

Appendix 2 - Parramatta CBD Planning Strategy

Parramatta CBD Planning Strategy

Adopted by Parramatta City Council on 27 April 2015



Disclaimer

Please note that this Strategy does **not** alter or change the zoning or planning controls of any land. Any actions relating to rezoning or changing planning controls put forward in this Strategy need to go through their own statutory amendment process in accordance with the *Environmental Planning & Assessment Act 1979*.

Whilst the actions in this Strategy may be used to inform future Planning Proposals in the Parramatta CBD area, they will not be used in the assessment of development applications. Development applications should refer to current planning controls or any relevant Planning Proposals which have been the subject of community consultation under the *Environmental Planning & Assessment Act 1979*.

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Objectives

The objectives of this Strategy, which was adopted by Council at its meeting of 27 April 2015, are as follows:

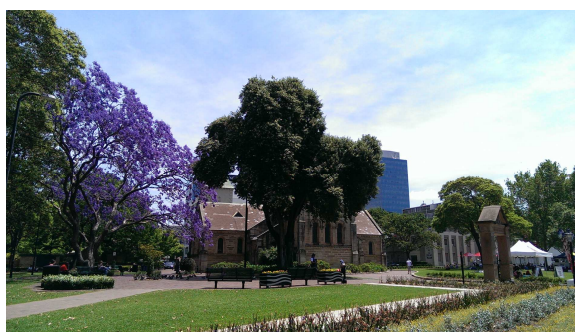
1. To set the vision for the growth of the Parramatta CBD as Australia's next great city.
2. To establish principles and actions to guide a new planning framework for the Parramatta CBD.
3. To provide a clear implementation plan for delivery of the new planning framework for the Parramatta CBD.

Parramatta CBD

Parramatta is Sydney's western CBD. It is located centrally in the demographic heart of the Sydney Metropolitan Area and performs a key economic, social and cultural role. The Parramatta CBD is of metropolitan significance as a regional employment centre, and it will continue to increase in importance as Western Sydney's population continues to grow. Jobs in the Parramatta CBD are forecast to grow from 49,000 in 2011 to 83,000 in 2041.

The Parramatta office market is the fifth largest suburban office market in Australia with around 700,000 sqm of office floorspace. It is the fourth largest office market in the Sydney metropolitan area, with the Sydney CBD having around 4,900,000 sqm of office floor space and Macquarie Park/North Ryde and North Sydney having around 850,000 sqm of floorspace each. Growth in office floor space in Parramatta from 2004 to 2014 was at about 14% (an increase of about 84,000 sqm). There is currently a shortage of prime commercial office space in Parramatta with the vacancy rates for A Grade stock being very low at 2.0%, which is lower than the averages for North Sydney (5.6%), the Sydney CBD (9.5%) and Australia (9.0%).

The Parramatta CBD is located on the Western Railway line, just north of the junction with the Southern Railway line. The NSW Government is undertaking investigations to connect the Parramatta CBD by light rail to other key employment centres, which will greatly improve access. The Parramatta Transport Interchange provides key infrastructure in the heart of the CBD to enable transfer between trains and the regional bus network. The Parramatta CBD also has a number of connections to major arterials, including the M4 Motorway, Great Western Highway, Windsor Road, Pennant Hills Road and James Ruse Drive.

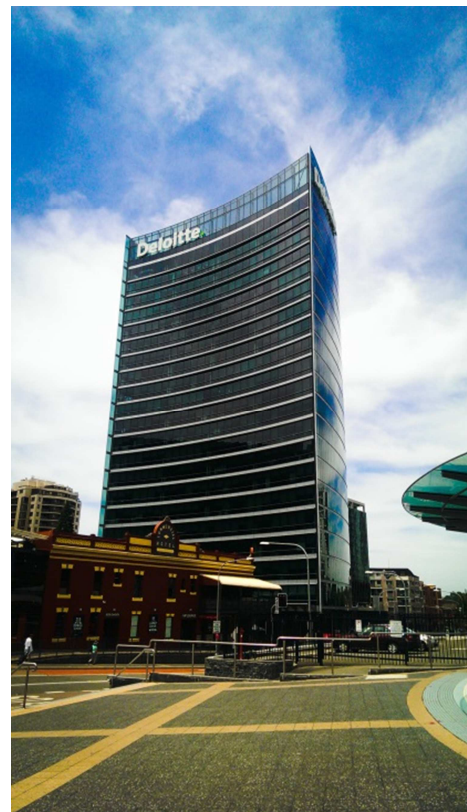


Background

Parramatta's growth as a dynamic and prosperous CBD is critical to the overall success of the entire Sydney metropolitan area. In order to help facilitate this growth, Council commenced its own strategic review of the CBD planning framework in 2013, so as to determine whether there were changes that could be made to help create more opportunities for investment, jobs, better built form outcomes and also design excellence. This was to ensure that Parramatta is able to achieve its full potential as Australia's next great city.

Council engaged consultants Architectus and SGS Economics & Planning to prepare the Draft Parramatta City Centre Planning Framework Review Study ('the Draft Study') for future development in the Parramatta CBD, which was undertaken in 2014. The purpose of the Draft Study was to review the current planning framework and identify opportunities, constraints and market conditions impacting on development, and from this develop a new planning framework to support Parramatta's progression to a premier CBD.

The Draft Study, which included a number of recommendations for changes to Council's planning framework, was placed on public exhibition at the end of 2014. These recommendations generally aimed to increase capacity for new residential and commercial development and to improve the design quality of development in our CBD. The Draft Study recommendations, together with a detailed consideration of submissions received during the public exhibition, have been used to inform the preparation of this Strategy.



Policy Context

Metropolitan Strategy – A Plan for Growing Sydney

Growing Greater Parramatta as Sydney's dual CBD is identified as a Direction in the Government's recently released metropolitan strategy, *A Plan for Growing Sydney*. The Plan states, "Greater Parramatta is Sydney's western CBD. Located close to the demographic heart of the Sydney Metropolitan Area, its scale and mix of commercial, health and education facilities make it a centre – a CBD – of metropolitan significance". In the Government's Plan, Greater Parramatta includes the Parramatta CBD and the precincts of Westmead Health, Parramatta North, Rydalmere Education and Camellia (see figure below).

