

Greater Sydney, Place and Infrastructure

IRF20/4372

Plan finalisation report

Local government area: City of Parramatta

1. NAME OF DRAFT LEP

Parramatta Local Environmental Plan 2011 (Amendment No. 55)

2. SITE DESCRIPTION

The draft LEP applies to land at 55 Aird Street, Parramatta, being Lot 4 DP 310151. The site is rectangular in shape and has a frontage to Aird Street. The site area is approximately 658m² and is vacant.

The site is located within Parramatta CBD in close proximity to Parramatta Square, and the Parramatta train and bus Interchange. The site also adjoins a Westfield loading dock and the rear of retail tenancies located on Church Street adjoin the site (**Figure 1**).

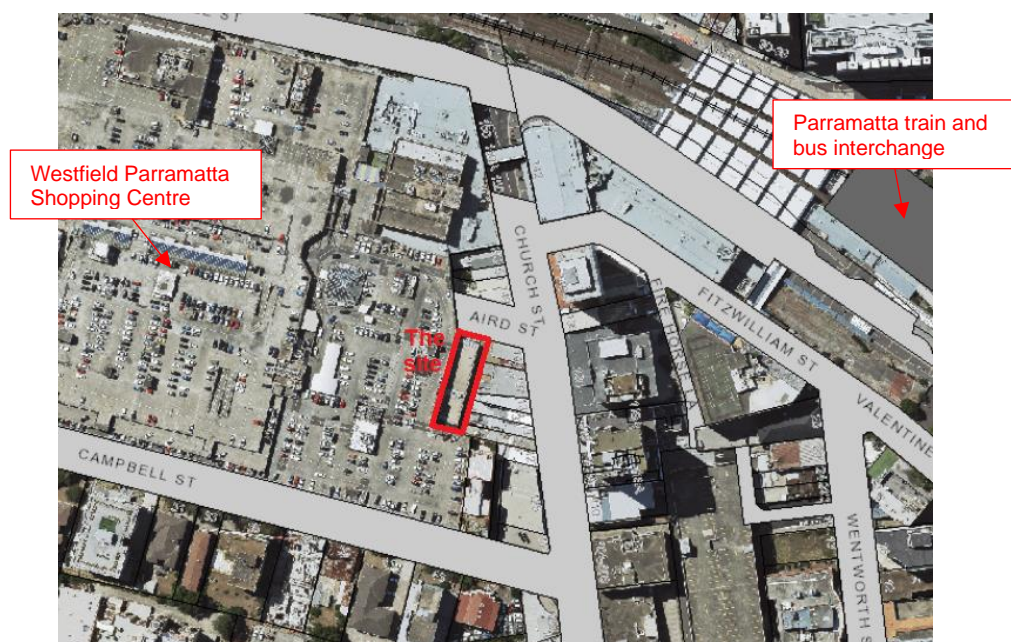


Figure 1: Aerial view of 55 Aird Street and surrounding area (Source: City of Parramatta Council)

3. PURPOSE OF PLAN

The draft LEP seeks to facilitate redevelopment at 55 Aird Street, Parramatta for a hotel, delivering approximately 155 hotel rooms as indicated in the supporting urban design report (**Attachment H**). It is noted an alternative scheme including mixed use development with 58 apartments has also been presented within the planning proposal. The final form of development proposed will not be known until a development application is lodged and approved.

To achieve this outcome, the draft LEP seeks to amend the Parramatta Local Environmental Plan (LEP) 2011 as follows:

- 1) amend the maximum height in the **Height of Buildings Map** (Sheet HOB_010) from 36m to 80m;
- 2) amend the maximum floor space ratio on the **Floor Space Ratio Map** (Sheet FSR_010) from 4.2:1 to 10:1, (noting that the application of the FSR sliding scale under Clause 7.2 of PLEP 2011 would reduce the effective FSR to 6:1);
- 3) amend Clause 7.14 to apply a maximum car parking rate to the subject site;
- 4) introduce a site-specific provision which mandates a minimum of 1:1 non-residential floor space, to be included within the maximum FSR;
- 5) introduce a site-specific provision which limits the design excellence bonus achievable under Clause 7.10 of PLEP 2011 to a maximum of 15%, noting that the bonus would allow for an effective FSR of 6.9:1;
- 6) identify the site on the **Special Provisions Map** (Sheet CL1_010) to link the site to site specific provisions in 4 and 5 above.

