

LEADING

| | |
|--------------------|--|
| ITEM NUMBER | 12.1 |
| SUBJECT | Planning Proposal for land at 2 Sorrell Street, Parramatta |
| REFERENCE | RZ/17/2016 - D06044643 |
| REPORT OF | Project Officer- Land Use Planning |

PURPOSE:

The purpose of this report is to seek Council's endorsement on a Planning Proposal seeking to increase the maximum height and floor space ratio and to add a number of site specific provisions for land at 2 Sorrell Street, Parramatta for the purposes of seeking a Gateway Determination from the Department of Planning and Environment. The report also deals with the preparation of a site-specific Development Control Plan to support this Planning Proposal and a request for the Chief Executive Officer to be given delegation to negotiate a Voluntary Planning Agreement.

RECOMMENDATION

- (a) **That** Council endorse the Planning Proposal for the land included at 2 Sorrell Street, Parramatta (included as **Attachment 1**) which seeks the following amendments to Parramatta Local Environmental Plan 2011 (PLEP 2011) in relation to the subject site:
- Amend the maximum building height in the Height of Buildings Map from 24m to 60m (17 storeys).
 - Amend the maximum FSR in the Floor Space Ratio Map from 4:1 to 5.2:1.
 - Add a site- specific clause under Part 7 (Additional Local Provisions – Parramatta City Centre) which addresses the following:
 - Provision outlining that 5.2:1 FSR is exclusive of Design Excellence bonus.
 - Provision outlining a maximum 6:1 FSR achievable including bonus for Design Excellence.
 - Requirement to demonstrate the southern bank of the Parramatta River is not overshadowed by development of the site.
 - Maximum parking rates, in line with the resolution of City of Parramatta Council on 10 April 2017 with regards to parking rates in the CBD Planning Proposal.
- (b) **That** the Planning Proposal be forwarded to the Department of Planning and Environment to request the issuing of a Gateway Determination.
- (c) **That** the applicant be invited to negotiate a potential VPA for the subject site and that delegated authority be given to the CEO to negotiate a Voluntary Planning Agreement (VPA) with the landowner in relation to the Planning

Proposal on behalf of Council. These negotiations shall be undertaken in line with Council's resolution on value sharing rates of 10 April 2017 (Item 8.3). The outcome of negotiations be reported back to Council prior to the draft VPA being placed on public exhibition.

- (d) **That** a site-specific development control plan (DCP) be prepared and reported to Council prior to its public exhibition.
- (e) **That**, pending the outcomes of the Gateway Determination and Council's consideration of the draft VPA, the Planning Proposal and draft DCP be placed on public exhibition concurrently.
- (f) **That** Council advises the Department of Planning and Environment that the CEO will be exercising the plan-making delegations for this Planning Proposal as authorised by Council on 26 November 2012.
- (g) **Further, that** Council grant delegated authority to the Chief Executive Officer to correct any minor anomalies of a non-policy and administrative nature that may arise during the amendment process.

EXECUTIVE SUMMARY

1. The applicant has lodged a Planning Proposal for land at 2 Sorrell Street, Parramatta, which seeks amendments to planning controls which are generally consistent with the broader Parramatta CBD Planning Proposal. This report introduces and assesses the Planning Proposal, addressing its relationship to both existing controls and to the endorsed controls contained with the Parramatta CBD Planning Proposal. The report recommends endorsement of the Planning Proposal for the purposes of seeking a Gateway Determination as well as negotiation of a Voluntary Planning Agreement (VPA), and preparation of a site-specific Development Control Plan (DCP).

THE SITE AND ITS SURROUNDS

2. The subject site is located at 2 Sorrell Street, Parramatta (also known as 2 –4 Lamont Street). The legal description of the site is Lot 10 DP 625830. The site area is 1902m² and it contains two three storey mixed use buildings. The site has a primary frontage to Lamont Street, a secondary frontage to Sorrell Street and rear frontage to the Parramatta River Foreshore. The site is highlighted below in **Figure 1**.

