation via a VPA process.

61. Common to **both** options VAL-1 and VAL-2 are the following **additional** recommendations:

- (3) *That Council nominate the 'Special Areas' for 'Phase 2 Value Sharing' and the amount of potential additional FSR for each area when considering the Draft Parramatta CBD Planning Proposal in early 2016.*

- (4) *That Council prepare an Infrastructure Delivery Plan to provide an infrastructure works program to provide transparency in how any income received through the value sharing scheme will be spent.*
- (5) *That Council prepare a Development Guideline to explain the process for provision of infrastructure through the value sharing scheme, including nominating a dollar value per square metre of additional GFA being sought (which should be scheduled to provide certainty and reviewed annually), in case monies are dedicated towards infrastructure, rather than works.*
- (6) *That the Value Sharing mechanism applies only to additional residential GFA, not commercial GFA.*
- (7) *That the Value Sharing system be used instead of pursuing Ministerial approval for an increase of section 94A from 3% to 4.5%.*
- (8) *That the Value Sharing mechanism operates in addition to existing section 94A contributions.*

62. **Option VAL-1 is recommended** (together with additional recommendations noted above) as it will enable Council to generate the most income for infrastructure funding. It is also consistent with the original Architectus Study recommendation with respect to the CBD Planning Framework Review and based on the precedent set by the City of Sydney for Green Square.

63. Given the significant additional income that could be generated for infrastructure under a value sharing system, it is also recommended that this be pursued instead of attempting to obtain Ministerial approval to increase the section 94A levy rate from 3% to 4.5% (as per Council's previous resolution).

Value Sharing – Current Site-Specific Planning Proposals

64. Council currently has a number of current site-specific planning proposals in the CBD, most of which are seeking additional FSR above current controls and also that envisaged in the Strategy. Council is in negotiation (through the voluntary planning agreement process) with a number of these proponents seeking value sharing on the uplift to go towards community infrastructure. To ensure consistency with whatever option Council adopts for value sharing for the Draft Parramatta CBD Planning Proposal approach, it is recommended that Council adopt a similar approach for negotiating these site-specific planning proposals.

CONCLUSION

65. This report has considered a number of options in relation to key policy areas which need to be resolved to enable the finalisation of the draft Planning Proposal for the Parramatta CBD. The key policy areas discussed include the FSR sliding scale, FSR/Heights for areas affected by solar access and heritage, and value sharing mechanisms. Council officers have provided recommendations for each area based on technical study work, achieving the best built form outcomes, meeting statutory obligations and maximising income to Council to fund infrastructure for a growing CBD. It is recommended that Council resolve these issues so that a final draft Planning Proposal can be prepared and reported to Council early in 2016.

Roy Laria
Team Leader Strategy

ATTACHMENTS:

1	Income details of value sharing scenarios on a hypothetical 1800sqm site	5
		Pages

REFERENCE MATERIAL

MINUTES OF THE MEETING OF PARRAMATTA CITY COUNCIL HELD IN THE COUNCIL CHAMBER, CIVIC PLACE, PARRAMATTA ON MONDAY, 14 DECEMBER 2015 AT 6.48PM

PRESENT

The Lord Mayor, Councillor P J Garrard in the Chair and Councillors J P Abood, S H Chowdhury, R Dwyer, G J Elmore, P Esber, J D Finn MP (arrived 7.09pm), J A Hugh, S T Issa (retired 10.25pm), S D Lloyd, B Makari (Deputy Lord Mayor), J L Shaw, L E Wearne (arrived 6.51pm) and A A Wilson (arrived 6.51pm).

ACKNOWLEDGEMENT TO TRADITIONAL LAND OWNERS

The Lord Mayor, Councillor P J Garrard acknowledged the Burramattagal Clan of The Darug, the traditional land owners of Parramatta and paid respect to the elders both past and present.

MINUTES

SUBJECT Minutes of the Council (Development) Meeting held on 7 December 2015

16269 RESOLVED (Issa/Makari)

That the minutes be taken as read and be accepted as a true record of the Meeting subject to it being noted that Councillor Elmore had declared an interest in relation to Items 9.10 and 9.11 of Major Reports of the previous meeting (Minute No.s 16231 and 16232 refer) relating to 22D and 22E Cowells Lane Ermington, respectively, and had not been present in the Chamber during voting on either of these matters.

APOLOGIES

16270 RESOLVED (Esber/Elmore)

That an apology be received and accepted for the absence of Councillor J Chedid and it be noted that Councillors Finn and Wilson will be arriving later in the evening.

DECLARATIONS OF INTEREST

1. Councillor J P Abood declared a significant, non-pecuniary interest in relation to Item 7.14 of Economy regarding the Draft Parramatta Road Urban Transformation Strategy as one of his good friends is a land holder on Parramatta Road.

Councillor J P Abood declared an interest in relation to Item 14.3 of the Supplementary Agenda regarding 1 Parramatta Park Land, Parramatta as he is a member of the JRPP.