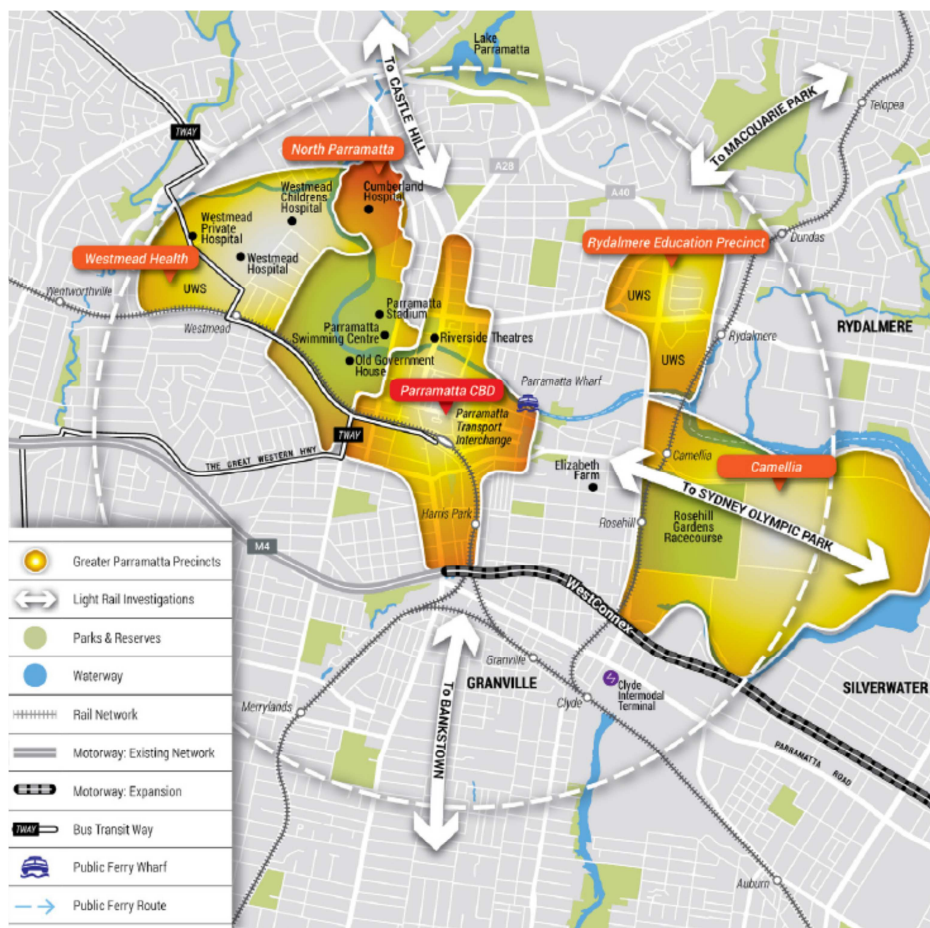


Figure: Greater Parramatta (Source: 'A Plan for Growing Sydney', NSW Department of Planning and Environment, December 2014)

According to the Government's Plan, Greater Parramatta has the potential to reach **100,000 jobs** over the next 20 years. There are a number of directions and actions in this Plan which directly influence this Strategy, including the following:

- Grow Parramatta as Sydney's second CBD by connecting and integrating Parramatta CBD, Westmead, Parramatta North, Rydalmere and Camellia
- Renew Parramatta North to create a vibrant mixed use precinct
- Establish a new Priority Growth Area – Greater Parramatta to the Olympic Peninsula
- Expand the Global Economic Corridor (which connects with Parramatta)
- Invest in strategic centres across Sydney to grow jobs and housing and create vibrant hubs of activity

- Preserve future transport and road corridors to support future growth (potential light rail corridors around Parramatta identified)
- Commence planning and the development of a business case for new sports facilities for Western Sydney (includes an assessment of options for rectangular stadia at Parramatta/Sydney Olympic Park)
- Grow the arts and cultural opportunities in Parramatta to include state-level facilities

In addition to the above, there are a number of priorities identified in the Government's Plan for the West Central Subregion which relate to Parramatta, including the following:

- Plan Greater Parramatta as Sydney's second CBD and Western Sydney's number one location for employment and health and education services, supported by a vibrant mixture of land uses and cultural activity, with the Parramatta River foreshore as a focus for recreational activities.
- Provide capacity for long term employment growth in Greater Parramatta, particularly in its CBD.
- Provide capacity for additional mixed-use development in Parramatta CBD and surrounding precincts including offices and retail in Parramatta CBD, health services in Westmead, an education hub around the new University of Western Sydney Campus, a technology and education precinct in Rydalmere, arts and culture in Parramatta, a sports precinct around Parramatta Stadium and housing in all precincts.
- Improve transport connections between Greater Parramatta and other Western Sydney centres and precincts, commencing with Macquarie Park via Carlingford, Castle Hill via Old Northern Road, Bankstown and Sydney Olympic Park.
- Enhance the role of the Parramatta Transport Interchange as the major bus/rail and future light rail interchange of Western Sydney.
- Improve walking and cycling connections between the Parramatta CBD, the Greater Parramatta precincts, Parramatta River and their surrounding area.
- Work with Council to retain a commercial core in Parramatta CBD for long-term employment growth.
- Prioritise the delivery of light rail services to Parramatta to improve connections between jobs and housing.

Section 117 Direction 1.1 – Business & Industrial Zones

The Minister for Planning has issued a direction under section 117 of the Environmental Planning & Assessment Act 1979 which relates to any potential changes to business and industrial zones. The Ministerial direction, known as *Section 117 Direction 1.1 – Business and Industrial Zones*, has the following objectives:

- (a) encourage employment growth in suitable locations,
- (b) protect employment land in business and industrial zones, and
- (c) support the viability of identified strategic centres.

The Ministerial direction applies whenever Council prepares a planning proposal that will affect land within an existing or proposed business or industrial zone (including the alteration of any existing business or industrial zone boundary). Any such planning proposal must:

- (a) give effect to the objectives of this direction,
- (b) retain the areas and locations of existing business and industrial zones,
- (c) not reduce the total potential floor space area for employment uses and related public services in business zones,
- (d) not reduce the total potential floor space area for industrial uses in industrial zones, and

- (e) ensure that proposed new employment areas are in accordance with a strategy that is approved by the Department of Planning & Environment.

A planning proposal can be inconsistent with the direction only if it is justified by a strategy which gives consideration to the objectives of the direction (and is approved by the Department), or justified by a study, or is consistent with a regional strategy, or is considered to be of minor significance.