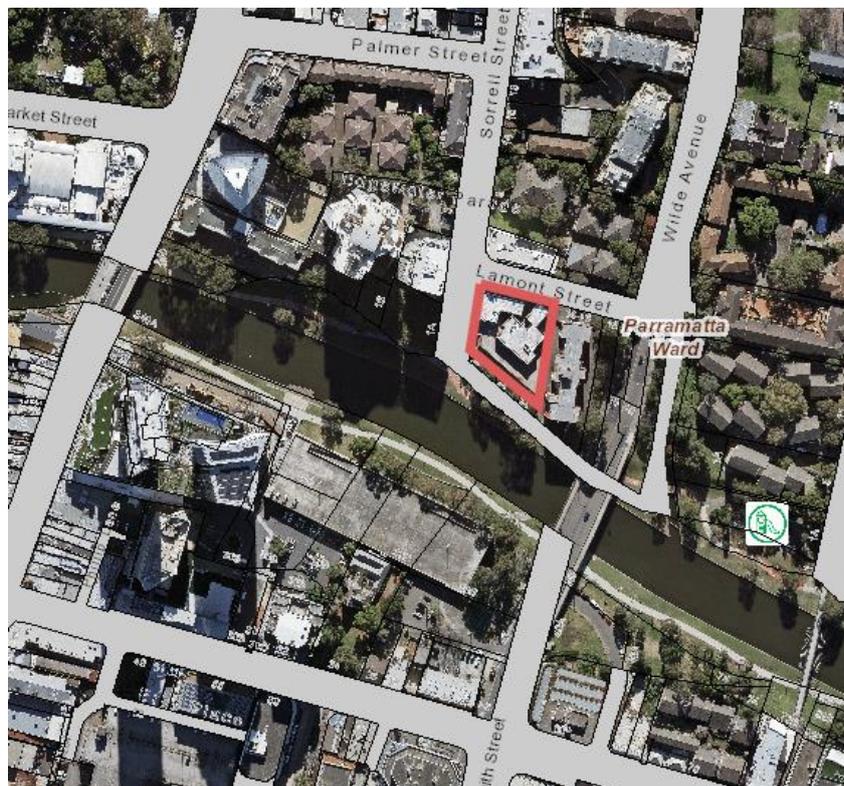


Figure 1 – Site Location Map

3. The immediate area along Lamont Street is a medium density residential and mixed-use area that is shifting towards a high density residential area of residential flat buildings ranging in height from approximately 6 to 19 storeys. The adjacent property to the east at 14 – 16 Lamont Street is occupied by a 6/7 storey strata title apartment block.

CURRENT PLANNING CONTROLS

4. Pursuant to Parramatta Local Environmental Plan 2011 (PLEP 2011), the current zoning of this site is (B4 Mixed Use), and the key development standards are 24m maximum Height of Buildings (HOB) and 4:1 maximum Floor-Space Ratio (FSR).
5. The site is not identified as being flood-prone, however it is adjacent to the Parramatta River foreshore. The site is located outside of the 100-year flood line, but is within the Probable Maximum Flood (PMF) event.

DESCRIPTION OF PLANNING PROPOSAL

6. On 2 September 2016, City of Parramatta Council received a Planning Proposal from GM Architects Pty Ltd on behalf of RS Willinda Holdings Pty Ltd seeking to amend the PLEP 2011 by increasing the maximum floor space ratio (FSR) from 4:1 to 6.4:1 and the height from 24m to 60m. A key matter of concern to Council staff that was required to be addressed was overshadowing of the southern foreshore of Parramatta River by the proposed built form which was contrary to the solar access protection controls contained in the draft Parramatta CBD Planning Proposal.

7. On 13 October 2017, Ventura Property Group Pty Ltd notified Council that they secured ownership of the property and received authority to act as the applicant for the planning proposal. Since that time Ventura Property Group has modified the planning proposal and reference design to acceptably address concerns of Council officers.
8. The recommended Planning Proposal seeks to amend planning controls in line with the Parramatta CBD PP.
9. The Planning Proposal is accompanied by an Urban Design Report including Reference Design drawings. These documents present a reference design for a 17 storey building on the site that includes the following features:
 - a. A three storey podium, with a 1 m setback to Lamont Street, containing retail and commercial uses. A 6m wide landscape zone has been provided at ground floor podium level for the greater length of the eastern boundary;
 - b. A 15 storey residential tower above the podium containing an indicative total of 102 units. The tower setbacks are:
 - 4m to Lamont Street
 - 3m to Sorrell Street
 - 12m to the eastern boundary
 - 4.5m to the river foreshore boundary
 - c. Separate entrances & lobby spaces for commercial and residential uses;
 - d. Basement car parking - area schedules indicate 69 car parking spaces over 2 levels. This is discussed further in the report.
10. The drawing at **Figure 2** illustrates the built form in relation to the Parramatta River and adjoining development. **Figure 3** shows the ground floor plan of the proposed development and **Figure 4** shows a cross-section drawing of the development and the overshadow threshold.



