

## Merrylands Station and McFarlane Street Precinct Review

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| Responsible Department: | Environmental and Planning Services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Executive Officer:      | Director of Environmental & Planning Services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| File Number:            | INFOC/1 - BP16/129                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Delivery Program Code:  | 5.1.1 Oversee the land use planning, design and compliance framework for managing and facilitating appropriate development<br>5.2.1 Identify strategies that support the development of local centres and business across the City<br>7.1.2 Ensure land use planning recognises and promotes business and employment centres<br>8.1.1 Oversee and implement Council's Residential Development Strategy and appropriate housing opportunities through land use planning<br>8.2.1 Ensure housing growth is focused around centres and planning controls do not compromise housing affordability<br>9.3.1 Ensure planning and development implements Environmentally Sustainable Design Principles<br>10.4.1 Maintain and enhance opportunities for community input into planning processes |
| Previous Items:         | COTW018-15 - Merrylands Station and McFarlane Street Precinct Review - Closed Council - 20 Oct 2015 6.30 pm<br>COTW009-15 - Planning Proposal - Land Reservation for Public Purposes - Closed Council - 17 Mar 2015 6.30 pm                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

### Summary:

The purpose of this report is to present the findings of the *Structure and Building Height Review Report (SBHRR)*, recently completed by SJB Architects. The aim of the review was to assess Council's current building heights standards in the core of Merrylands centre and recommend changes that would provide greater flexibility in which to deliver the current floor space potential for improved building design and planning outcomes. The study area includes land bounded by McFarlane Street, Merrylands Road, Treves Street and Terminal Place. Refer to Figure 1.

Based on SJB's conclusions it is recommended that a Planning Proposal be prepared to amend the current building heights in the Holroyd LEP 2013 and introduce new design excellence provisions as an effective way of ensuring the most appropriate urban outcome is achieved for the Centre. The Planning Proposal would also include amendments to the LEP's land acquisition maps incorporating Council's resolution of

17 March 2015 as part of delivering the Holroyd Section 94 Development Contributions Plan 2013 works.

**Report:**

This matter was deferred from the Ordinary Council Meeting of 16 February 2016.

The gazettal of the Holroyd LEP 2013 introduced a new planning framework for Merrylands Centre increasing building heights up to 65m (20 storeys) and densities up to 9:1 in the B4 Mixed Use zone.

Since the introduction of these new heights, Council has become increasingly aware of the need to review the height controls to provide greater flexibility as a means of maximising the available floor space potential permissible under the Holroyd LEP 2013 (HLEP). The need has also been highlighted by the expected rate of growth and anticipated redevelopment potential that has been identified for the Merrylands Centre.

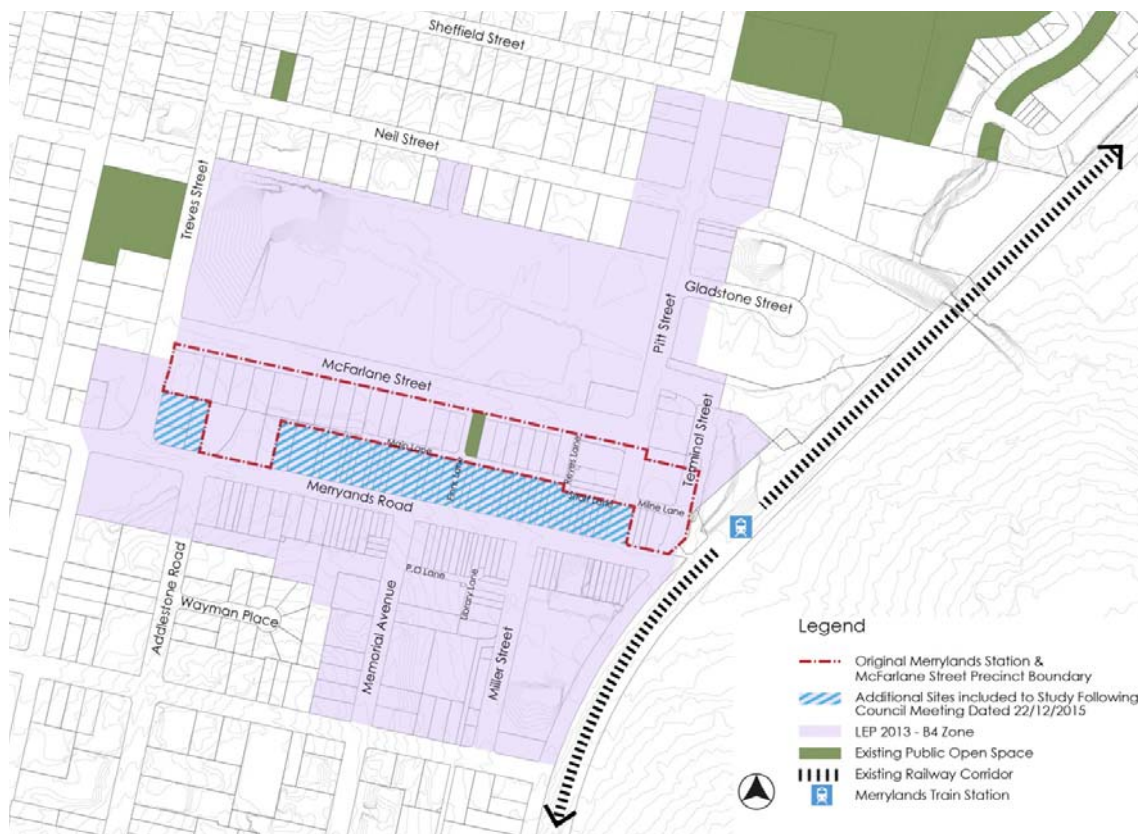
On 20 October 2015, Council resolved to undertake an independent review of the current building heights in the Merrylands Station and McFarlane Street precinct with the following three (3) considerations to be addressed:

1. The current building heights constrain the reasonable achievement of floor yields within the quality built form outcomes that may have an unnecessarily high impact on sunlight access to planned public spaces and future buildings on Merrylands Road;
2. The Urban Design Strategy for Merrylands Centre recommended by HBO+EMTB Urban and Landscape Design in 2012 included the principle of generally providing greater heights on the southern side of McFarlane Street reflecting its width and presentation to the north; and
3. The two key focal points within the Centre being Merrylands City Square and the Merrylands Rail Station should ideally be identified by more prominent landmark buildings.