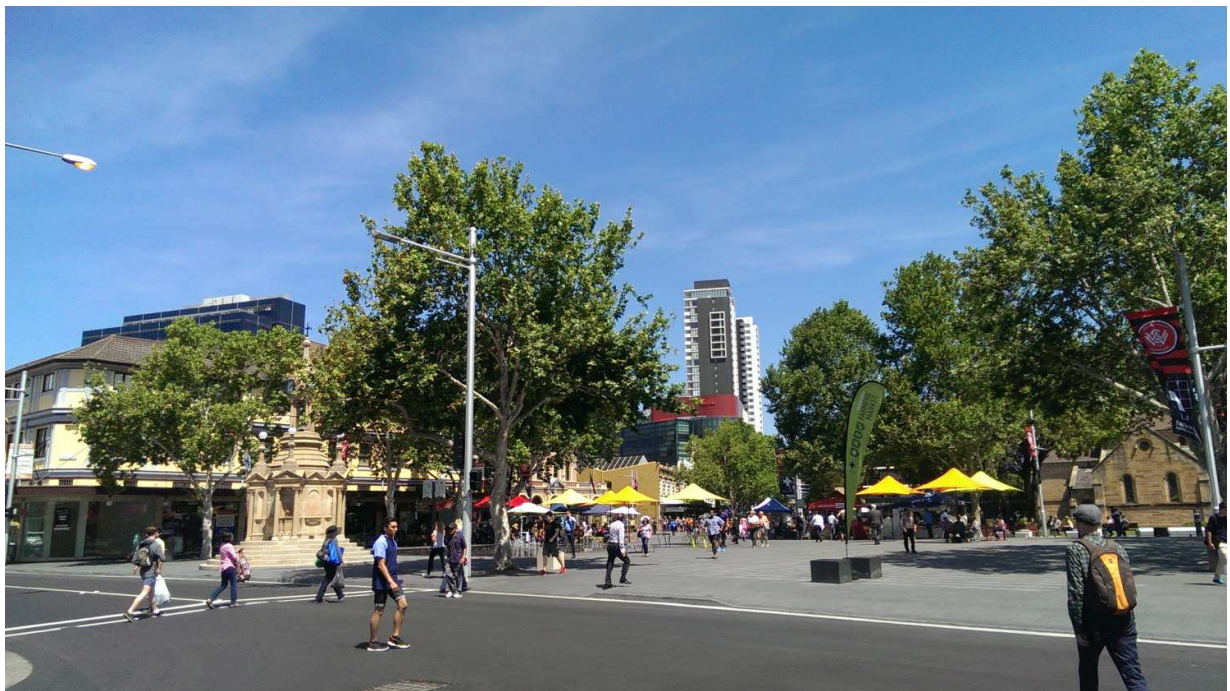
One of the key intentions of this Strategy is to give consideration to the objectives of this Ministerial direction, particularly in terms of protecting employment land in business zones, encouraging employment growth and supporting the viability of Parramatta CBD as a strategic centre.

Parramatta 2038 – Community Strategic Plan

Parramatta 2038 is a long-term Community Strategic Plan for the City of Parramatta and it links to the long-term future of Sydney. It formalises a series of 'Big Ideas' for Parramatta and the region – major transformational opportunities for the City, including the following:

- the development of Parramatta CBD, Westmead, Camellia and Rydalmere;
- a Light Rail network and Local and Regional Ring Roads;
- the Parramatta River entertainment precinct; and
- a connected series of parks and recreation spaces.

Together, these 'Big Ideas' represent significant levers for positive change over the next 25 years. *Parramatta 2038* outlines how to realise the true potential of Parramatta and spread those benefits locally and regionally. Under the strategic plan, Parramatta's economic growth will help build the City as a centre of high, value-adding employment and the driving force behind the generation of new wealth for Western Sydney.



Parramatta Economic Development Strategy 2011-2016

The *Parramatta Economic Development Strategy 2011-16* responds to the vision contained in the State Government's planning documents and presents Council's own economic development vision for Parramatta, as follows:

"To be the driving force and heart of Australia's most significant economic region; a vibrant home for diverse communities to prosper; and a centre of excellence in research, education and enterprise."

The strategy identifies the Parramatta CBD, Westmead, Camellia and Rydalmere as the four primary employment precincts which will house the majority of Parramatta's jobs by 2036. All four will produce high volumes of high-skilled knowledge based employment concentrated in various sectors. Westmead will be a world class bio-medical and bio-technology cluster, a state significant asset characterised by high levels of research, interaction and science. Rydalmere will house a high-tech business park developed in conjunction with UWS Rydalmere's campus expansion. The regional economics of Western Sydney will take on a hub and spoke formation whereby Parramatta CBD, the administrative 'hub', will service 'client' firms in the employment lands around it.

Under the strategy, commercial activity in the CBD will expand to the north along Church Street and east along the river. The north will be an affluent professional area that will merge with the medical character of adjoining Westmead. The East will develop a creative character defined by media, communications and IT companies. Auto Alley will become a commercial extension of the CBD, with potential for mixed use development as the auto industry restructures and high-density residential estates, large format retail and hospitality take over, revitalising the southern corridor of the CBD and supplying local firms inside the core with skilled labour. Harris Park and Granville will continue to grow as vibrant inner-city cultural neighbourhoods. Both will densify, Granville in particular. Parramatta Park will be a highly activated space by 2036. It will connect to a green belt running through the Cumberland Hospital site, Lake Parramatta and the river foreshore to Rosehill Gardens.



Vision

Parramatta will be Australia's next great city, defined by landmark buildings and high quality public spaces with strong connections to regional transport. It will respect its heritage, be an exemplar in design excellence, facilitate job growth and ensure its streets are well activated.

Principles

- P1** Achieve world's best practice in the planning and development of cities.
- P2** Achieve a strategic balance of land uses.
- P3** Create an attractive and distinctive city skyline, defined by tall, slender towers.
- P4** Create a liveable, active and highly desirable city.
- P5** Promote economic diversity, prosperity and jobs growth.
- P6** Improve the quality of urban design and the public domain.
- P7** Achieve design excellence.
- P8** Celebrate heritage and the natural environment.
- P9** Facilitate the delivery of infrastructure to support Parramatta's growth.
- P10** Improve access to the regional transport network.



Actions

A1 City Centre Boundaries

A1.1 Investigate potential expansion of the boundaries of the Parramatta CBD (as shown below).



Figure: Proposed new city centre boundary

A2 Primary built form controls

A2.1 Conduct detailed testing for the proposed Floor Space Ratio (FSR) controls shown below.