In addition, Councillor J P Abood declared a non - pecuniary interest in relation to Closed Session Items 1 and 2 relating to Tender 34/2015 and Tender 38/2015 respectively as one of the tenderers is a relation of Councillor Abood's wife.

2. Councillor S Chowdhury declared a non - pecuniary Interest in relation to Item 7.7 of Economy regarding the Draft Parramatta CBD Planning Proposal as he is on the Board of a Company that owns property in the CBD. Councillor Chowdhury also declared a pecuniary interest in relation to this matter also as he has an interest in land in the CBD that relates to this issue.
3. Councillor P Esber declared a Special Disclosure of Pecuniary Interest in relation to Item 7.7 of Economy regarding the Draft Parramatta CBD Planning Proposal as he has an interest in land that relates to this issue.
4. Councillor J Finn MP declared, in relation to Item 14.3 of the Supplementary Agenda regarding 1 Parramatta Park Land, Parramatta, that the Parramatta Leagues Club had made a minor donation towards her election fund.
5. The Lord Mayor, Councillor P J Garrard declared a non - pecuniary interest in relation to Item 7.7 of Economy regarding the Draft Parramatta CBD Planning Proposal as he is on the Parramatta Leagues Club Board which owns property in the CBD that relates to this issue.

The Lord Mayor, Councillor P J Garrard further declared an interest in relation to Item 14.3 of the Supplementary Agenda regarding 1 Parramatta Park Land, Parramatta as he is a member of the Parramatta Leagues Club Board.

6. Councillor J Hugh declared a non - pecuniary interest in relation to Item 7.7 of Economy regarding the Draft Parramatta CBD Planning Proposal as he is a director of a charity which owns property in the CBD that relates to this issue. Councillor Hugh added that he would be remaining in the Chamber during discussion on this issue.
7. Councillor B Makari declared a pecuniary interest in relation to Item 7.7 of Economy regarding the Draft Parramatta CBD Planning Proposal as a relative has an interest in land affected by this issue.

8. Councillor J Shaw declared an interest in relation to Item 7.7 of Economy regarding the Draft Parramatta CBD Planning Proposal as he owns property in the affected area but as the property is his principal place of residence, the interest is insignificant and he will be remaining in the Chamber during discussion and voting on this matter.

Councillor J Shaw further declared an insignificant, non-pecuniary interest in relation to Item 14.3 of the Supplementary Agenda regarding 1 Parramatta Park Land, Parramatta as he is a member of the Parramatta Leagues Club.

PUBLIC FORUM

7.7	SUBJECT	Draft Parramatta CBD Planning Proposal - Resolution of Key Policy Areas
	REFERENCE	F2013/02004 - D04001352
	REPORT OF	Team Leader Strategy. Also Director Strategic Outcomes and Development Memorandum dated 10 December 2015. Also correspondence from JBA dated 14 December 2015.

ELECTION OF CHAIR

As The Lord Mayor, Councillor P J Garrard and the Deputy Lord Mayor, Councillor B Makari intended to declare an interest in relation to this matter, it was necessary to elect a Chairperson.

16281	RESOLVED	(Issa/Makari)
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That Councillor S Lloyd be elected to Chair the meeting during discussion and voting on Item 7.7 of Economy.

16282 MOTION (Issa/Hugh)

(a) **That**, in relation to the preparation of the Draft Parramatta CBD Planning Proposal, Council resolve to proceed in accordance with Option FSR-3A (as detailed in the memo to Councillors dated 10 December 2015) together with the 'Alternate FSR Clause' detailed as follows:

i) That Council implements the Proposed Sliding Scale FSR-3A when a site cannot meet the conditions in the Alternate FSR Clause..

That Council implements the Proposed Sliding Scale (FSR-3A) as follows:

- FSRs up to 6:1 – adjusted to 500sqm and 1,300sqm respectively
- FSR of 7:1 – adjusted to 600sqm and 1,600sqm respectively
- FSRs of 8:1 and above – adjusted to 800sqm and 1,600sqm respectively

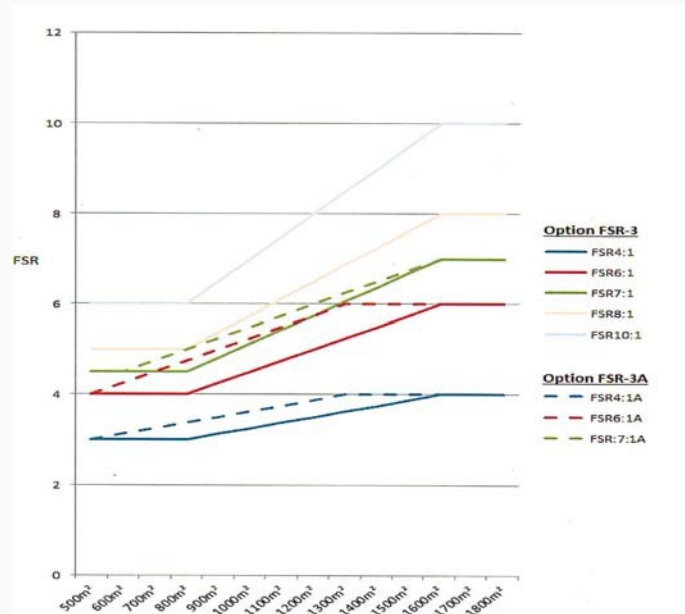
However, the maximum FSR can be achieved on all sites, subject to the condition of the 'Alternate FSR Clause', and only refer to FSR-3A in the event that the conditions in the Alternate FSR Clause cannot be met.