Figure 2: The proposed design concept



Figure 3 – Ground floor plan

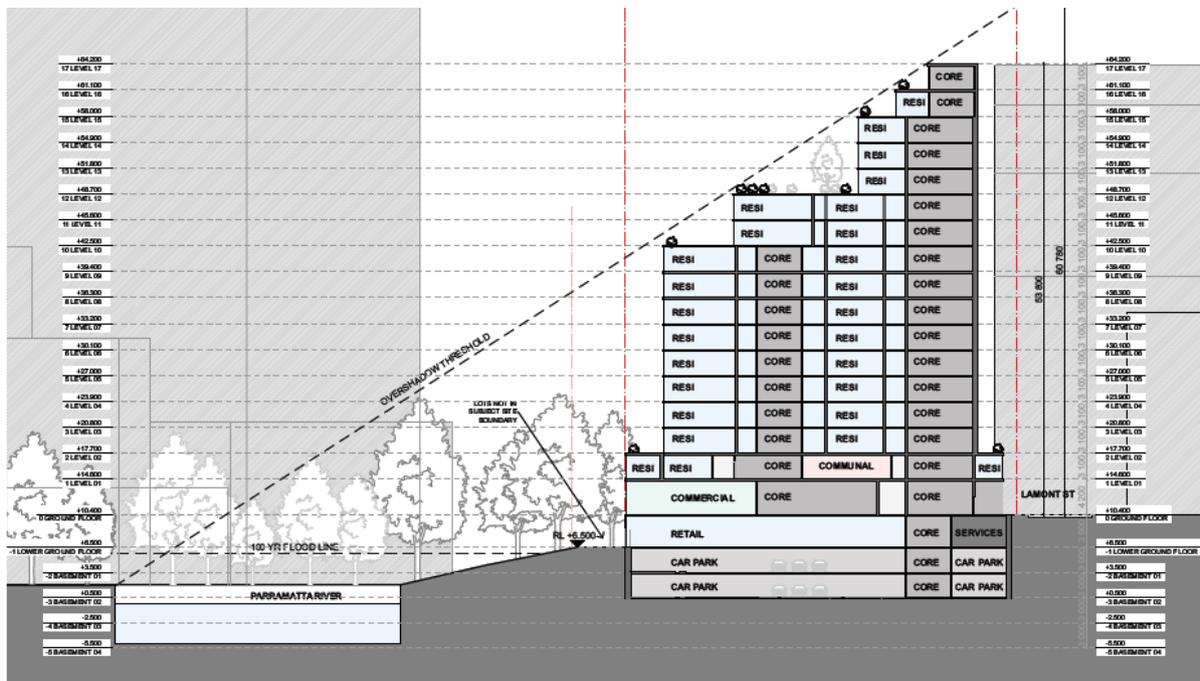


Figure 4 – Cross-section showing overshadow threshold

CONSISTENCY WITH THE PARRAMATTA CBD PLANNING PROPOSAL (CBD PP)

11. Council adopted the CBD PP on 11 April 2016. In general terms, the CBD PP seeks to increase heights and FSR's in the Parramatta CBD, subject to the provision of community infrastructure and other requirements. The CBD PP remains Council's most recently endorsed policy position on density increases in the Parramatta CBD. Council is currently awaiting a Gateway Determination on the CBD PP from the Department of Planning and Environment.
12. Under the CBD PP, the following key planning controls are identified for the site at 2 Sorrell Street:
- a. **Zoning:** The current B4 Mixed Use zoning is retained
 - b. **Height of Buildings:** The "Base" HOB control for this site retains the current planning control of 24m. There is no "Incentive" HOB control, however HOB will be determined by the proposed draft LEP provisions under Clause 7.4 Sun Access Protection. Draft Clause 7.4 Sun Access Protection provides that development of land identified on the Sun Access Protection Map (includes the subject site) cannot cause increased overshadowing of the Parramatta River foreshore (identified on the Sun Access Protection Map) between 12pm and 2pm on 21 June of any year.
 - c. **Floor Space Ratio:** The total maximum FSR achievable for this site under the CBD PP is 5.2:1, comprising the following:
 - i. The "Base" FSR control for this site is 4:1 in the draft CBD PP maps.
 - ii. The Incentive FSR control for this site is 5.2:1. Under the CBD PP, Incentive FSR controls are achievable provided that an appropriate contribution to Community Infrastructure is made (discussed further in this report).
 - iii. 15% bonus of the Incentive FSR (i.e. 0.78:1 in this case), provided that a Design Excellence process has been undertaken in accordance with the PLEP 2011.
13. In summary, the recommended Planning Proposal seeks to amend the core planning controls of FSR and HOB in line with the Parramatta CBD PP as described in the following table.