On 13 November 2015, SJB Architects were appointed to undertake this review. Refer to Attachment 1 for a copy of their report.

On 22 December 2015, SJB presented their preliminary findings to a Councillor briefing with recommendations to increase building heights of varying standards across nominated sites within the study area. The initial project brief concentrated on all properties south of McFarlane Street including a small number of properties fronting Merrylands Road. At the conclusion of the Councillor briefing, SJB were requested to

expand their review to include all properties located on the northern side of Merrylands Road between Treves Street and Terminal Place. See Figure 1.



**Figure 1 – Location Plan**

As shown in Figure 1 above, the original study area is denoted by the broken red line and excludes approximately six amalgamated sites along Merrylands Road. The additional amalgamation sites are shaded in blue.

### **Current Planning Controls:**

#### ***Zoning***

The entire study area is zoned *B4 Mixed Use* as shown in Figure 2.

The objectives of a B4 zone are:

- To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling;
- To facilitate a vibrant, mixed-use centre with active retail, commercial and other non-residential uses at street level;

- To encourage the development and expansion of business activities that will strengthen the economic and employment role of the Merrylands town centre.

The proposed changes to building height will not hinder a land owner's ability to satisfy the B4 zone objectives, but rather are seen as a catalyst to encourage property owners to redevelop their properties with greater flexibility for quality design outcomes. A good example of this would be the redevelopment of the McFarlane Street car park.

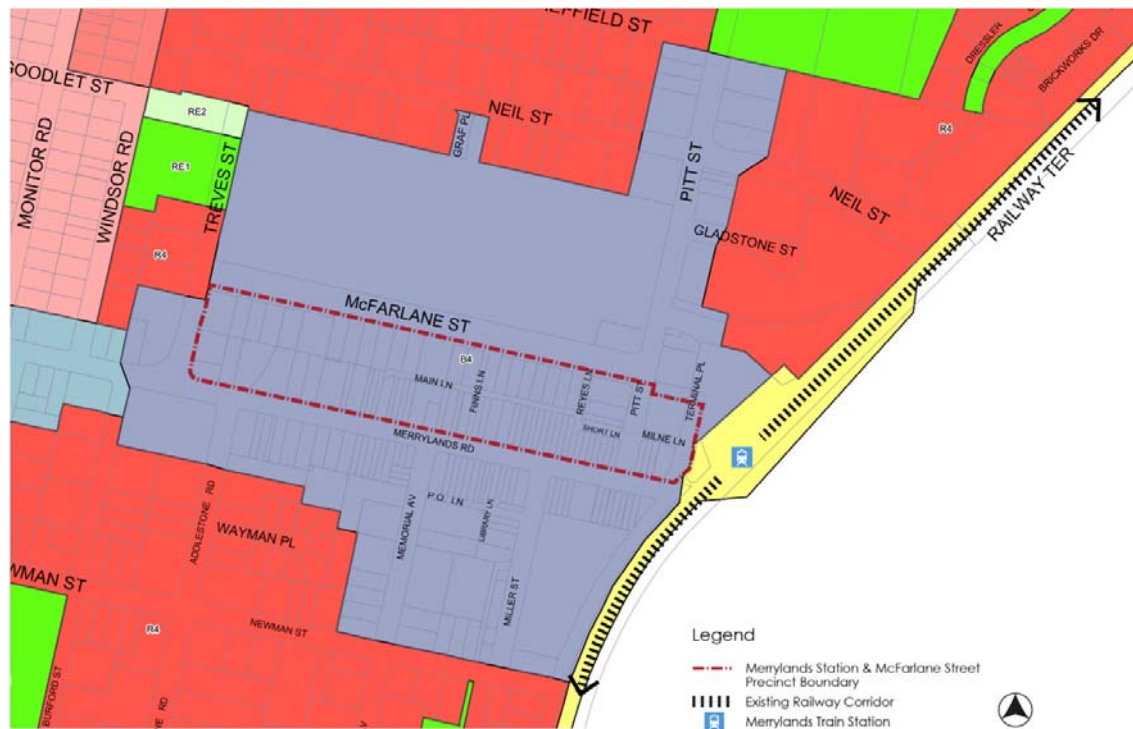


Figure 2 – LEP 2013 – Land Use Zoning

### *Building Height*

Clause 4.3 of HLEP 2013 stipulates current building heights across the study area ranging between 41 metres and 65 metres (12 to 20 storeys). Refer to Figure 3.