ii) That Council adopt the an 'Alternate FSR Clause' that allows any site to achieve the maximum FSR permitted by the maps (ie. 10:1 in the CBD Core and 6:1 in the transitional areas as resolved in the Draft City Centre Planning framework maps and Auto Alley Maps) subject to meeting the following criteria:

- (a) Achieving design excellence through instruments such as design competitions, and
- (b) Compliance with state planning instruments SEPP 65 and the objectives of the ADG and;
- (c) The ground floor of all sides of the building facing the street will be activated.
- (d) **That** staff prepare material boards or other appropriate forms/lists of noble materials with developers being required to use such materials on facades facing active street frontages, water courses and features, active public domain areas, parks and significant heritage or cultural items.
- (e) **Further, that** developers be required to create active street frontages whether their site is facing active street frontages, water course and features, active public domain,

parks and significant heritage or cultural items.

(This would provide a process that all sites, regardless of size, are able to attempt to access the FSR identified on the map, subject to design excellence. This is consistent with the resolution adopted by council through item 9.4 8 September 2014)



- (b) **That**, in relation to the preparation of the Draft Parramatta CBD Planning Proposal, Council resolve to proceed in accordance with Option SOL-2 with respect to Solar Access Controls, which reads as follows:

“That heights and FSRs in solar access affected areas be consistent with those shown on adjoining unaffected properties (with solar access planes to remain as an overarching control in the LEP). Further, that FSR and height controls remain as listed in the current draft City Centre Planning Framework maps.

(This would provide applicants the flexibility to attempt to achieve maximum FSR whilst still complying with Solar Access Controls as well as design excellence)”

- (c) **That** Council recognise that to preserve the heritage value of each individual heritage item in the City, and seek to enhance heritage outcomes for the City, redevelopment proposed for heritage items should be treated as site specific case by case matters based on merit. Further:
- i) In order to ensure compliance with the s117 Direction No.2.3 – Heritage Conservation, Council adopts provisions in respect to heritage conservation which are consistent with the current Parramatta City Centre LEP 2007 (Part 5, Clause 35).
 - ii) That heritage controls for land fronting Church Street between

- the river and Macquarie Street be limited to height controls in the LEP (ie. replace the 3:1 FSR with a 10:1 FSR) with other relevant controls to be included in the DCP, given the strong concentration of heritage items and its heritage character.
- iii) In respect of other listed heritage items, that Council Officers note that Council requires all development matters potentially impacting these items to be brought before the Council.
 - iv) That FSR and height controls remain as listed in the current draft maps (ie. 10:1 in the CBD Core and 6:1 in the transitional areas as resolved in the draft City Centre Planning Framework Maps and as adopted in the Auto Alley Strategy). That is, that heritage items in the CBD, and those adjoined, have FSRs the same as adjoining properties, except for only the following:
 - a. Harrisford House, given this is a state heritage item with a direct connection with the river.
 - b. Area directly to the north of Lancer Barracks, given this is an item of national heritage significance.
 - c. Areas adjoining state heritage items within a significant landscape setting, including St John's Church and St John's Cemetery.
 - v) Further, that Council explore a mechanism for transferrable floor space on heritage items (subject to the enhancement of the heritage item) to provide greater incentive for heritage conservation (in addition to Part 5, Clause 35 in the current Parramatta City Centre LEP 2007)

For the avoidance of doubt the standard template clause is as follows:

Heritage conservation

(1) Objectives

The objectives of this clause are as follows:

- (a) to conserve the environmental heritage of the City,*
- (b) to conserve the heritage significance of heritage items and heritage conservation areas, including associated fabric, settings and views,*
- (c) to conserve archaeological sites,*
- (d) to conserve Aboriginal objects and Aboriginal places of heritage significance.*

(2) Requirement for consent

Development consent is required for any of the following:

- (a) demolishing or moving any of the following or altering the exterior of any of the following (including, in the case of a building, making changes to its detail, fabric, finish or appearance):*
 - (i) a heritage item,*
 - (ii) an Aboriginal object,*
 - (iii) a building, work, relic or tree within a*

- heritage conservation area,*
- (b) altering a heritage item that is a building by making structural changes to its interior or by making changes to anything inside the item that is specified in Schedule 5 in relation to the item,*
- (c) disturbing or excavating an archaeological site while knowing, or having reasonable cause to suspect, that the disturbance or excavation will or is likely to result in a relic being discovered, exposed, moved, damaged or destroyed,*
- (d) disturbing or excavating an Aboriginal place of heritage significance,*
- (e) erecting a building on land:*
 - (i) on which a heritage item is located or that is within a heritage conservation area, or*
 - (ii) on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance,*
- (f) subdividing land:*
 - (i) on which a heritage item is located or that is within a heritage conservation area, or*
 - (ii) on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance.*