| Scenario | Land-Use | FSR | HOB |
|--|---------------------|-------|--|
| Current Controls (under PLEP 2011) | B4 mixed-use zoning | 4:1 | 24m |
| CBD PP Controls | B4 mixed-use zoning | 5.2:1 | No Incentive HOB control Requirement to comply with Sun Access Protection provision |
| Controls proposed under applicants site-specific PP | B4 mixed-use zoning | 5.2:1 | Max 60 metres |

ISSUES

14. An assessment of the Planning Proposal and supporting documentation is provided in this section.

Land Use Planning

15. The site is appropriate for mixed-use development, given its relative close proximity to a wide range of employment, housing, transport, entertainment, recreational and social services and amenities within the CBD.

16. The proposed land uses are permissible with consent in the B4 zone.

17. The Planning Proposal responds to the Incentive FSR for this site under the CBD PP, which is 5.2:1. The CBD PP requires a contribution towards Community Infrastructure in order to achieve the incentive FSR. The Planning Proposal responds to Design Excellence provisions, which under the CBD PP, is 15% of the incentive FSR (5.2:1 in this case). This means an additional 0.78:1 FSR beyond the incentive FSR could be achieved through the Design Excellence bonus

18. The reference design features an indicative height of 53.8m (17 storeys). While the CBD PP removes maximum HOB for most sites in the CBD, this site is one of a number in the CBD that is required to comply with the provision of solar access to the Parramatta River foreshore between 12pm and 2pm in midwinter. Overshadowing diagrams submitted with the planning proposal (included as **Attachment 2**) show that the proposed reference design will not cause overshadowing of the southern foreshore of Parramatta River in midwinter. It is proposed to add a site-specific provision to PLEP 2011 to ensure that the southern bank of the Parramatta river is not overshadowed in mid winter by development of the site.

19. In many other Gateway determinations for other sites within the CBD PP boundary the Department of Planning have required that a height be specified in the site-specific PPs despite the CBD PP proposing to remove the height controls. For this reason, the application of a proposed maximum height of 60m is recommended. It will ensure that the height of the building is acceptable in its context, whilst allowing some design flexibility. Building height is still subject to the site-specific provision regarding overshadowing.

Built Form and Urban Design

20. Since the lodging of the planning proposal in September 2016, the reference design has been revised on a number of occasions in response to feedback provided by Council officers. The latest revised reference design is considered acceptable for the following reasons:

- The built form that has been largely shaped by the solar access study avoids overshadowing of the southern bank of the Parramatta river foreshore in midwinter. This has resulted in a stepped profile to the top of the building generating a distinctive and sculptural building form of special character that responds to the site's unique context.

- The lower podium levels of the proposal will have commercial character, consisting of restaurants, cafes and commercial space, which will be accessible from the public domain along the river. The proposed base will activate this part of the river bank and link with the natural pedestrian movement pattern along the river.
- Tower setbacks are appropriate and meet the requirements of the Apartment Design Guidelines
- The provision of a 6m wide landscape setback on the eastern boundary will help to minimise potential detrimental impact on the strata development to the east at 14 – 16 Lamont Street.

21. A site-specific DCP is proposed, dealing with built form and massing, that will ensure compliance with the provisions of the Apartment Design Guide and SEPP 65 and help to promote revitalisation of the foreshore, activation of street frontages and enable pedestrian links to be enhanced.

Flooding

22. The reference scheme confirms that the development is set above the 1:100-year flood level (set at 5.95m) plus a 500mm freeboard and that no residential dwellings are located within the Probable Maximum Flood (PMF), set at 10.39m.