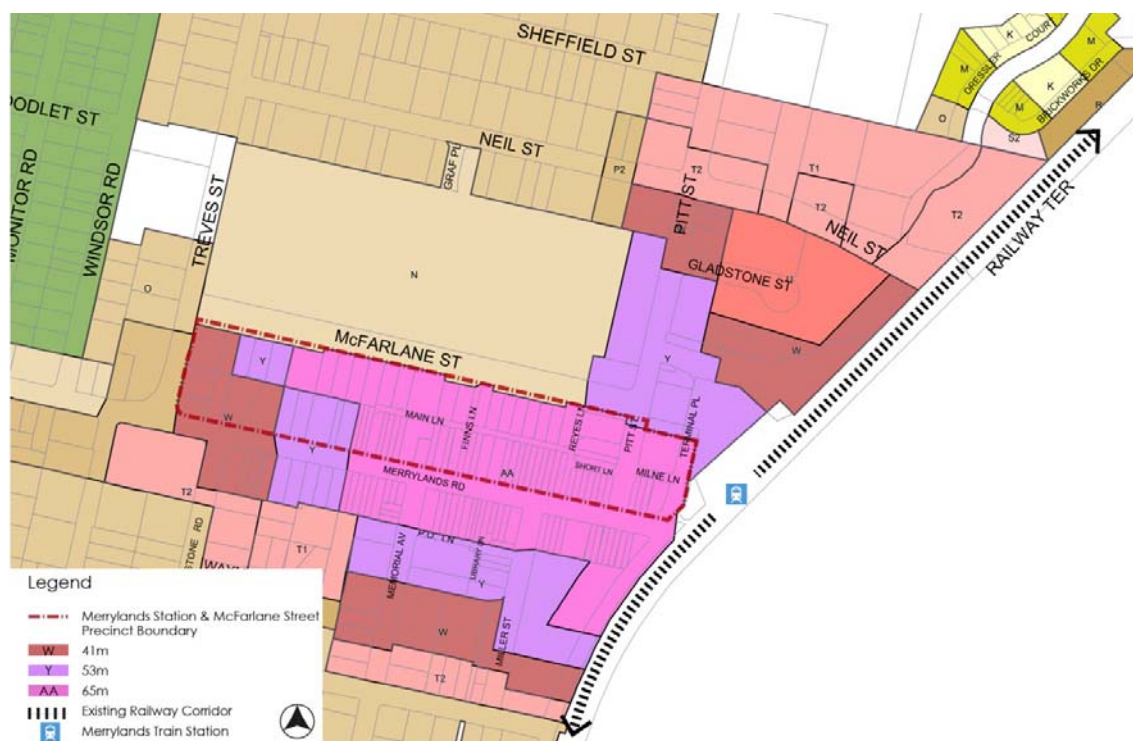


Figure 3 – LEP 2013 – Height of Building

### *Floor Space Ratio*

Under Clause 4.4 of HLEP 2013, the floor space ratios for the study area range from 3.5:1 to a maximum of 9:1. Refer to Figure 4.

Current floor space ratios across the B4 Mixed Use zone remain unchanged as part of the building heights review with the exception of reallocation of floor space potential to account for the laneway extension LEP reservation, consistent with Council's resolution of 17 March 2015 relating to the implementation of Land Reservations.

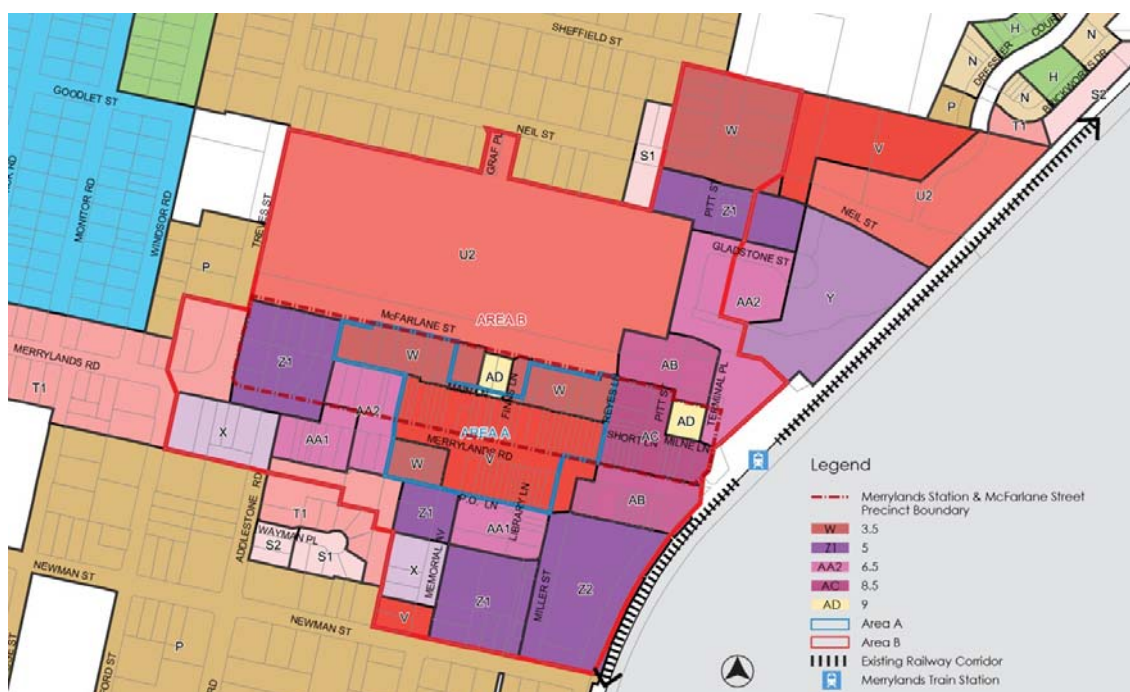


Figure 4 – LEP 2013 – Floor Space Ratio

### *Findings of SJB's Structure and Building Height Review Report*

The key objective of SJB's report was to assess Council's current planning controls and identify opportunities to create appropriate built form outcomes that could contribute to achieving Council's strategic vision for the Merrylands Centre.

To successfully meet the project's objectives SJB were required to undertake the following tasks:

- Understand how the study area integrates with the broader Merrylands Centre and surrounding neighbourhoods, informed by understanding movement patterns, key destinations, open space and character areas;
- Identify where building height can be located to inform the legibility of the urban structure while also achieving a transition in building scale at the edge of the town centre;
- Establish a built form hierarchy that informs the legibility and quality of the public domain; and
- Ensure the built form hierarchy supports the quality of all spaces and streets connected with the position in the hierarchy.

Figure 5 below details existing land ownership patterns upon which SJB's amalgamated site controls were based. The amalgamated sites range in size from 1,199m<sup>2</sup> (Site 1 – 18/20 McFarlane Street) to 12,415m<sup>2</sup> (Site 9 – 52-54 McFarlane Street and 233-259 Merrylands Road).

Site 7 (Nos. 28-36 McFarlane Street) refers to the McFarlane Street car park (Merrylands City Central) property and includes the area designated for the new Merrylands City Square that will extend from McFarlane Street to Merrylands Road (5,422 m<sup>2</sup>).



Figure No. 5 – Amalgamation Plan

### Assessment Criteria:

To assist in evaluating the most appropriate height controls, SJB needed to firstly establish a number of design principles for the Centre as the basis of their design testing analysis. These included:

- An open space/landscape plan with the City Square becoming the primary public open space for the Centre;
- A land use plan with Merrylands Road remaining as the primary retail street and McFarlane Street becoming the main 'Eat Street' of Merrylands;
- A vehicular and pedestrian movements plan; and
- A height/density plan which included transitioning heights from the study area to the surrounding residential neighbourhoods; focusing height around key destinations throughout the Centre, including the proposed City Square and the Station precinct (Merrylands Road and Pitt Street); and accommodating additional height and density in the Neil Street Precinct (outside the study area) to reinforce western entry into Merrylands Town Centre over the railway line.