(3) When consent not required

However, development consent under this clause is not required if:

- (a) the applicant has notified the consent authority of the proposed development and the consent authority has advised the applicant in writing before any work is carried out that it is satisfied that the proposed development:*
 - (i) is of a minor nature or is for the maintenance of the heritage item, Aboriginal object, Aboriginal place of heritage significance or archaeological site or a building, work, relic, tree or place within the heritage conservation area, and*
 - (ii) would not adversely affect the heritage significance of the heritage item, Aboriginal object, Aboriginal place, archaeological site or heritage conservation area, or*
- (b) the development is in a cemetery or burial ground and the proposed development:*
 - (i) is the creation of a new grave or monument, or excavation or disturbance of land for the purpose of conserving or repairing monuments or grave markers, and*
 - (ii) would not cause disturbance to human remains, relics, Aboriginal objects in the form of grave goods, or to an Aboriginal place of heritage significance, or*

- (c) the development is limited to the removal of a tree or other vegetation that the Council is satisfied is a risk to human life or property, or
- (d) the development is exempt development.

(4) Effect of proposed development on heritage significance

The consent authority must, before granting consent under this clause in respect of a heritage item or heritage conservation area, consider the effect of the proposed development on the heritage significance of the item or area concerned. This subclause applies regardless of whether a heritage management document is prepared under subclause (5) or a heritage conservation management plan is submitted under subclause (6).

(5) Heritage assessment

The consent authority may, before granting consent to any development:

- (a) on land on which a heritage item is located, or
 - (b) on land that is within a heritage conservation area, or
 - (c) on land that is within the vicinity of land referred to in paragraph (a) or (b),
- require a heritage management document to be prepared that assesses 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.

(6) Heritage conservation management plans

The consent authority may require, after considering the heritage significance of a heritage item and the extent of change proposed to it, the submission of a heritage conservation management plan before granting consent under this clause.

(7) Archaeological sites

The consent authority must, before granting consent under this clause to the carrying out of development on an archaeological site (other than land listed on the State Heritage Register or to which an interim heritage order under the [Heritage Act 1977](#) applies):

- (a) notify the Heritage Council of its intention to grant consent, and
- (b) take into consideration any response received from the Heritage Council within 28 days after the notice is sent.

(8) Aboriginal places of heritage significance

The consent authority must, before granting consent under this clause to the carrying out of development in an Aboriginal place of heritage significance:

- (a) consider the effect of the proposed development on the heritage significance of the place and any Aboriginal object known or reasonably likely to be located at the place by means of an adequate investigation and assessment (which may involve consideration of a heritage impact statement), and
- (b) notify the local Aboriginal communities, in writing or in such other manner as may be appropriate, about the application and take into consideration any response received within 28 days after the notice is sent.

(9) Demolition of nominated State heritage items

The consent authority must, before granting consent under this clause for the demolition of a nominated State heritage item:

- (a) notify the Heritage Council about the application, and
- (b) take into consideration any response received from the Heritage Council within 28 days after the notice is sent.

(10) Conservation incentives

The consent authority may grant consent to development for any purpose of a building that is a heritage item or of the land on which such a building is erected, or for any purpose on an Aboriginal place of heritage significance, even though development for that purpose would otherwise not be allowed by this Plan, if the consent authority is satisfied that:

- (a) the conservation of the heritage item or Aboriginal place of heritage significance is facilitated by the granting of consent, and
- (b) the proposed development is in accordance with a heritage management document that has been approved by the consent authority, and
- (c) the consent to the proposed development would require that all necessary conservation work identified in the heritage management document is carried out, and
- (d) the proposed development would not adversely affect the heritage significance of the heritage item, including its setting, or the heritage significance of the Aboriginal place of heritage significance, and
- (e) the proposed development would not have any significant adverse effect on the amenity of the surrounding area.

- (d) **Further, that** Council restates its objective to provide for the future infrastructure needs of the Parramatta City Centre from the redevelopment of the Centre:-