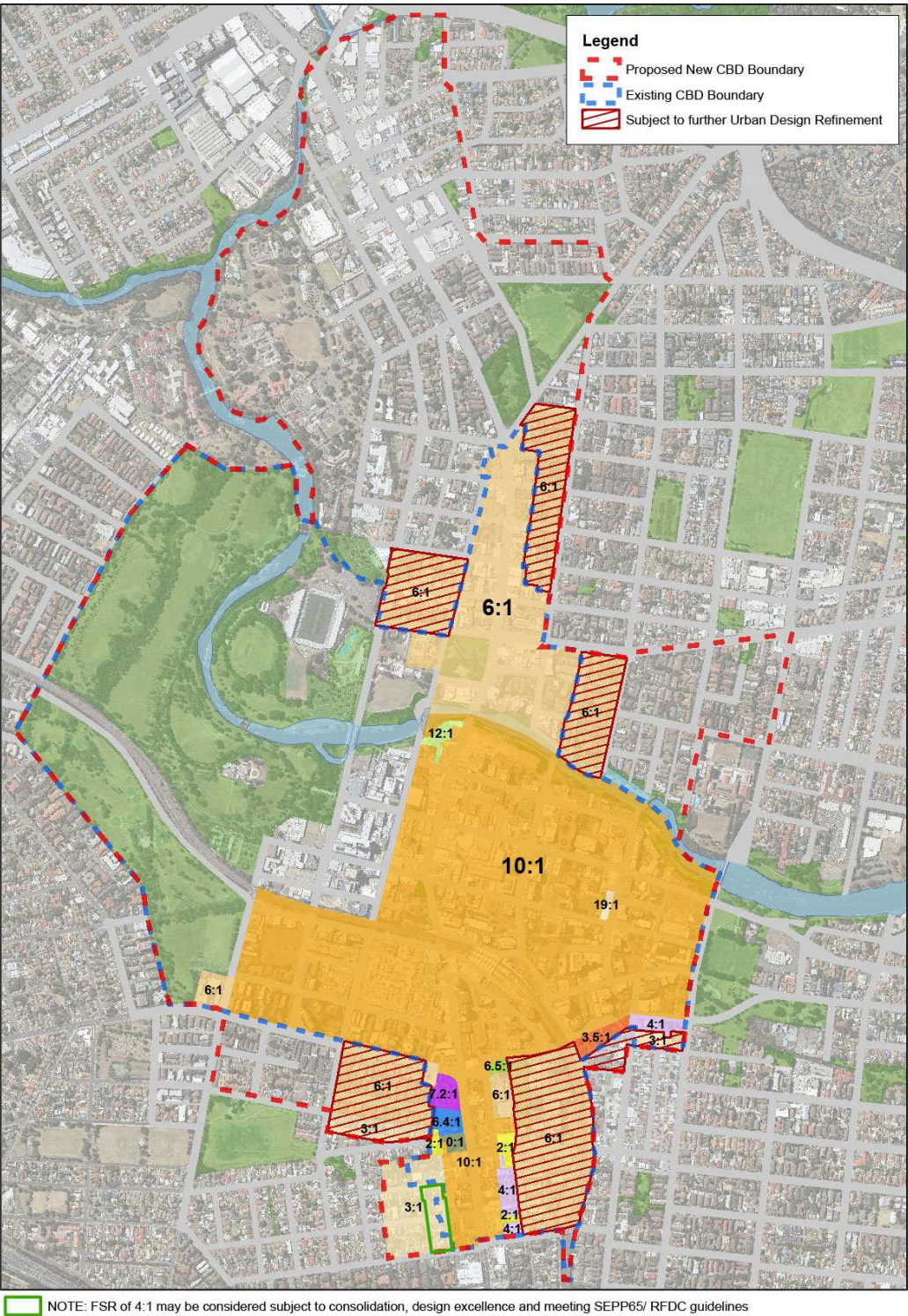


Figure: Proposed Floor Space Ratio (FSR) controls (subject to testing)

- A2.2 Subject to urban design testing, only allow FSRs greater than 3:1 (as shown above at A2.1) for those sites that achieve a minimum site area of 1,000 sqm. For sites less than 1,000 sqm, only allow FSRs greater than 3:1 to be achieved where the development demonstrates design excellence and meets all the other design requirements for the site for that form of development. All sites, regardless of size, that are able to demonstrate design excellence through a design competition process, will be eligible to potentially receive an additional bonus FSR of 15% (as per Action A6).
- A2.3 Investigate potential sun access controls to key public spaces, based on retaining sun access to a defined portion of nominated open spaces from 12pm – 2pm in midwinter (see figure below).

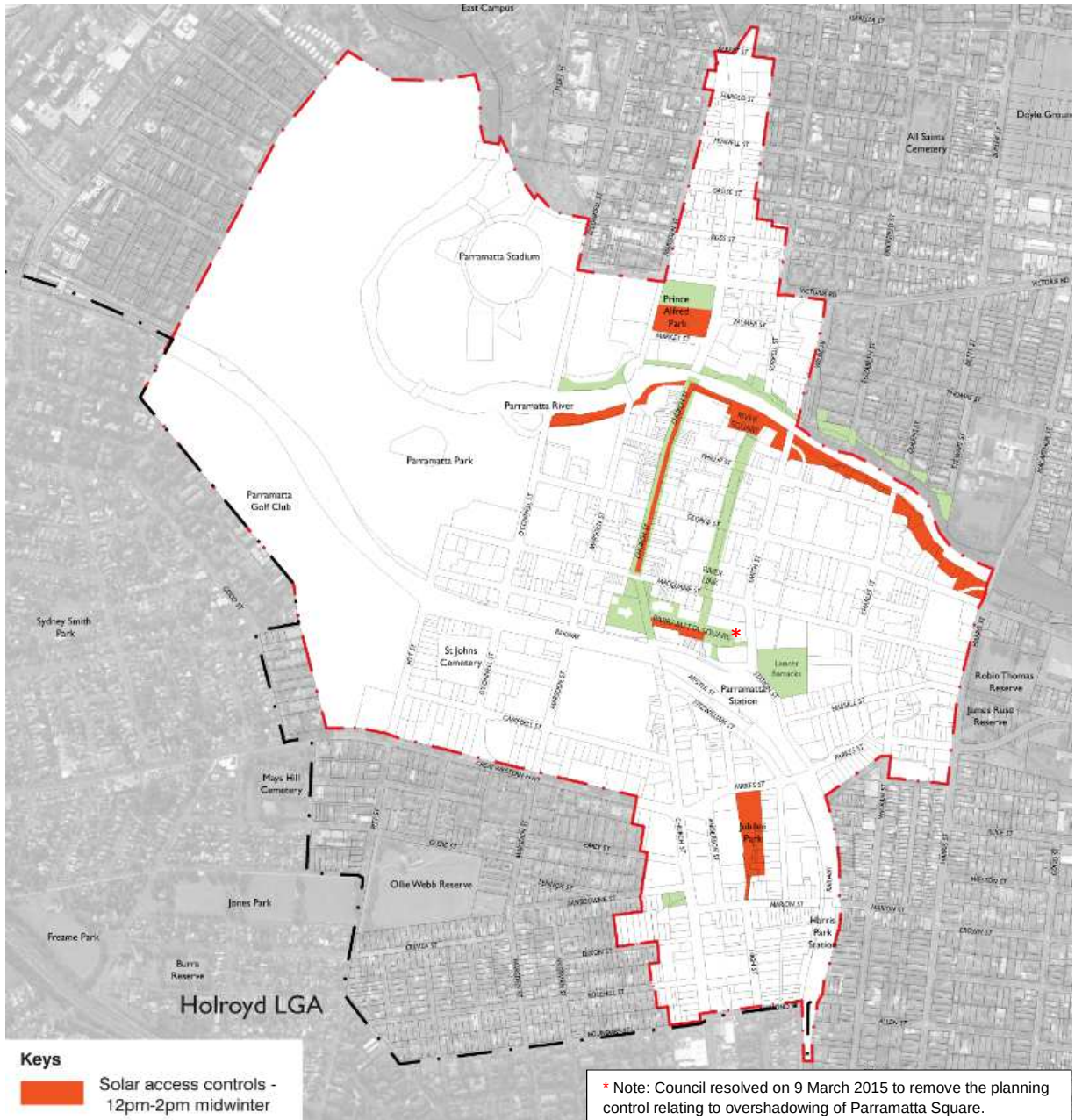


Figure: Proposed solar access controls (subject to testing)

A2.4 Investigate removal of the maximum building height controls for the CBD, other than for the following:

A2.4.1 Potential sun access controls for key public spaces (as noted in Action A2.3 above – specific controls to be developed).