These principles were based on the following assumptions:

- **FSR:** All sites comply with HLEP 2013 FSR controls including all relevant bonus provisions.
- **Sites with multiple FSR controls:** For amalgamated sites that contain multiple FSR controls, the relevant FSR correlating to the original lot boundaries apply to calculate the allowable Gross Floor Area (GFA).

- **Non residential FSR:** All sites assume a 1.7:1 non-residential FSR control with the balance of the GFA applied to residential.
- **Building Heights:** Building height requirements for sites with frontages greater than 30m were initially set aside to test whether each site can reasonably realise its permissible FSR.
- **Solar Access to City Square:** Overshadowing of the new City Square should be minimised between the hours of 11am-1pm on the winter solstice, and where possible, avoided.
- **Building orientations:** North-south oriented buildings were proposed to allow taller slender towers to address the east-west streets and improve solar access to buildings to the south (fronting Merrylands Road).
- **Building Depths:** Building depths to reflect the principles of the Apartment Design Guide (ADG).
- **Separations:** Building separations conform with the Apartment Design Guide requirements - on narrow sites less than 30m wide, non-habitable to habitable separation distances have been assumed on one elevation only.
- **GFA Calculations:** The building efficiency assumptions for the calculation of GFA were:
  - Podium Floor Commercial GFA = 65% of Gross Building Area
  - First Floor Commercial GFA = 90% of Gross Building Area
  - Residential GFA = 75% of Gross Building Area
  - Lift overrun: 1.2m
- **Floor to Floor Heights:**
  - Ground: 3.8m
  - First: 3.6m
  - Second: 3.6m
  - Tower residential: 3.1m

*[Note: Floor to floor heights under the Apartment Design Guide are different to SJB's assumption mentioned above. This therefore results in slightly increased heights when measured in metres as demonstrated in Table 2]*

### **Discussion of Options:**

Based on the abovementioned assumptions, SJB modelled the current floor space into three (3) built form scenarios to evaluate proposed changes in height, which in SJB's opinion would be the realistic maximum envelopes needed. With the exception of Site 7 (McFarlane Street Car Park), all three scenarios result in the same buildings heights for the remaining nominated sites. A 3D building mass image of each option is shown in Figures 6, 7 and 8.

As detailed in SJB's report, each scenario contains a detailed analysis including:

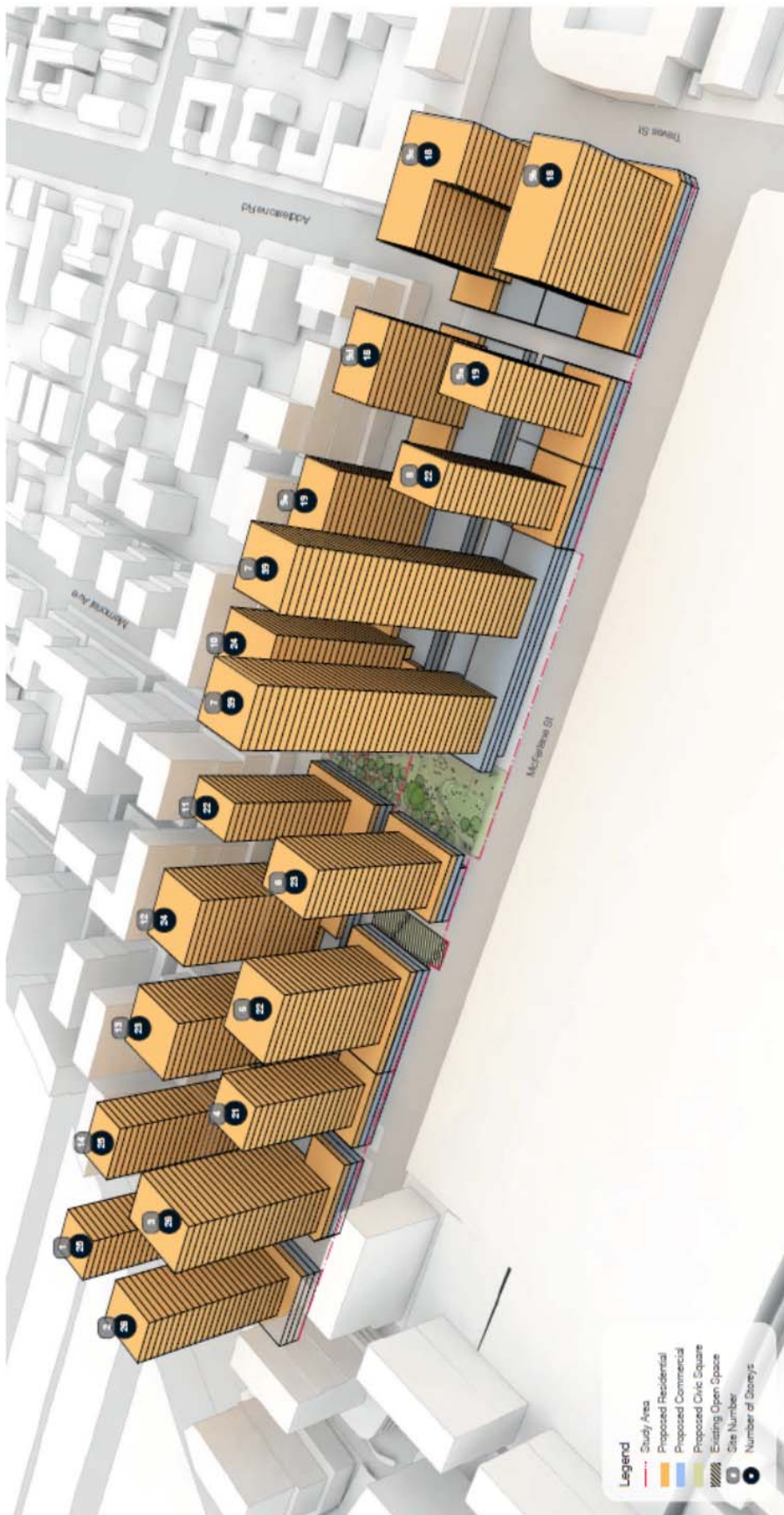
- Building mass diagrams for each of the individual sites;
- Solar access analysis of the potential impacts of recommended building heights to the Merrylands City Square and surrounding buildings in the middle of winter; and
- Shadow impact analysis of the potential impacts of recommended building heights on the City Square and surrounding properties.