- i) That Council continue to pursue an increase to the section 94A levy from 3% to 4.5%, and
- ii) That Council, as an alternative to (i), explore the implementation of a 'Phase 1' *infrastructure funding* mechanism, where existing FSR controls remain in place and additional higher FSR controls can be achieved by contributing/sharing 10% of the land value of the uplift with the community for the provision of infrastructure. This will only be applicable if the Minister does not consent to the proposed increase in the s94A levy
- iii) Further to (ii), That Council explore the implementation of a 'Phase 2' *infrastructure funding* mechanism, where higher FSRs than those proposed in Phase 1 can be achieved for nominated 'Special Areas' by sharing/contributing "a percentage" of the land value of the uplift with the community for the provision of infrastructure and subject to preparation of a site-specific DCP (or Stage 1 Concept DA) to demonstrate the site can accommodate the proposed additional yield without any adverse impacts.
- iv) That Council nominate the 'Special Areas' for 'Phase 2 Value Sharing' and the amount of potential additional FSR for each area when considering the Draft Parramatta CBD Planning Proposal in early 2016.
- v) That Council prepare an Infrastructure Delivery Plan to provide an infrastructure works program to provide transparency in how any income received through the funding scheme will be spent.
- vi) That Council prepare a Development Guideline to explain the process for provision of infrastructure through the *infrastructure funding* scheme, including nominating a dollar value per square metre of additional GFA being sought (which should be scheduled to provide certainty and reviewed annually), in case monies are dedicated towards infrastructure, rather than works.
- vii) That the mechanism applies only to additional residential GFA, not commercial GFA above the base FSRs shown on the maps.
- viii) That the *infrastructure funding* mechanism operates in addition to existing section 94A contributions.
- ix) That, in relation to the preparation of site-specific planning proposals at 14-20 Parkes Street, Harris Park and 122 Wigram Street, Harris Park, Council amends these planning proposals currently being prepared to adopt a similar approach for negotiation (ie 10% of land value uplift) of an appropriate infrastructure contribution cause by the impact of these developments as that adopted above in (ii) for the Draft Parramatta CBD Planning Proposal.
- x) Further that, in relation to existing site-specific planning proposals currently being processed by Council in the Parramatta CBD, Council resolve to adopt a similar approach for infrastructure contribution in negotiating Voluntary Planning Agreements (VPAs) for these sites as that adopted for the Draft Parramatta CBD Planning Proposal above in (ii)

(ie 10% of land value uplift) and Council advise applicants where Council is currently negotiating a VPA that the *infrastructure funding methodology* outlined in (ii) above is now Council's position in relation to the negotiation of these VPAs.

Justifications -

- *Allows for flexibility.*
- *Simpler planning controls.*
- *Allows proponents to explore options for other land uses whilst encouraging equality*
- *Encourages developers to do much better due diligence checks before purchasing*
- *Better suited to unique sites that can meet design criteria to achieve maximum FSRs*
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- *OTHER COUNCIL RESOLUTIONS IN SUPPORT and CONSISTENT WITH*
 - o *Item 10.3 13 July 2015 – Parramatta CBD Planning Strategy – Park Edge Highly Sensitive Area adjacent to World Heritage Listed Old Government House and Domain Solar Access to Key Public Spaces (passed 14 ayes, 1 no)*
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▪ **Highlights:**

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- o LM Minute 9 March 15 - Parramatta City Centre Planning Framework Review
- o NoM Garrard 26 June 15. Draft Parramatta CBD Planning Strategy

- e) **That** Council form a committee to review the plan to report back with their recommendations by the first Council Meeting in February 2016.
- f) **That** this committee may consist of three councillors and two outside experts. These expert may be Mary Lyn Taylor from the JRPP and Sam Haddad (the former Director General of Planning).
- g) **That** should anyone be unable or unwilling to attend the committee, then the NSW Planning Minister be requested to supply a replacement subject to the concurrence of the Lord Mayor and the 3 committee councillors.
- j) **That** compensation to the members of the committee be in line with the JRPP payments.
- i) **That** the engagement include the following scope:-
 1. Development of an implementation for the infrastructure funding mechanism linked to CBD development and the provision of CBD city infrastructure.
 2. Assistance with talks and presentation with the Minister for Planning and Environment and his senior Department officials to gauge the State Government views on a statutory based infrastructure fund and levy made pursuant to Division 6 of the Environmental Planning and Assessment Act 1979 to provide for the future infrastructure needs of the City Centre, over and above the existing section 94A contribution.
 3. Obtaining specialist senior economic advice as to the potential structure and options therein of a statutory based infrastructure fund to inform council's discussions with the State Government.
- j) **Further, that** the objectives of this process is to be in a completed form for Council review and adoption in March 2016.

AMENDMENT (Wilson/Finn)

- (a) **That**, in relation to the preparation of the Draft Parramatta CBD Planning Proposal, Council resolve to proceed in accordance with Option FSR-3A (as detailed in the memo to Councillors dated 10 December 2015) together with the 'Alternate FSR Clause' detailed as follows:

i) That Council implements the Proposed Sliding Scale FSR-3A when a site cannot meet the conditions in the Alternate FSR Clause.