Traffic and Transport

23. Whilst this proposal has been under assessment, Council has endorsed (on 10 April 2017) a Strategic Transport Study for the Parramatta CBD and resolved to include reduced parking rates in the CBD PP, pending results of the forthcoming mesoscopic study. This resolution was in part to allow site-specific Planning Proposals to proceed ahead of the mesoscopic modelling. The rates resolved on 10 April 2017 are summarised as follows:

a. Residential parking rates

| Type of Apartment | Spaces/unit |
|-------------------|----------------|
| 3-bedroom | 1 space/unit |
| 2-bedroom | .7 spaces/unit |
| 1-bedroom | .3 spaces/unit |
| Studio | .1 spaces/unit |

a. Commercial parking rates

If the FSR > 3.5:1

$$M = (G * A) / (50 * T)$$

where:

M = maximum number of parking spaces;

G = GFA of all office/business premises in the building (m²);

A = Site Area (m²);

T = Total GFA of all buildings on the site (m²)

24. The current reference design includes approximately 102 apartments; the unit mix and resulting maximum residential parking spaces under the Council-resolved rates are described in the table below.

| Type of Apartment | Spaces/unit | Required | Total provided |
|--------------------------|--------------------|-----------------|-----------------------|
| 3-bedroom | 1 space/unit | 26 | 26 |
| 2-bedroom | .7 spaces/unit | 27 | 27 |
| 1-bedroom | .3 spaces/unit | 6 | 6 |
| Studio | .1 spaces/unit | 2 | 2 |
| TOTAL | | 61 | 61 |

25. The current reference design indicates 2520m² of commercial floor space. Applying the above formula to the current reference design yields a maximum of 8 car parking spaces for the commercial uses.
26. The total number of 69 car parking spaces indicated above (61+8 = 69) corresponds with the number (69) indicated on the detailed area schedule for the reference design. Nevertheless, it is proposed that a site-specific clause be applied to the site to ensure compliance with the above maximum parking rates, as previously resolved by Council, as shown in the draft clause included as part of the Planning Proposal.

Summary of Assessment

27. This Planning Proposal is consistent with the policy framework adopted by Council as part of the CBD PP and so subject to the recommendations of this report is able to be supported. The Planning Proposal and reference design demonstrate that the proposed controls would allow for a built form that appropriately responds to the context of the site, and is aligned with the CBD Planning Proposal.

VOLUNTARY PLANNING AGREEMENT

28. As this Planning Proposal is seeking an uplift aligned with the CBD planning framework review, and because a major feature of that framework is that incentive and opportunity site FSR controls are achievable provided that appropriate contributions to Community Infrastructure are made, it is expected that a VPA will be negotiated as part of this Planning Proposal process.
29. It is expected that the resulting VPA from this process would reflect a proportion of the value uplift associated with (a) Phase 1: the difference between current controls (4:1 in this case) and Incentive controls (5.2:1 in this case).
30. On 10 April 2017, Council endorsed rates of \$150/sqm for Phase 1 value sharing. This is the basis upon which it is recommended that Council officers seek to negotiate a VPA.
31. The applicant has not yet submitted a letter of offer. In order for the proposal to be consistent with the CBD PP framework the community infrastructure provisions in the framework need to be addressed and this is usually addressed via a VPA. However, Council officers require delegation from Council to negotiate any VPA. in association with this Planning Proposal. Therefore, it is recommended that delegated authority be given to the Chief Executive Officer to negotiate a Voluntary Planning Agreement (VPA) with the landowner in relation to the Planning Proposal on behalf of Council and that the outcome of negotiations be reported back to Council prior to its public exhibition, and that this negotiation be undertaken in line with Council's resolution on value sharing rates of 10 April 2017.

NEXT STEPS

32. Council officers recommend that Council:

- progress the Planning Proposal described in this report, and included at Attachment 1.
- invite the applicant to commence negotiations for a VPA associated with the Planning Proposal.
- prepare a site-specific DCP.
- undertake simultaneous exhibition of the Planning Proposal/VPA/DCP, and other administrative matters as outlined in the recommendation.

33. Pending Council endorsement, the next step would be to send the Planning Proposal to the Department of Planning and Environment for Gateway Determination.

Paul Kennedy
Project Officer Land Use Planning

Robert Cologna
Acting Service Manager Land Use Planning

Sue Weatherley
Director Strategic Outcomes and Development

Jim Stefan
Acting Director City Services

ATTACHMENTS:

- | | | |
|----------|------------------------------------|----------|
| 1 | Planning proposal 2 Sorrell Street | 32 Pages |
| 2 | Overshadowing diagrams | 1 Page |

REFERENCE MATERIAL