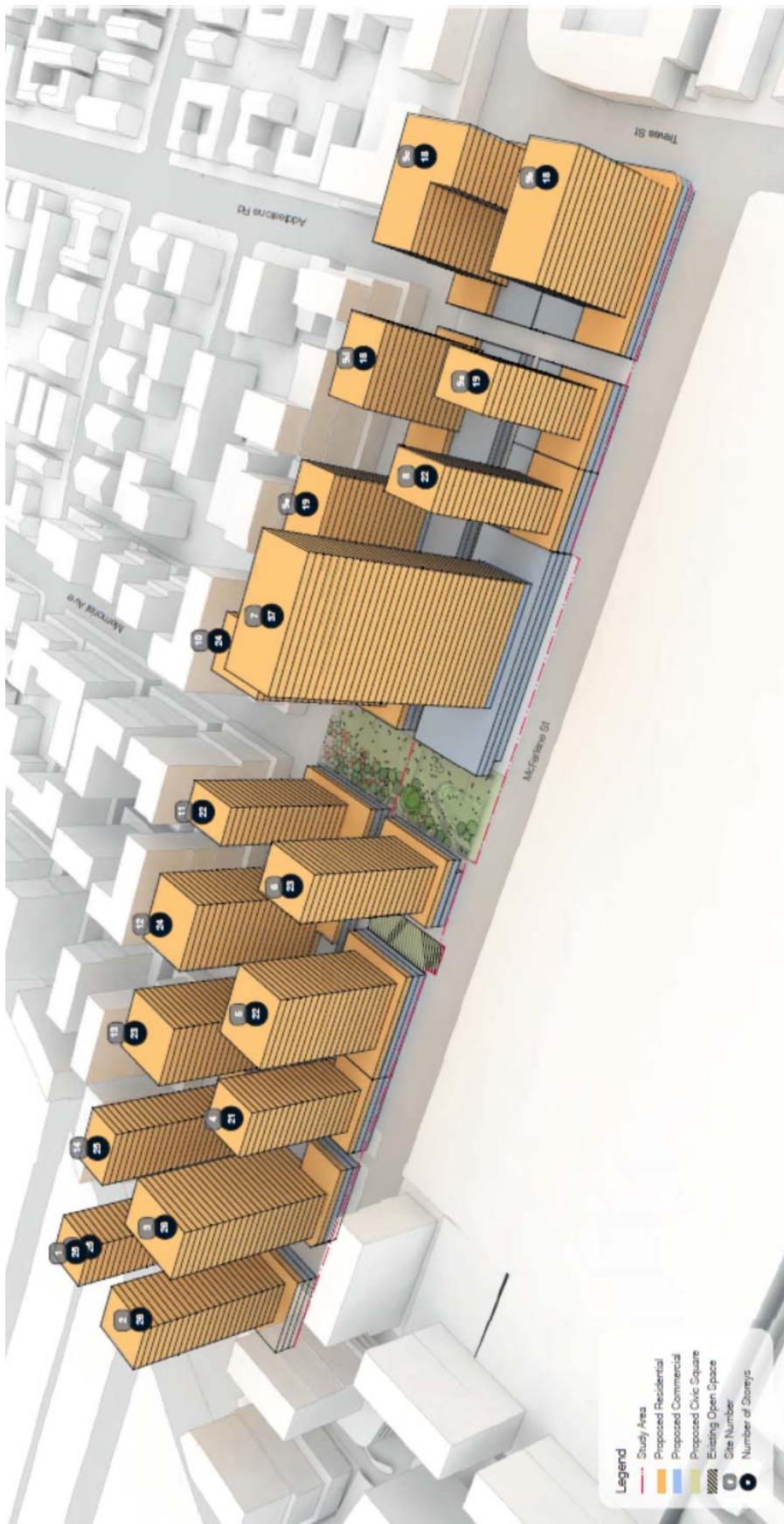
The following extract from SJB's report summarises the three scenarios:

*"Option 1 features two 39-storey buildings to be delivered, whilst achieving the required building separation distances and allowing for sunlight to pass through the built form to the south. However, the location of the eastern tower will have a significant impact on Civic Square.*

*Option 2 features a single 37-storey building on Site 7 orientated on the east-west axis, which would have a considerable overshadowing impact on the amenity of the buildings, streets and space to the south, in addition to the visual impact of a 50m long building at this scale.*

*Option 3 features a number of positive characteristics, including two-towers at 33-storeys with no overshadowing impact on the Civic Square between 11am-1pm in midwinter. However, this option relies on amalgamation with an adjoining property (Site 8) and therefore faces a number of additional challenges for it to be delivered."*