That Council implements the Proposed Sliding Scale (FSR-3A) as follows:

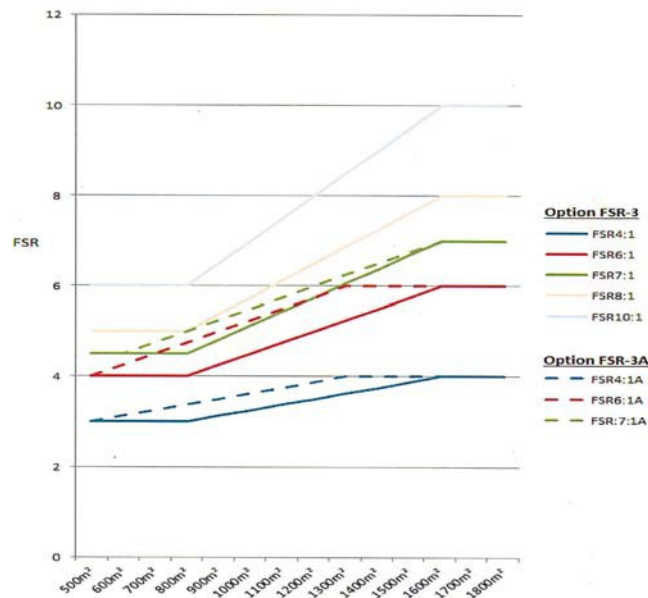
- FSRs up to 6:1 – adjusted to 500sqm and 1,300sqm respectively
- FSR of 7:1 – adjusted to 600sqm and 1,600sqm respectively
- FSRs of 8:1 and above – adjusted to 800sqm and 1,600sqm respectively

However, the maximum FSR can be achieved on all sites, subject to the condition of the 'Alternate FSR Clause', and only refer to FSR-3A in the event that the conditions in the Alternate FSR Clause cannot be met.

ii) That Council adopt the an 'Alternate FSR Clause' that allows any site to achieve the maximum FSR permitted by the maps (ie. 10:1 in the CBD Core and 6:1 in the transitional areas as resolved in the Draft City Centre Planning framework maps and Auto Alley Maps) subject to meeting the following criteria:

- (a) Achieving design excellence through instruments such as design competitions, and
- (b) Compliance with state planning instruments SEPP 65 and the objectives of the ADG and;
- (c) The ground floor of all sides of the building facing the street will be activated.
- (d) **That** staff prepare material boards or other appropriate forms/lists of noble materials with developers being required to use such materials on facades facing active street frontages, water courses and features, active public domain areas, parks and significant heritage or cultural items.
- (e) **Further, that** developers be required to create active street frontages whether their site is facing active street frontages, water course and features, active public domain, parks and significant heritage or cultural items.

(This would provide a process that all sites, regardless of size, are able to attempt to access the FSR identified on the map, subject to design excellence. This is consistent with the resolution adopted by council through item 9.4 8 September 2014)



- (b) **That**, in relation to the preparation of the Draft Parramatta CBD Planning Proposal, Council resolve to proceed in accordance with Option SOL-2 with respect to Solar Access Controls, which reads as follows:

“That heights and FSRs in solar access affected areas be consistent with those shown on adjoining unaffected properties (with solar access planes to remain as an overarching control in the LEP). Further, that FSR and height controls remain as listed in the current draft City Centre Planning Framework maps.

(This would provide applicants the flexibility to attempt to achieve maximum FSR whilst still complying with Solar Access Controls as well as design excellence)”

- (c) **That** Council recognise that to preserve the heritage value of each individual heritage item in the City, and seek to enhance heritage outcomes for the City, redevelopment proposed for heritage items should be treated as site specific case by case matters based on merit. Further:
- i) In order to ensure compliance with the s117 Direction No.2.3 – Heritage Conservation, Council adopts provisions in respect to heritage conservation which are consistent with the current Parramatta City Centre LEP 2007 (Part 5, Clause 35).
 - ii) That heritage controls for land fronting Church Street between the river and Macquarie Street be limited to height controls in the LEP (ie. replace the 3:1 FSR with a 10:1 FSR) with other relevant controls to be included in the DCP, given the strong

- concentration of heritage items and its heritage character.
- iii) In respect of other listed heritage items, that Council Officers note that Council requires all development matters potentially impacting these items to be brought before the Council.
- iv) That FSR and height controls remain as listed in the current draft maps (ie. 10:1 in the CBD Core and 6:1 in the transitional areas as resolved in the draft City Centre Planning Framework Maps and as adopted in the Auto Alley Strategy). That is, that heritage items in the CBD, and those adjoining, have FSRs the same as adjoining properties, except for only the following:
 - a. Harrisford House, given this is a state heritage item with a direct connection with the river.
 - b. Area directly to the north of Lancer Barracks, given this is an item of national heritage significance.
 - c. Areas adjoining state heritage items within a significant landscape setting, including St John's Church and St John's Cemetery.
- v) Further, that Council explore a mechanism for transferrable floor space on heritage items (subject to the enhancement of the heritage item) to provide greater incentive for heritage conservation (in addition to Part 5, Clause 35 in the current Parramatta City Centre LEP 2007)

For the avoidance of doubt the standard template clause is as follows:

Heritage conservation

(1) Objectives

The objectives of this clause are as follows:

- (a) to conserve the environmental heritage of the City,*
- (b) to conserve the heritage significance of heritage items and heritage conservation areas, including associated fabric, settings and views,*
- (c) to conserve archaeological sites,*
- (d) to conserve Aboriginal objects and Aboriginal places of heritage significance.*