The draft LEP maps are provided at **Attachment Maps** and the draft LEP is provided at **Attachment LEP**. The draft LEP does not intend to alter the existing B4 Mixed Use zoning for the site under the Parramatta LEP 2011.

At its meeting on 9 June 2020, the planning proposal, site-specific Development Control Plan (DCP) and the local Voluntary Planning Agreement (VPA) were endorsed by Council.

Voluntary Planning Agreement

Council exhibited a local VPA concurrently with the planning proposal from 4 March 2020 to 3 April 2020 and executed the VPA with the proponent on 12 August 2020. The key element of the VPA includes a monetary contribution of \$177,660 for public domain improvements in the CBD. The monetary contribution will be delivered only in the case that the site is developed for the purpose of residential development. Council advises that this is consistent with the community infrastructure policy which seeks to levy against residential uplift only.

4. STATE ELECTORATE AND LOCAL MEMBER

The site falls within the Parramatta State Electorate. Dr Geoff Lee MP is the State Member for Parramatta.

The site falls within the Parramatta Federal Electorate. Julie Owens MP is the Federal Member.

To the Central (GPOP) team's knowledge, neither MP has made any written representations regarding the proposal.

NSW Government Lobbyist Code of Conduct: There have been no meetings or communications with registered lobbyists with respect to this proposal.

NSW Government reportable political donation: There are no donations or gifts to disclose and a political donation disclosure is not required.

5. GATEWAY DETERMINATION AND ALTERATION

A Gateway determination was issued on 28 November 2017 (**Attachment B**).

On 5 February 2018, the Department received a Gateway determination review request from the proponent, seeking to modify the Gateway conditions 1(c), 1(d) and 1(e). The Gateway determination required the planning proposal to be updated to ensure the application of Clause 7.2 Floor space ratio sliding scale provisions; require a minimum commercial floor space of 1:1; and remove the references to commercial floor space incentives and high-performance building incentives. On 16 October 2018, the Independent

Planning Commission (IPC) provided advice that supported retaining all three conditions of the Gateway determination (**Attachment G**). No changes were made to the Gateway determination.

The following alterations to the Gateway determination have since been issued, each seeking an extension to the timeframe for finalisation:

- 16 January 2019 (**Attachment C1**) – additional time was granted due to the post Gateway determination review process (discussed above). The requested extension was for 12 months to be finalised by 28 November 2019.
- 25 March 2020 (**Attachment C2**) – additional time was granted to allow Council to exhibit the planning proposal, draft site-specific DCP and draft VPA. A new landowner had purchased the property seeking to pursue a hotel development for the site. The requested extension was for 9 months and was to be finalised by 28 August 2020.

In accordance with a requirement of the Gateway determination, the Department endorsed the proposal for public exhibition on 14 January 2020, noting that conditions 1(a) – (f) of the Gateway determination were satisfied (**Attachment F**). At its meeting on 9 June 2020, Council resolved to endorse the planning proposal to finalise the LEP. The Department is satisfied that Council has met all conditions of the Gateway determination and the draft LEP is suitable for finalisation.

6. PUBLIC EXHIBITION

In accordance with Condition 2 of the Gateway determination, the planning proposal, draft site-specific DCP and draft VPA were placed on public exhibition from 4 March 2020 to 3 April 2020. No community submissions were received.

7. ADVICE FROM PUBLIC AUTHORITIES

Council was required to consult with Transport for NSW (TfNSW) in accordance with Condition 3 of the Gateway determination.