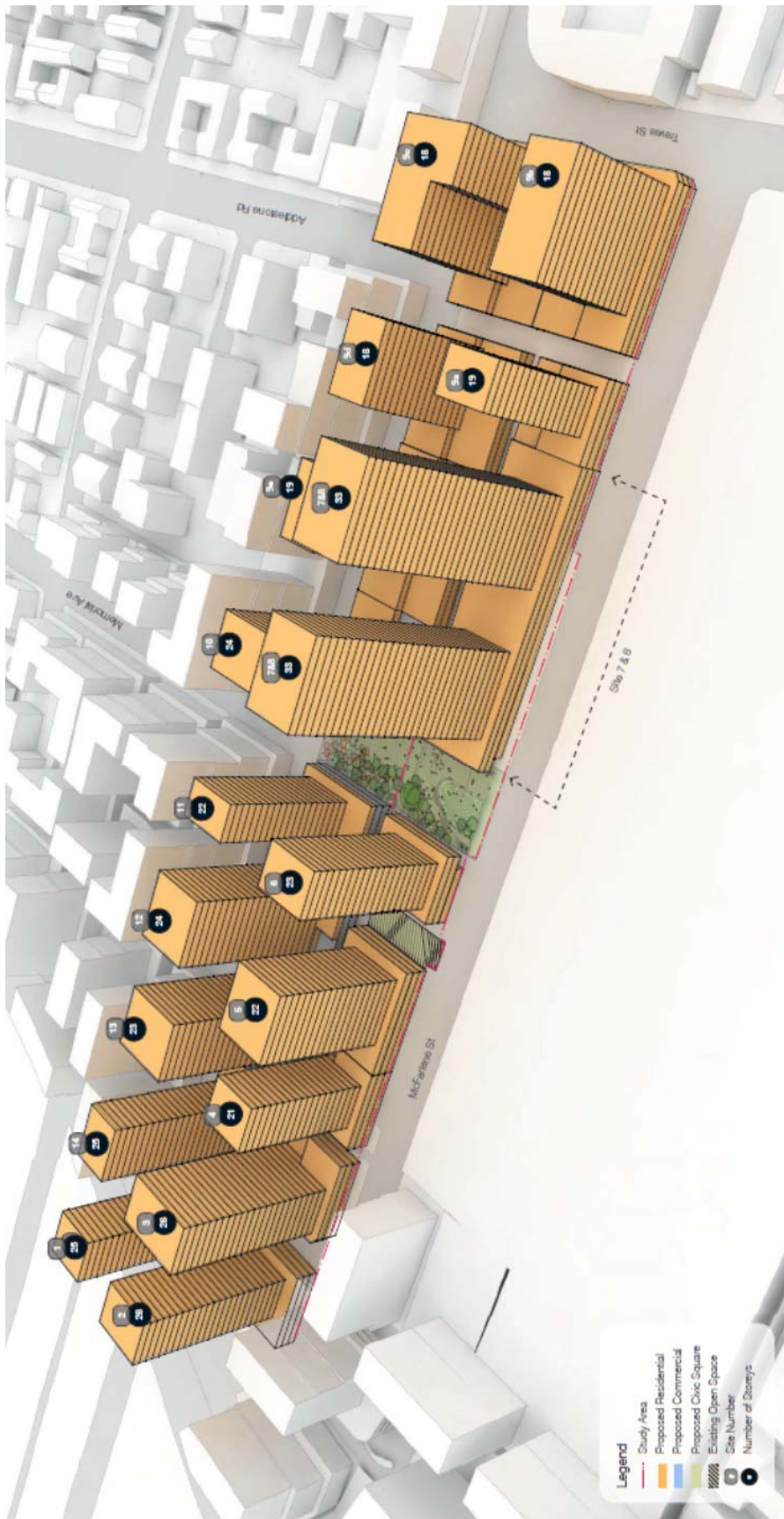


Figure 8 – Scenario 3 Massing Diagram

**Recommended Building Heights:**

The selection of a preferred built form scenario has been primarily informed by the capacity of Site 7 to deliver an optimal outcome for the broader Merrylands Centre context by creating a landmark development at the northern end of the proposed City Square that has an appropriate impact on the amenity of adjoining properties and public spaces (existing and proposed).

Based on this premise, it is SJB's recommendation that the preferred approach from a built form perspective is articulated in Scenario 1, but with a reduction in the height of buildings on Site 7 from 39 to 32 storeys to ensure its better aligned with the proposed scale of development on neighbouring properties within the Centre where the next tallest buildings are proposed to be 26-storeys closer to Merrylands Rail Station. Full details of SJB's recommended building heights are contained in Table 2 and Figure 9.

In selecting Scenario 1 as their preferred approach, careful consideration was also given to the likelihood of Scenario 3 (amalgamated Site 7 and 8) being delivered, and the considerable overshadowing impact a single tower form on Site 7 in Scenario 2 would have on properties to the south fronting Merrylands Road. Subsequently, it was SJB's opinion that the two-tower solution for Site 7 in Scenario 1, which includes adequate building separation without requiring further amalgamation, was considered the preferred outcome as summarised below:

- A built form that comprises of podium and tower high rise development on large consolidated lots within the core of Merrylands Centre;
- Heights which have been focused around key destinations including 26 storey towers at the intersection of Pitt and McFarlane Streets to reinforce the Merrylands Station as a gateway to Merrylands and two 32 storey towers adjacent the City Square to serve as an urban marker for the major public space;
- A three storey podium along McFarlane Street and Merrylands Road and two storey podium along the laneways to create human scale environment for pedestrian; and
- Gradual transitioning of heights (from 32 storeys to 18 storeys) down from the City Square to Treves Street to respect the lower scale residential development to the west of Treves Street.

| Site No.                      | Address                                                             | Current Allowable Height (Storeys) | SJB's recommended Building Height (Storeys) | ADG Heights |
|-------------------------------|---------------------------------------------------------------------|------------------------------------|---------------------------------------------|-------------|
| 1<br>[1,199m <sup>2</sup> ]   | 135-141 Merrylands Rd<br>(incl 266 Pitt Street)                     | 65m (20)                           | 84m (26)                                    | 86m         |
| 2<br>[1,373m <sup>2</sup> ]   | 254 Pitt St                                                         | 65m (20)                           | 84m (26)                                    | 86m         |
| 3<br>[3,108m <sup>2</sup> ]   | 215-239 Pitt St                                                     | 65m (20)                           | 84m (26)                                    | 86m         |
| 4<br>[1,431m <sup>2</sup> ]   | 2-6 McFarlane St                                                    | 65m (20)                           | 75m (23)                                    | 77m         |
| 5<br>[1,827m <sup>2</sup> ]   | 8-14 McFarlane St                                                   | 65m (20)                           | 75m (23)                                    | 77m         |
| 6<br>[1,139m <sup>2</sup> ]   | 18-20 McFarlane St                                                  | 65m (20)                           | 75m (23)                                    | 77m         |
| 7<br>[5,422m <sup>2</sup> ]   | 28-36 McFarlane St                                                  | 65m (20)                           | 103m (32)                                   | 105m        |
| 8<br>[1,236m <sup>2</sup> ]   | 40 McFarlane St                                                     | 65m (20)                           | 75m (23)                                    | 77m         |
| 9<br>[12,415m <sup>2</sup> ]  | 52-54 McFarlane Street + 233 – 259 Merrylands Road<br>Merrylands Rd | 41m (12) & 53m (16)                | 41m (12) & 65m (20)                         | 43m & 65m   |
| 10<br>[1,199m <sup>2</sup> ]  | 215-231 Merrylands Rd                                               | 65m (20)                           | 75m (23)                                    | 77m         |
| 11<br>[1,335m <sup>2</sup> ]  | 193-201 Merrylands Rd                                               | 65m (20)                           | 75m (23)                                    | 77m         |
| 12<br>[2,164.m <sup>2</sup> ] | 177-191A Merrylands Rd                                              | 65m (20)                           | 75m (23)                                    | 77m         |
| 13<br>[2,068m <sup>2</sup> ]  | 161-175 Merrylands Rd                                               | 65m (20)                           | 75m (23)                                    | 77m         |
| 14<br>[1,298m <sup>2</sup> ]  | 153-159 Merrylands Rd                                               | 65m (20)                           | 84m (26)                                    | 86m         |