(2) Requirement for consent

Development consent is required for any of the following:

- (a) demolishing or moving any of the following or altering the exterior of any of the following (including, in the case of a building, making changes to its detail, fabric, finish or appearance):*
 - (i) a heritage item,*
 - (ii) an Aboriginal object,*
 - (iii) a building, work, relic or tree within a heritage conservation area,*
- (b) altering a heritage item that is a building by*

- making structural changes to its interior or by making changes to anything inside the item that is specified in Schedule 5 in relation to the item,*
- (c) disturbing or excavating an archaeological site while knowing, or having reasonable cause to suspect, that the disturbance or excavation will or is likely to result in a relic being discovered, exposed, moved, damaged or destroyed,*
- (d) disturbing or excavating an Aboriginal place of heritage significance,*
- (e) erecting a building on land:*
 - (i) on which a heritage item is located or that is within a heritage conservation area, or*
 - (ii) on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance,*
- (f) subdividing land:*
 - (i) on which a heritage item is located or that is within a heritage conservation area, or*
 - (ii) on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance.*

(3) When consent not required

However, development consent under this clause is not required if:

- (a) the applicant has notified the consent authority of the proposed development and the consent authority has advised the applicant in writing before any work is carried out that it is satisfied that the proposed development:*
 - (i) is of a minor nature or is for the maintenance of the heritage item, Aboriginal object, Aboriginal place of heritage significance or archaeological site or a building, work, relic, tree or place within the heritage conservation area, and*
 - (ii) would not adversely affect the heritage significance of the heritage item, Aboriginal object, Aboriginal place, archaeological site or heritage conservation area, or*
- (b) the development is in a cemetery or burial ground and the proposed development:*
 - (i) is the creation of a new grave or monument, or excavation or disturbance of land for the purpose of conserving or repairing monuments or grave markers, and*
 - (ii) would not cause disturbance to human remains, relics, Aboriginal objects in the form of grave goods, or to an Aboriginal place of heritage significance, or*
- (c) the development is limited to the removal of a tree or other vegetation that the Council is satisfied*

is a risk to human life or property, or
(d) the development is exempt development.

(4) Effect of proposed development on heritage significance

The consent authority must, before granting consent under this clause in respect of a heritage item or heritage conservation area, consider the effect of the proposed development on the heritage significance of the item or area concerned. This subclause applies regardless of whether a heritage management document is prepared under subclause (5) or a heritage conservation management plan is submitted under subclause (6).

(5) Heritage assessment

The consent authority may, before granting consent to any development:

- (a) on land on which a heritage item is located, or*
- (b) on land that is within a heritage conservation area, or*
- (c) on land that is within the vicinity of land referred to in paragraph (a) or (b),*
require a heritage management document to be prepared that assesses 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.

(6) Heritage conservation management plans

The consent authority may require, after considering the heritage significance of a heritage item and the extent of change proposed to it, the submission of a heritage conservation management plan before granting consent under this clause.

(7) Archaeological sites

The consent authority must, before granting consent under this clause to the carrying out of development on an archaeological site (other than land listed on the State Heritage Register or to which an interim heritage order under the Heritage Act 1977 applies):

- (a) notify the Heritage Council of its intention to grant consent, and*
- (b) take into consideration any response received from the Heritage Council within 28 days after the notice is sent.*

(8) Aboriginal places of heritage significance

The consent authority must, before granting consent under this clause to the carrying out of development in an Aboriginal place of heritage significance:

- (a) consider the effect of the proposed development on the heritage significance of the*

place and any Aboriginal object known or reasonably likely to be located at the place by means of an adequate investigation and assessment (which may involve consideration of a heritage impact statement), and
(b) notify the local Aboriginal communities, in writing or in such other manner as may be appropriate, about the application and take into consideration any response received within 28 days after the notice is sent.

(9) Demolition of nominated State heritage items

The consent authority must, before granting consent under this clause for the demolition of a nominated State heritage item:

- (a) notify the Heritage Council about the application, and*
- (b) take into consideration any response received from the Heritage Council within 28 days after the notice is sent.*

(10) Conservation incentives

The consent authority may grant consent to development for any purpose of a building that is a heritage item or of the land on which such a building is erected, or for any purpose on an Aboriginal place of heritage significance, even though development for that purpose would otherwise not be allowed by this Plan, if the consent authority is satisfied that:

- (a) the conservation of the heritage item or Aboriginal place of heritage significance is facilitated by the granting of consent, and*
- (b) the proposed development is in accordance with a heritage management document that has been approved by the consent authority, and*
- (c) the consent to the proposed development would require that all necessary conservation work identified in the heritage management document is carried out, and*
- (d) the proposed development would not adversely affect the heritage significance of the heritage item, including its setting, or the heritage significance of the Aboriginal place of heritage significance, and*
- (e) the proposed development would not have any significant adverse effect on the amenity of the surrounding area.*

- (d) **That** Council restates its objective to provide for the future infrastructure needs of the Parramatta City Centre from the redevelopment of the Centre:-