A2.4.2 In the Park Edge highly sensitive area adjacent to World Heritage listed Old Government House, as shown in the figure below.

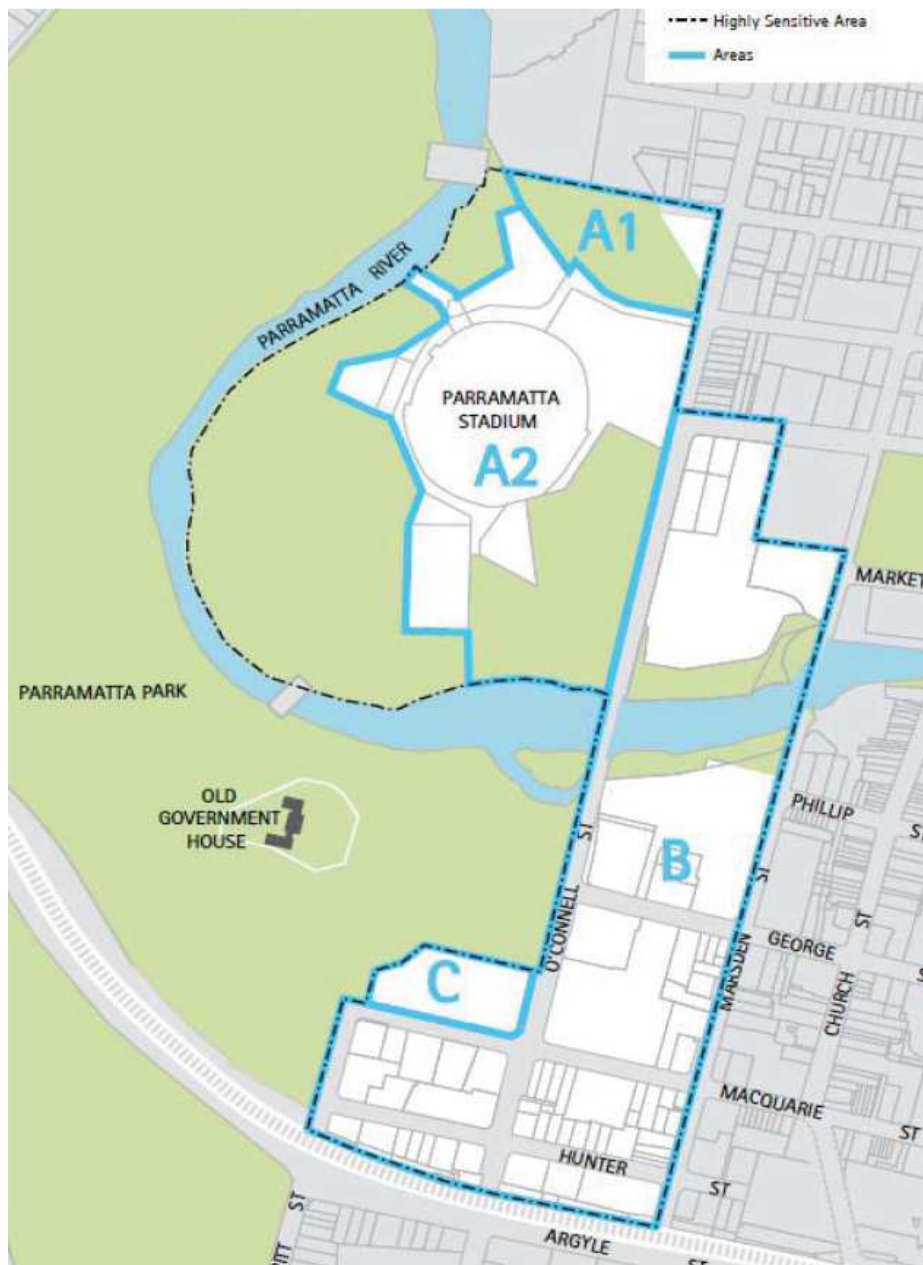
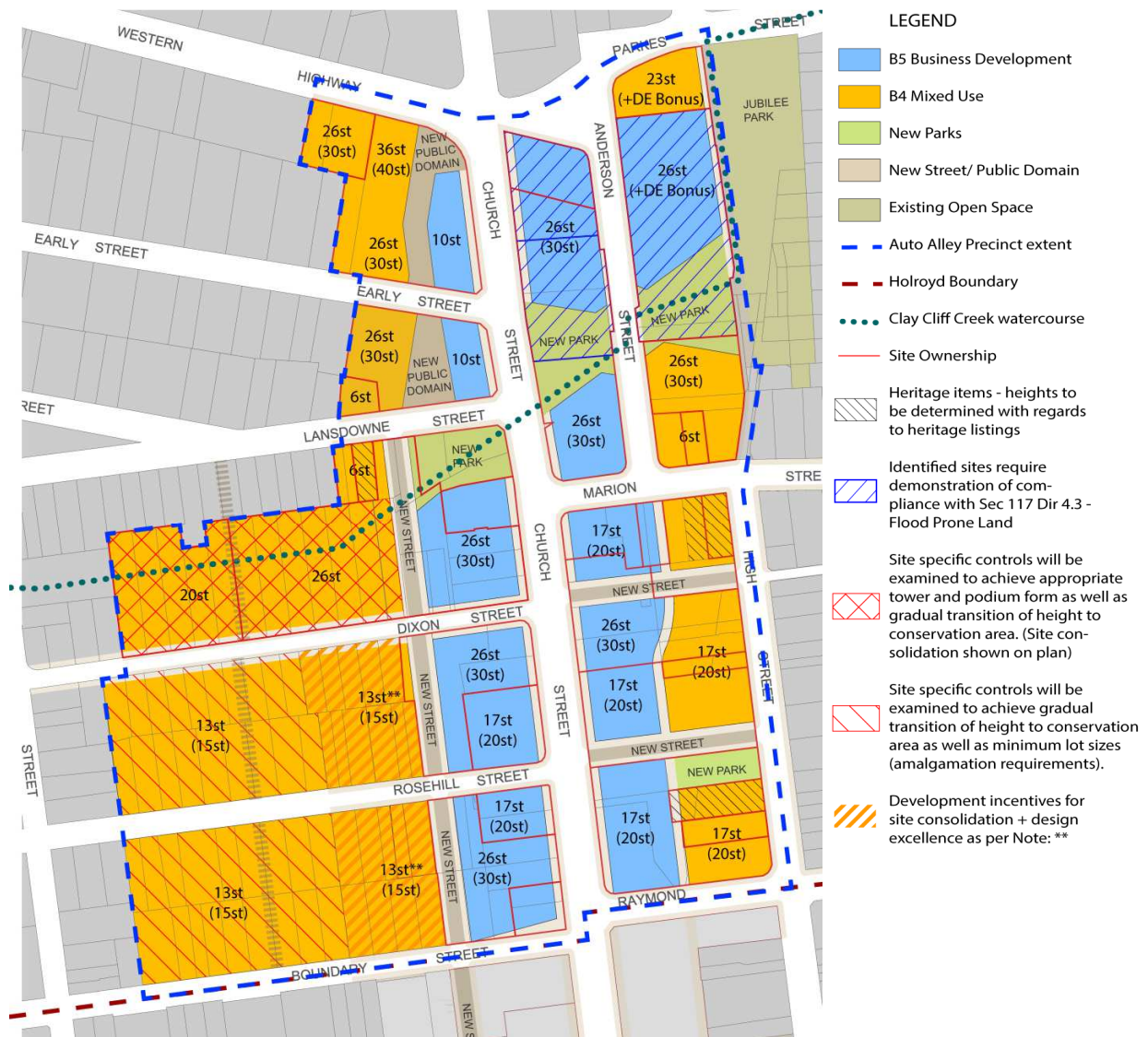