**Table 2: SJB's Preferred Building Heights**

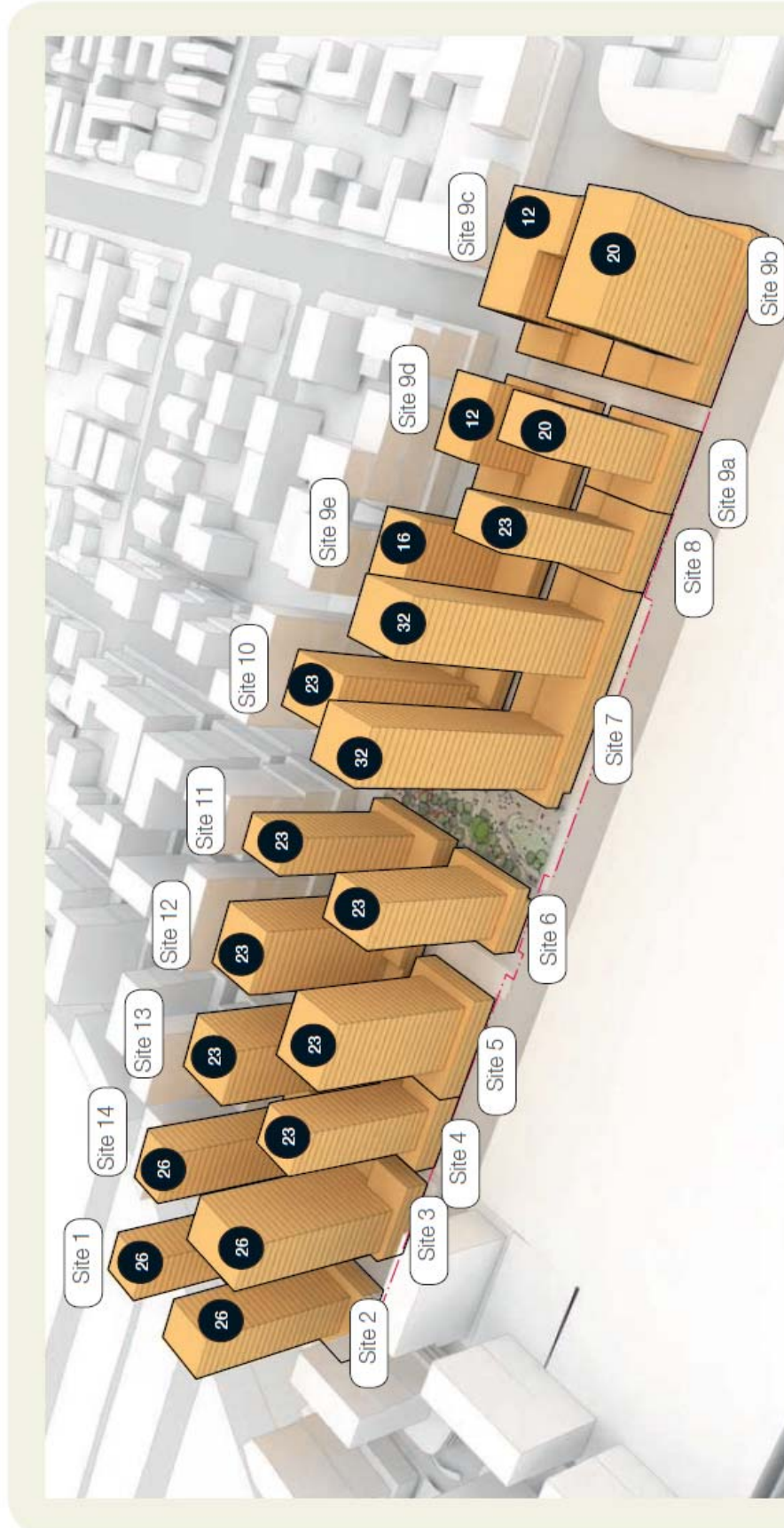


Figure 9 – Recommended Building Heights

**Land Reservations and LEP Adjustments:**

Council resolved on 17 March 2015 to endorse a planning proposal to reserve land required for infrastructure and public spaces through an amendment to the LEP. This included land within the study area that is the subject of this report. In particular, it included the Main Lane extension from the current end near the planned City Square to the Merrylands Court site where it would then extend back to Merrylands Road and McFarlane Street. Discussions have been held regarding the Merrylands Court site to re-evaluate the need for this extension as an LEP reservation. It is advised that the extension and the southern arm of the 'T' are essential to ensure that the service lane and drainage infrastructure can be delivered in a timely manner, and not be dependent upon any single development occurring. However, the infrastructure could function sufficiently with a single entrance as an interim arrangement and the northern arm of the 'T' could then be provided upon development of the Merrylands Court site. As such it is recommended that the northern arm of the Main Lane extension 'T' be excluded from the LEP amendment, but rather kept in the DCP for dedication upon development. With the exception of this northern arm, the reservations within the study area should be included in a planning proposal resulting from this report. This would include adjustments to FSR to account for laneway reservations.

**Design Excellence:**

SJB also recommend introducing new design excellence provisions into the Holroyd LEP 2013 to encourage new developments to contribute to the urban and public domain character of the Merrylands Centre. These new provisions would provide for a height 'bonus' on sites greater than 2,500m<sup>2</sup> where development proposals can address specific criteria. The recommended control is as follows:

Design excellence will be sought on sites that meet the following criteria:

- Sites larger than 2,500m<sup>2</sup> in site area
- Form and external appearance of the development will improve the quality and amenity of the public domain
- Where a high standard of architectural design, materials and detailing appropriate to the building type and design can be achieved
- The development may have a detrimental impacts on view corridors or visual character
- The relationship between the development and other neighbouring sites requires specific approaches to separation, setbacks, amenity and form
- The site can accommodate additional height (10% greater than LEP), without having an inappropriate impact on adjoining properties and space

The design excellence framework can be implemented through HLEP 2013.