TfNSW considered the planning proposal and raised no objections in principle to the planning proposal. TfNSW suggested that the Council consider provisions be made for a funding mechanism for state infrastructure. Council contends that it is no longer necessary as the proponent has entered into a VPA with Council for monetary contributions, only applicable if the site is developed for residential purposes. Council also highlighted that requiring additional contributions for State infrastructure is considered not appropriate due to the inconsistent treatment of similar applications within the Parramatta CBD.

The Department has determined that a funding mechanism for the collection of contribution for State infrastructure is not required or justified in this instance. It is acknowledged that the Gateway determination was issued after the release of the Greater Parramatta Interim Land Use and Infrastructure Implementation Plan which flagged the future introduction of a Special Infrastructure Contribution (SIC). Should a SIC be introduced in the future, depending on the status of any development application on the site, SIC charges may be applicable and captured. It is also noted that Council will collect local contributions through the Development Application to fund community infrastructure.

8. POST-EXHIBITION CHANGES

The planning proposal has had three amendments post-exhibition. Council has not re-exhibited the amended planning proposal as the nature of the amendments are minor. The following post-exhibition amendments to the planning proposal are:

- 1) Amendments to the minimum 1:1 “commercial” floor space requirement to a minimum 1:1 “non-residential” requirement.

The Parramatta CBD Planning Proposal includes a policy that requires a minimum commercial floor space of 1:1 to be provided on B4 Mixed Use sites. The objective of this policy is to encourage further employment-generating uses surrounding the commercial core and to ensure that mixed-use developments still contribute towards jobs targets.

The planning proposal was initially lodged seeking a mixed-use development. A clause was included in the planning proposal to capture the requirement for a minimum of 1:1 commercial floor space, consistent with the Parramatta CBD Planning Proposal. Council have advised that the new landowner is seeking to propose a 'hotel', which is considered an employment-generating use. The definition under the Standard Instrument LEP for the use '*hotel or motel accommodation*' sits under the umbrella term of '*tourist and visitor accommodation*' rather than '*commercial premises*'. Subsequently, the 'hotel' use would not be recognised as commercial premises for the purposes of satisfying a minimum commercial FSR.

The planning proposal was publicly exhibited identifying the intent to allow a new hotel and aligns with the objectives of the Parramatta CBD Planning Proposal to encourage employment-generating uses. Should the alternative residential scheme be pursued, a variety of non-residential uses could be included to satisfy this requirement, including childcare centres and commercial premises. The proposed change is considered to be minor and appropriate.

2) Amendments to the design excellence bonus applicable to the site, applying a site-specific provision which restricts it to a maximum of 15% FSR and height bonus.

The planning proposal was initially lodged seeking a mixed-use development. Under this proposal it discussed the design excellence provisions under Clause 7.10(8)(a) of the PLEP to achieve a 15% design excellence bonus for the mixed-use development. Council have advised that the new landowner is seeking to propose a 'hotel'.

Clause 7.10 (8)(b) of PLEP 2011 currently allows for a floor space ratio and height of buildings bonus of 25% for a building containing entirely non-residential floor space in B4 Mixed Use zone where design excellence is demonstrated. The planning proposal was exhibited specifying that only 15% design excellence bonus would apply to the site, however a site-specific provision or amendment to enact this was not included as it was initially not required.

It is considered not appropriate for the site to receive 25% design excellence bonus as the intent of the planning proposal has changed from mixed-use development to hotel use. The Parramatta CBD Planning Proposal does not propose to retain this clause, instead allowing 15% design excellence bonus. The proposed change is considered minor and appropriate as it is consistent with the Parramatta CBD Planning Proposal.

3) Amendment to the Special Provisions Area Map to identify the site as "Area 14".

Council has acknowledged the need to identify the site as "Area 14" on the Special Provisions Area Map, due to the site-specific provisions applying to the site. The post-exhibition amendment is considered administrative and will not change the intent of the planning proposal. The proposed change is considered minor and appropriate.

The amendments have been included in the proposal to ensure alignment with the Parramatta CBD Planning Proposal as endorsed by Council. It is considered that the amendments are either technical or do not result in a greater environmental impact than the exhibited planning proposal.