Figure: Park Edge Highly Sensitive Area – existing height restrictions continue to apply

A2.4.3 In the Auto Alley precinct and transitional area, where new height limits shown in the figure below will apply, given its location on a major road and the need to transition down to neighbouring heritage conservation areas on the CBD edge.



Note: **

FSR = 4:1 AND HOB = 54M/17st (62M/ 20st with DE) MAY BE CONSIDERED SUBJECT TO SITE CONSOLIDATION WITH A MINIMUM STREET FRONTAGE OF 60M TO DIXON, ROSEHILL OR BOUNDARY STREETS AND ACHIEVING DESIGN EXCELLENCE. OTHERWISE FSR = 3:1 AND HOB = 40M APPLIES.

Figure: Proposed land use and indicative heights in the Auto Alley precinct and transitional area

A2.4.5 Potentially in the CBD fringe areas (as shown in the figure below), which are still subject to further urban design refinement and testing.



Figure: Areas subject to further urban design refinement may be subject to height controls

A2.5 Notwithstanding Action A2.4, additional analysis of the implications of completely removing height limits will be undertaken including an assessment on the feasibility of including a clause that informs potential developers that aviation requirements set out in the *Airports (Protection of Airspace) Regulations 1996* may require separate approval for some taller buildings.

A3 Land Use Mix

A3.1 Investigate the potential to expand the commercial core as shown in the figure below.

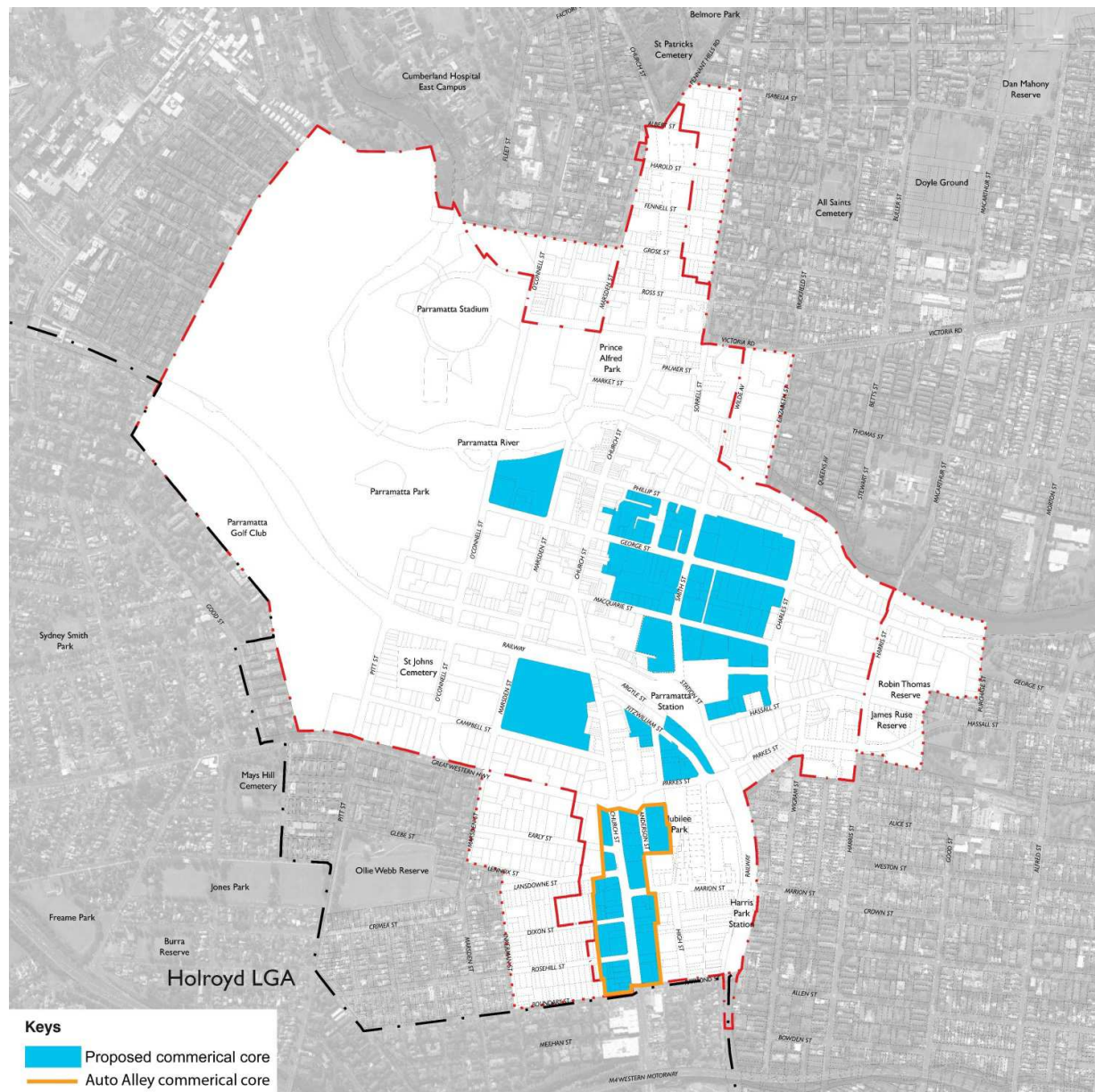


Figure: Proposed commercial core expansion

A3.2 Investigate the potential for residential uses in the commercial core, other than in the Auto Alley precinct (where high density residential will be permitted directly adjacent to the core), subject to the following conditions being met:

A3.2.1 A significant quantum of office space (i.e. 20,000 sqm minimum) is built before residential occupation of a development site.