- i) That Council continue to pursue an increase to the section 94A levy from 3% to 4.5%, and

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- iii) Further to (ii), That Council explore the implementation of a 'Phase 2' *infrastructure funding* mechanism, where higher FSRs than those proposed in Phase 1 can be achieved for nominated 'Special Areas' by sharing/contributing "a percentage" of the land value of the uplift with the community for the provision of infrastructure and subject to preparation of a site-specific DCP (or Stage 1 Concept DA) to demonstrate the site can accommodate the proposed additional yield without any adverse impacts.
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- ix) That, in relation to the preparation of site-specific planning proposals at 14-20 Parkes Street, Harris Park and 122 Wigram Street, Harris Park, Council amends these planning proposals currently being prepared to adopt a similar approach for negotiation (ie 10% of land value uplift) of an appropriate infrastructure contribution cause by the impact of these developments as that adopted above in (ii) for the Draft Parramatta CBD Planning Proposal.
- x) Further that, in relation to existing site-specific planning proposals currently being processed by Council in the Parramatta CBD, Council resolve to adopt a similar approach for infrastructure contribution in negotiating Voluntary Planning Agreements (VPAs) for these sites as that adopted for the Draft Parramatta CBD Planning Proposal above in (ii) (ie 10% of land value uplift) and Council advise applicants where Council is currently negotiating a VPA that the

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- (e) **That** Council form a committee to review the plan to report back with their recommendations by the first Council Meeting in February 2016.
- (f) **That** this committee consist of three councillors and two outside experts. These experts be Mary Lyn Taylor from the JRPP and Sam Haddad (the former Director General of Planning).
- (g) **That** should anyone be unable or unwilling to attend the committee, then the NSW Planning Minister be requested to supply a replacement subject to the concurrence of the Lord Mayor and the 3 committee councillors.
- (h) **That** compensation to the members of the committee be in line with the JRPP payments.
- (i) **That** the engagement include the following scope:-
1. Development of an implementation for the infrastructure funding mechanism linked to CBD development and the provision of CBD city infrastructure.
 2. Review and advice on a planning framework , heritage treatment and controls for the CBD to ensure that plans promote growth of high quality housing and employment to create Sydney Second CBD including:-
 - (i) The practicality of the plan;
 - (ii) Transition of development to conservation areas;
 - (iii) Enhancing the amenity of the public domain including (but not limited to): Parramatta Square, Centenary Square, River Foreshore, Prince Alfred Park, Jubilee Park, James Ruse Park and Robin Thomas Reserve;
 - (iv) Ways of lifting development standards in Parramatta;
 - (v) Ways of ensuring Parramatta fulfils its place as the capital of Western Sydney.
 3. Assistance with talks and presentation with the Minister for Planning and Environment and his senior Department officials to gauge the State Government

views on a statutory based infrastructure fund and levy made pursuant to Division 6 of the Environmental Planning and Assessment Act 1979 to provide for the future infrastructure needs of the City Centre, over and above the existing section 94A contribution.

4. Obtaining specialist senior economic advice as to the potential structure and options therein of a statutory based infrastructure fund to inform council's discussions with the State Government.

- (j) **Further, that** the objectives of this process is to be in a completed form for Council review and adoption in March 2016.

The amendment was put and lost.

The motion was put and carried.

DIVISION The result being:-

AYES: Councillors J P Abood, R Dwyer, J D Finn, J A Hugh, S T Issa, S D Lloyd, and L E Wearne

NOES: Councillors G J Elmore, J L Shaw and A A Wilson

Note

1. **Councillor S Chowdhury had declared a non - pecuniary Interest in relation to this item as he is on the Board of a Company that owns property in the CBD. Councillor Chowdhury further declared a pecuniary interest in relation to this matter also as he has an interest in land in the CBD that relates to this issue. Councillor Chowdhury left the meeting during discussion and voting on this issue.**
2. **Councillor P Esber had declared a Special Disclosure of Pecuniary Interest in relation to this item as he as an interest in land that relates to this issue. Councillor Esber left the meeting during discussion and voting on this issue.**
3. **The Lord Mayor, Councillor P J Garrard declared a non - pecuniary interest in relation this item as he is on the Board of the Parramatta Leagues Club which owns property in the CBD that relates to this issue. The Lord Mayor left the meeting during discussion and voting on this issue.**
4. **Councillor J Hugh had declared a non - pecuniary interest in relation to this item as he is a director of a charity which owns property in the CBD that relates to this issue. Councillor Hugh remained in the Chamber during discussion on this issue.**
5. **Councillor B Makari declared a pecuniary interest in relation to this item as a relative has an interest in land affected by this issue. Councillor Makari left the meeting during discussion and voting on this issue.**

6. **Councillor J Shaw declared an interest in relation to this item as he owns property in the affected area but as the property is his principal place of residence, he advised the interest is insignificant and remained in the Chamber during discussion and voting on this matter.**
7. **Per Minute No. 16281, Councillor Lloyd was in the Chair during discussion and voting on this matter.**

Lord Mayor