**Holroyd DCP 2013 Amendments:**

Associated with amending HLEP 2013 height controls will be the need to amend Holroyd DCP 2013 in the following areas:

- Primary frontage requirements
- Street wall heights
- Upper level street setbacks
- Solar access to Merrylands City Square
- Building depth and length
- Maximum floor plates
- Colonnade dimensions

The respective changes to the DCP will be separately drafted to the formulation of the Planning Proposal.

**Conclusion:**

An independent review of building heights pertaining to the B4 Mixed Use zone in the Merrylands Centre has identified the need to increase building heights to provide greater flexibility in delivering the current floor space potential and improved building design. It is also recommended that new statutory planning provisions are introduced into the Holroyd LEP 2013 ensuring design excellence is paramount in promoting new innovative design as part of redeveloping the Merrylands Centre.

A Planning Proposal is required to be prepared and referred to the NSW Department of Planning and Environment seeking a Gateway determination prior to publicly exhibiting the proposed LEP amendments.

**Consultation:**

Upon receipt of the Gateway determination, the Planning Proposal will be publicly exhibited for 28 days, following which a report will be prepared for Council in response to any public submissions received.

**Financial Implications:**

Strategic Planning staff will be responsible for preparing the Planning Proposal. The recommended changes to the LEP height controls would result in a number of landowners being able to achieve more of their floor space potential. It is understood this would have positive financial implications across the Centre.

**Policy Implications:**

Following adoption of the Planning Proposal, relevant amendments will be made to the Holroyd LEP 2013 and the Building Height maps and Holroyd DCP 2013.

**Communication / Publications:**

The planning proposal would be notified in the local newspaper and on Council's website.

**Report Recommendation:**

- i) Council resolve to forward a Planning Proposal to amend Clause 4.3 Height of Buildings to the Holroyd Local Environmental Plan 2013 and associated maps as indicated in the last column of Table 2 in this report to the Department of Planning & Environment for Gateway Determination.
- ii) The Planning Proposal incorporate the resolution of 17 March 2015 in relation to Land Reservations in the study area, including adjustments to FSR maps with the exception of the northern arm of the Main Lane extension.
- iii) The Planning Proposal include an amendment to the Holroyd Local Environmental Plan 2013 to introduce the recommended design excellence controls.
- iv) Council advise the Department of Planning & Environment that it wishes to exercise its plan making delegations for the Planning Proposal.
- v) A further report be provided to Council following the exhibition of the Planning Proposal.

**Council Resolution**

Note: Standing Orders were suspended to permit the following speakers to address the meeting: Ms. Gillian Kirby, Mr. John Perry, and Mr. Jonathan Knapp of SJB Architects.

Note: Clr. Sarkis arrived at 7:02 p.m. during suspension of standing orders.

On resumption, a motion was moved Clr. Grove, seconded Clr. Rahme that:

- i) Council proceed to conduct pre-Gateway consultation to propose an amendment to Clause 4.3 Height of Buildings to the Holroyd Local Environmental Plan 2013 and associated maps as indicated in the last column of Table 2 in this report including a proposal to reduce FSRs by 0.5:1 across the Study Area and propose two options for Site 7 (28-36 McFarlane Street) being:
  - Option 1 = A reduction of FSR to 6.5:1
  - Option 2 = Retention of FSR of 8.0:1.

- ii) The Planning Proposal incorporate the resolution of 17 March 2015 in relation to Land Reservations in the Study Area, including adjustments to FSR maps with the exception of the northern arm of the Main Lane extension notwithstanding point i) above.
- iii) The Planning Proposal include an amendment to the Holroyd Local Environmental Plan 2013 to introduce the recommended design excellence controls including design bonuses of 0.5:1.

An amendment was moved Clr. Zaiter, seconded Clr. Nasr Kafrouni that:

- i) Council proceed to conduct pre-Gateway consultation to propose an amendment to Clause 4.3 Height of Buildings to the Holroyd Local Environmental Plan 2013 and associated maps as indicated in the last column of Table 2 in this report including a proposal to reduce FSRs by 0.5:1 across the Study Area and the retention of FSR at Site 7 (28-36 McFarlane Street) of 8.0:1.
- ii) The Planning Proposal incorporate the resolution of 17 March 2015 in relation to Land Reservations in the Study Area, including adjustments to FSR maps with the exception of the northern arm of the Main Lane extension notwithstanding point i) above.
- iii) The Planning Proposal include an amendment to the Holroyd Local Environmental Plan 2013 to introduce the recommended design excellence controls including design bonuses of 0.5:1.

Clr. Sarkis indicated he would foreshadow an amendment.

The motion moved Clr. Grove, seconded Clr. Rahme was WITHDRAWN.

The amendment moved Clr. Zaiter, seconded Clr. Nasr Kafrouni then became the motion.

An amendment was moved Clr. Sarkis, seconded Clr. Grove that this matter be deferred.

The amendment moved Clr. Sarkis, seconded Clr. Grove on being Put was declared LOST.

A division was called, the result of the division required in accordance with Council's Code of Meeting Practice is as follows:

**Ayes**

Clr. Grove

Clr. Sarkis

**Noes**

Clr. Cummings (Mayor)

Clr. Colman

Clr. Nadima Kafrouni

Clr. Nasr Kafrouni

Clr. Lake

Clr. Monaghan

Clr. Rahme

Clr. Whitfield

Clr. Zaiter

The motion moved Clr. Zaiter, seconded Clr. Nasr Kafrouni on being Put was declared CARRIED.

A division was called, the result of the division required in accordance with Council's Code of Meeting Practice is as follows:

**Ayes**

Clr. Cummings (Mayor)

Clr. Colman

Clr. Nadima Kafrouni

Clr. Nasr Kafrouni

Clr. Lake

Clr. Monaghan

Clr. Rahme

Clr. Zaiter

**Noes**

Clr. Grove

Clr. Sarkis

Clr. Whitfield

**Attachments:**

1. Merrylands Station and McFarlane Street Precinct Study - Sections 1-3
2. Merrylands Station and McFarlane Street Precinct Study - Section 4
3. Merrylands Station and McFarlane Street Precinct Study - Section 5