A3.2.2 Sites deliver primarily employment uses (i.e. employment uses comprise a minimum 50% of total floorspace). Note: this is to ensure that very large or amalgamated sites do not deliver one modest commercial building and a much larger quantum of residential development.

A3.2.3 Non-residential FSR exceeding the minimum requirements above should be exempt from the overall maximum FSR in the commercial core.

Any investigation should consider the grade of office space that could be achieved in very close proximity to residential uses and its ability to attract high quality tenants. Further, the investigation should also consider the NSW Government's metropolitan strategy, "A Plan for Growing Sydney", which requires the retention of a commercial core in the Parramatta CBD for long-term employment growth.

A3.3 Controls designed to encourage employment uses should be targeted to high-yielding employment uses and not serviced apartments.

A3.4 Subject to urban design testing, a minimum non-residential FSR of 1:1 must be achieved for all sites in the mixed use zone of the Parramatta CBD. Non-residential FSR exceeding this minimum requirement should be exempt from the overall maximum FSR for mixed use zones.

A3.5 Plan for the following jobs and dwelling targets in the Parramatta CBD to 2036, so as to ensure both a vibrant commercial and business centre and also an active '24 hour' living city environment:

	Current (as at 2011)	Target (additional)	2036 Target (Total)
Jobs	49,000	27,000	76,000
Dwellings	3,800	7,500	11,300

Table: Jobs and dwelling targets for the Parramatta CBD to 2036.

A4 Infrastructure

A4.1 That Council undertake a detailed investigation of regional and local infrastructure upgrades that will be needed to facilitate growth of the Parramatta CBD, including the following:

A4.1.1 Public domain improvements, including new city spaces and street upgrades.

A4.1.2 City culture, entertainment, events and arts spaces.

A4.1.3 Social services, educational and community facilities.

A4.1.4 Recreational spaces and facilities.

A4.1.5 Access and transport improvements, including light rail.

A4.1.6 Improved utility infrastructure, including energy, water and waste infrastructure.

A4.2 That Council investigate the following potential infrastructure funding mechanisms to determine the correct mix of mechanisms that could be put in place to address the infrastructure demands arising from this strategy:

A4.2.1 *Value Uplift Sharing* – That additional higher FSR controls than those proposed in this Strategy 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. Such a system would apply for residential uses only, not employment uses. Further, the system would operate in addition to any section 94A contributions payable.

A4.2.2 *Section 94A Levy Increase* – That an additional Section 94A Levy of 1.5% (total 4.5%) be provided in the City Centre for recreational purposes.

A4.2.3 *'Traditional' Section 94 Contributions* – Given the large number of new dwellings being proposed in the CBD, a 'traditional' section 94 approach of levying per dwelling should be considered.

N.B. The introduction of some of these funding mechanisms will require changes to State Government legislation or Ministerial directions. This work will present the analysis to support Council's submission to the Department of Planning & Environment requesting any changes.



A5 Tower Slenderness

A5.1 For sites greater than 1,000 m², the floorplate Gross Building Area (measured to the external facade of the building, including balconies) of residential towers should be limited to a maximum of:

A5.1.1 800 m² for residential buildings up to 75 m in height (approx. 25 storeys).

A5.1.2 950 m² for residential buildings which are 75-105 m in height (approx. 25-35 storeys).

A5.1.3 1,100 m² for residential buildings greater than 105 m in height (approx. 35 storeys).

- A5.1 For sites less than 1,000 m², the floorplate Gross Building Area (measured to the external facade of the building, including balconies) of residential towers will be determined through the design excellence process.

A6 Design Excellence

- A6.1 Confirm the appropriateness of a 15% Floor Space Ratio (FSR) bonus for developments over 30m which demonstrate design excellence through a design competition process and whether a similar bonus should be provided to developments below 30m that achieve design excellence through a Design Review Panel process.
- A6.2 Subject to urban design testing, consider allowing a 15% FSR bonus for all sites, regardless of size, that are able to demonstrate design excellence through a design competition process.



Implementation Plan

In order to implement the actions of this Strategy, the following Implementation Plan has been prepared (see figure below).