Parramatta Local Planning Panel

On 19 May 2020, the Parramatta Local Planning Panel considered an assessment report for the finalisation of the planning proposal and advised Council that the plan should be made (**Attachment J**).

9. ASSESSMENT

9.1 Section 9.1 Directions

The Gateway determination report found the proposal to be largely consistent with Section 9.1 Directions. The delegate determined that any inconsistency with Directions 4.1 Acid Sulphate Soils is of minor significance and no further consideration is required.

9.2 State environmental planning policies

The planning proposal has addressed and is consistent with all relevant SEPPs.

9.3 State, regional and district plans

Central City District Plan

The Greater Sydney Commission released the Central City District Plan on 18 March 2018. The District Plan provides a 20-year plan to manage growth in the context of economic, social and environmental matters to achieve the 40-year vision of Greater Sydney. It is noted that the Gateway determination was issued prior to the release of the District Plan.

The draft LEP is consistent with the Planning Priorities C1 'Planning for a City supported by Infrastructure'. The proximity of the site to Parramatta Station and a range of bus services ensures the draft LEP will deliver a new hotel for tourist in an accessible location to a variety of services within Greater Parramatta.

The draft LEP will also give effect to the priority C7 'Growing a stronger and more competitive Greater Parramatta' by providing more accommodation choices within the CBD which will support commercial operations and jobs within the CBD.

The priority C9 'Delivering integrated land use and transport planning and a 30-minute city' will also be satisfied as the proposal will facilitate the delivery of a new hotel in proximity to existing public transport.

Therefore, the Department is satisfied that the draft LEP gives effect to the district plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*.

9.4 Parramatta Local Strategic Planning Statement

Council's Local Strategic Planning Statement: City Plan 2036 (LSPS) outlines Greater Parramatta's 20-year vision for land use planning, population, housing, economic growth and environmental management. It is noted that the Gateway determination was issued prior to the endorsement of Council's LSPS.

The draft LEP is consistent with the priorities and actions of the LSPS which seek to build the economic focus and liveability of Sydney's central CBD. Specifically, the proposal will facilitate the growth of employment in the GPOP area (Priority 4) and ultimately supporting the Parramatta CBD in becoming increasingly competitive and productive (Priority 11).

Therefore, the Department is satisfied that the proposal gives effect to the local strategic planning statement.

10. MAPPING

The draft LEP seeks to amend the following mapping:

Map	Map Identification Number
Height of Buildings Map HOB_010	6250_COM_HOB_010_010_20200914
Floor Space Ratios Map FSR_10	6250_COM_FSR_010_010_20200914
Key Sites Map Special Provisions Map Sun Access Protection Map CL1_010	6250_COM_CL1_010_010_20200914

These maps (**Attachment Maps**) and supporting map cover sheet (**Attachment MCS**) have been approved by the Department's ePlanning Team and provided to Parliamentary Counsel.

11. CONSULTATION WITH COUNCIL

Council was consulted on the terms of the draft instrument under clause 3.36(1) of the *Environmental Planning and Assessment Act 1979* (**Attachment D**).

Council provided comment on 23 September 2020 advising a potential alternative interpretation of the provisions. The Department has outlined that amendments are not required to the plan to address this issue and Council confirmed on 24 September 2020 that it supported the draft LEP and the plan should be made (**Attachment E**).

12. PARLIAMENTARY COUNSEL OPINION

On 28 September 2020, Parliamentary Counsel provided the Opinion that the draft LEP could legally be made. This Opinion is provided at **Attachment PC**.

13. RECOMMENDATION

It is recommended that the Minister's delegate as the local plan-making authority determine to make the draft LEP under clause 3.36(2)(a) of the Act because:

- the draft LEP facilitates approximately 155 hotel rooms in a location near public transport, employment and services;
- the post-exhibition changes to the planning proposal are considered to be justified and are of a minor nature, do not adversely impact on the community and relevant authorities and do not require re-exhibition; and
- it will support the growth of the Parramatta CBD in accordance with the objectives and priorities of the Central City District Plan and Parramatta LSPS.



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