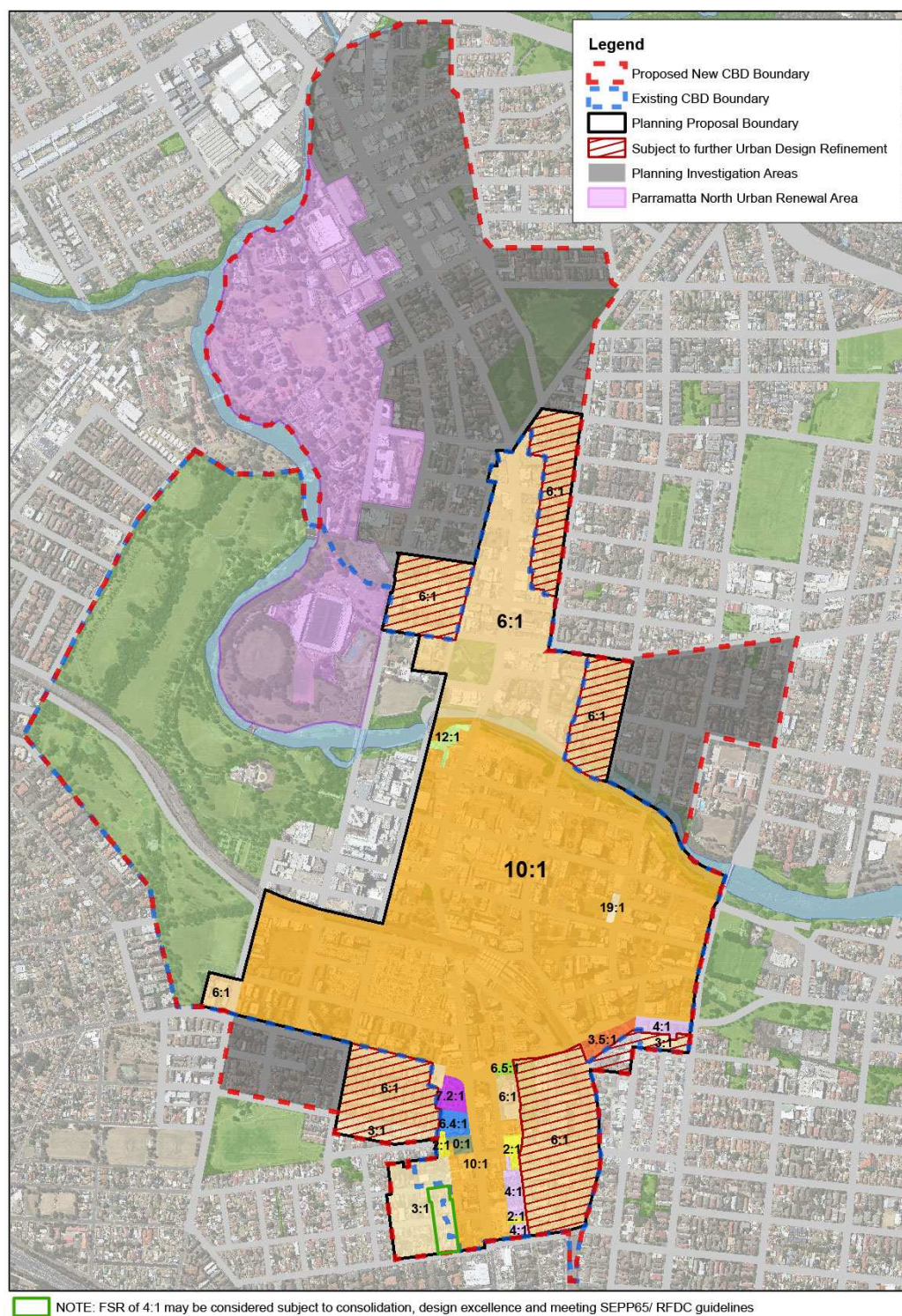


Figure: Implementation Plan

The key features of the Implementation Plan are as follows:

1. Prepare a formal Planning Proposal under the *Environmental Planning and Assessment Act 1979* for the area shown as 'Planning Proposal Boundary' in the figure above, including any necessary supporting technical studies (see detailed comments below).
2. Expand the CBD boundary by undertaking further technical studies of the three Planning Investigation Areas shown in the figure above.
3. Generally increase FSRs as shown, subject to final built form testing and also specific urban design refinement of those fringe areas marked.
4. Incorporation of the Parramatta North Urban Renewal Area (being undertaken separately by UrbanGrowth NSW) into the Parramatta CBD area.
5. Full integration of the Auto Alley Planning Framework into the CBD Planning Framework.
6. Exclusion of the Park Edge highly sensitive area adjacent to World Heritage listed Old Government House from the CBD Planning Framework Review.

In order to meet Council's statutory obligations and also the requirements of State Government agencies, there is significant work needed to progress a formal Planning Proposal and also potential expansion of the CBD through the 'Planning Investigation Areas'. A summary of the additional work and technical studies needed to progress the review is provided in the table below.

Additional Work/Technical Studies	Reason	Approximate Timing
Urban Design Testing/Refinement	Needed to assess solar access impacts, test built form outcomes on sample CBD sites and also to assess impacts in transitional areas and heritage	4 months
Floodplain Risk Management Plan Update	Statutory Requirement – Section 117 Direction	8 months
Transport Study	Requirement of Transport for NSW and RMS (required pre-Gateway)	6 months
Integrated Transport Plan	Requirement of Transport for NSW and RMS (would follow Transport Study and can be finalised post-Gateway)	6 months
Economic Review – Achieving A-Grade Office Space	Needed to determine what are the key requirements to achieve A-Grade commercial office space in the Parramatta CBD and respond to Metropolitan Strategy requirement to retain the commercial core	1½ months
Heritage Study	Requirement of NSW Heritage Council and Statutory Requirement – Section 117 Direction	4 months
Infrastructure Funding Models Study	Needed to assess appropriate funding model (Value Capture, S94A increase, etc) and potential impacts on development feasibility	4 months

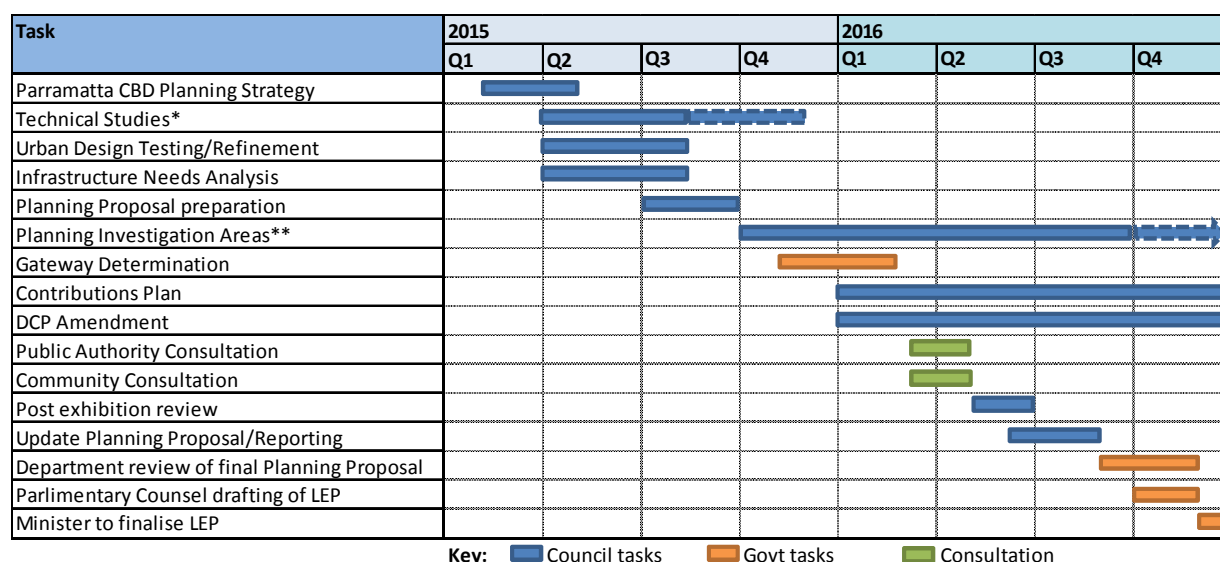
Infrastructure Needs Analysis	Needed to assess infrastructure needs as a result of increased development (local & state)	4 months
Planning Investigation Area Studies (Urban Design & Economic Studies)	Needed for Planning Investigation Areas to examine potential CBD expansion (detailed work not yet undertaken)	12 months

Note: These processes and technical studies can run concurrently, subject to resourcing.

Table: Additional work and technical studies needed to progress the CBD planning framework review

Given the significance of Parramatta in the NSW Government's metropolitan strategy, "A Plan for Growing Sydney", Council will actively seek the Government's assistance for funding these technical studies. Further, Council establish a dedicated project team to implement the review as a high priority.

The approximate timeframes for implementation are summarised in the table below. It is anticipated that a Planning Proposal could be finalised by the end of 2016, although this is subject to NSW Government timeframes in regard to tasks that require their statutory approval. Further, timing for technical studies which require State agency approvals (eg. heritage and transport) will also potentially affect timeframes for delivery of this project. Council will actively engage with State agencies early in the process so as to ensure any issues can be resolved as soon as possible.



Notes:

*Technical studies will generally take about 4 months to complete, however, some will take longer (eg. Transport and Flooding)

**A further planning proposal will be required to progress the Planning Investigation Areas through the statutory process

Table: Approximate timeframes for implementation of this Strategy