

INNOVATIVE

ITEM NUMBER	6.1
SUBJECT	Pre-Gateway: Planning Proposal for land at 355 and 375 Church St, Parramatta
REFERENCE	RZ/10/2018 - D07161401
REPORT OF	Acting Team Leader Land Use Planning
APPLICANT	Stockland Development Pty Ltd
LANDOWNER	McDonald's Australia Ltd

PREVIOUS APPLICATIONS

DA/96/2015 – Staged development involving a redeveloped McDonald's restaurant and concept approval for a future-mixed-use development; the Sydney West Joint Regional Planning Panel deferred its formal determination on this matter, and the application was withdrawn May 2016.

PURPOSE

The purpose of this report is to seek the Local Planning Panel's advice to Council on a Planning Proposal for land at 355 and 375 Church Street, Parramatta. This report recommends forwarding the Planning Proposal to the Department of Planning, Industry and Environment (DPIE) with a request for a Gateway Determination.

RECOMMENDATION

That the Local Planning Panel consider the following Council officer recommendation in the Panel's advice to Council:

- (a) **That** Council endorse for the purpose of forwarding to the Department of Planning, Industry and Environment (DPIE) with a request for a Gateway Determination, the Planning Proposal at **Attachment 1** to amend *Parramatta LEP 2011* for land at 355 and 375 Church St, Parramatta as follows:
- 1) Apply the Prince Alfred Square Solar Access Plane as the height controls for this site
 - 2) Increase FSR from part 3:1/part 4:1 to 6:1 (exclusive of Design Excellence)
 - 3) Apply maximum car parking rates as follows:
 - i. For floorspace used for the purposes of Take Away Food and Drink Premises: 1 space / 30 square metres of Gross Floor Area or 30 spaces (whichever is less). Noting that the Planning Proposal also includes a 5-year sunset clause for this parking rate, after which time this rate would revert to the rate contained in the draft Parramatta CBD Planning Proposal.
 - ii. For residential and other commercial floorspace not part of the use described in 3)(i): the rates which are currently contained in the Parramatta CBD Planning Proposal.
- (b) **That** Council advises DPIE that the Chief Executive Officer will not be exercising the plan-making delegations for this Planning Proposal as authorised

by Council on 26 November 2012.

- (c) **That** a draft site-specific Development Control Plan (DCP) for the subject site be prepared that addresses matters including but not limited to:
- 1) Further defining the preferred two-tower scheme, including podium heights and tower setbacks, with a view to minimising any non-compliances with relevant ADG requirements;
 - 2) Relationship to and mitigating impacts on Heritage Items;
 - 3) Traffic issues such as sightlines, vehicle queuing, pedestrian safety and bicycle parking;
 - 4) Demonstrating adaptive re-use potential of drive-through facility and at least some of the parking spaces proposed;
 - 5) Active frontage requirements; and
 - 6) Relationship to 383 Church Street isolated site.
- (d) **That** the CEO be authorised to negotiate a draft Planning Agreement with the landowner in accordance with the Parramatta CBD Community Infrastructure framework.
- (e) **That** the draft DCP and draft Planning Agreement are reported back to Council prior to their concurrent exhibition with the Planning Proposal.
- (f) **Further, that** Council authorise the CEO to amend the Planning Proposal to correct any minor anomalies of a non-policy and administrative nature that may arise during the plan-making process.

PLANNING PROPOSAL TIMELINE



BACKGROUND

1. On 21 August 2018, Stockland Development Pty Ltd (“the applicant”) lodged a Planning Proposal with Council on behalf of McDonald’s Australia Ltd (“the landowner”) for land at 355 and 375 Church Street, Parramatta (“the site”).
2. The site was the subject of a previous Development Application (DA/96/2015) which proposed a staged development involving a redeveloped McDonald’s

restaurant and concept approval for a future mixed-use development. On 11 November 2015, the Sydney West Joint Regional Planning Panel (JRPP) deferred its formal determination of this matter, noting:

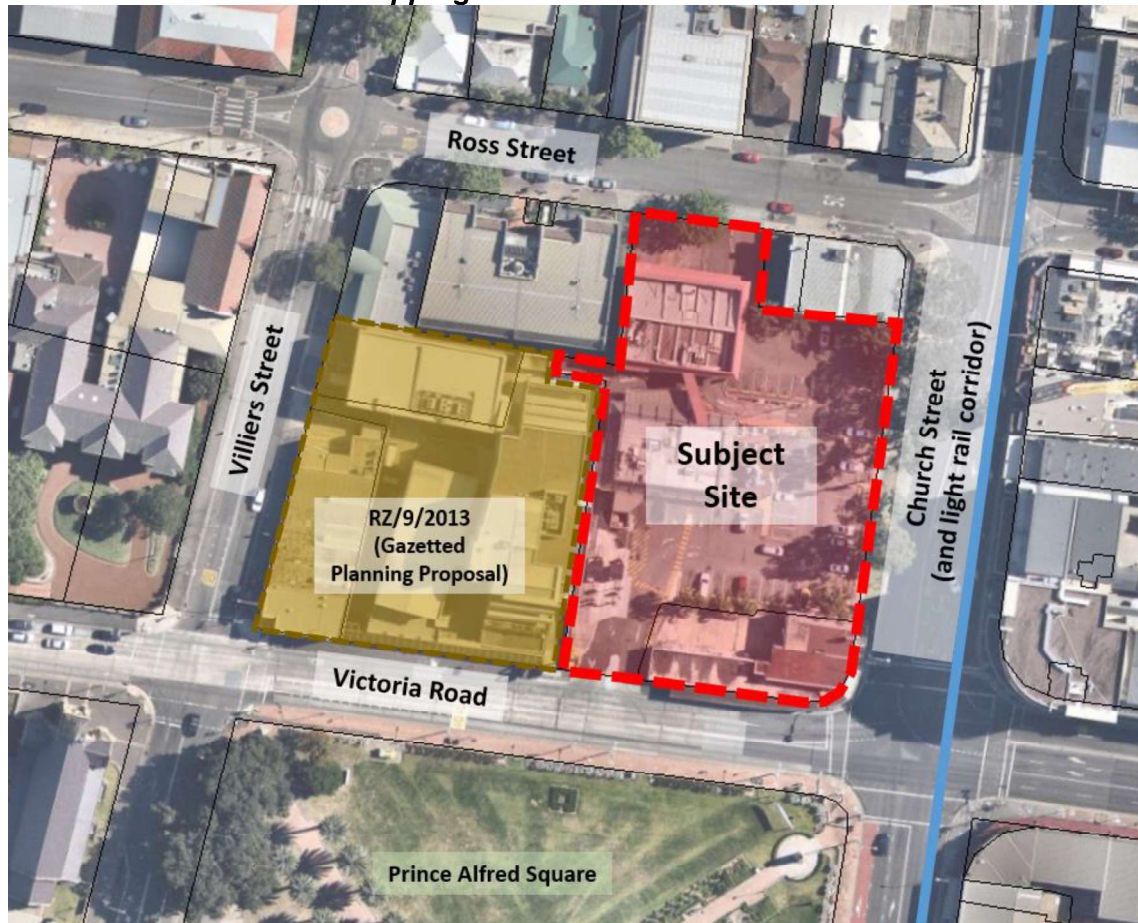
“[the Panel] considers the development as now proposed is a lost opportunity to present a major architectural feature on this significant site which is located at the intersection of two historical roadways within Parramatta. The Panel acknowledge the Design Excellence Advisory Panel’s opinion that substantial amendment is required to create a building of more appropriate scale and city character in this very significant location of Parramatta, particularly given Parramatta’s role as Sydney’s western CBD.”

3. This DA was subsequently withdrawn in May 2016. Following withdrawal of the DA, the landowner and applicant prepared a Planning Proposal in response to the evolving strategic planning context for the Parramatta CBD.

THE SUBJECT SITE AND SURROUNDING CONTEXT

4. The site is illustrated in **Figure 1** below. It is located in the block bounded by Victoria Road, Villiers Street, Ross Street and Church Street, Parramatta, and has an approximate site area of 4,796 square metres. The site has frontages to Victoria Road, Church Street and Ross Street. Prince Alfred Square is located South of the site (across Victoria Street), and the Parramatta Light Rail (PLR) Stage 1 corridor runs adjacent to the site along Church Street.

Figure 1: Subject site at 355 and 375 Church Street and surrounding context
Source: Council’s internal mapping with annotations from Council officers



5. Existing development on the site includes a two-storey retail/commercial building (corner of Victoria Road/Church Street), a McDonald's restaurant (including surface parking and drive-through with vehicle access to both Victoria Road and Ross Street) and a two-storey office building (facing Ross Street).
6. The site does not include 383 Church Street, located at the corner of Ross and Church Streets. The existing development at 383 Church Street is a three-storey retail/commercial building. This report addresses the relationship between the subject Planning Proposal and 383 Church Street.
7. The western half of this city block is characterised by low to mid-rise commercial buildings. A previous Planning Proposal (RZ/9/2013) which was finalised in 2016 increased the planning controls over a portion of the western half of the block (illustrated in **Figure 1**) and involved increasing the FSR control from 2:1 to 4.8:1, and the maximum height control from 24m to 49m. RZ/9/2013 was initiated prior to Council's strategic work to increase planning controls across the Parramatta CBD through the Parramatta CBD Planning Proposal process, and therefore did not respond to the Parramatta CBD Planning Proposal.

COMPARISON OF PLANNING CONTROLS: EXISTING, PARRAMATTA CBD PLANNING PROPOSAL AND SITE-SPECIFIC PLANNING PROPOSAL

8. **Table 1** outlines the planning controls for the site under three scenarios: (1) existing, (2) Parramatta CBD Planning Proposal and (3) recommended by Council officers for this site-specific Planning Proposal.

Table 1: Comparison of planning controls

	Parramatta LEP 2011	Parramatta CBD Planning Proposal endorsed by Council 25 November 2019	Planning Proposal recommended in this report
Zoning	B4 Mixed Use	B4 Mixed Use	B4 Mixed Use
Max. height of building	Part 34m, part 24m	Prince Alfred Square Sun Access Plane (approx. 29 stories maximum within the portion of the site affected by the Sun Access Plane and no height limit on portion of site outside the Sun Access Plane)	Prince Alfred Square Sun Access Plane (in the preferred reference design, this results in approx. 29 storeys within the portion of the site affected by the Sun Access Plane and approx. 32 storeys on the portion of the site outside the Sun Access Plane)
Maximum FSR	Part 3:1, part 4:1	6:1 (plus Design Excellence i.e. 6.9:1)	6:1 (plus Design Excellence i.e. 6.9:1)

	Parramatta LEP 2011	Parramatta CBD Planning Proposal endorsed by Council 25 November 2019	Planning Proposal recommended in this report
Site-specific provisions	Nil	<p>Maximum car parking rates:</p> <p><i>Residential:</i> Studio: 0.1 spaces 1 bed: 0.3 spaces 2 bed: 0.7 spaces 3 bed: 1 space</p> <p><i>Commercial premises:</i> M = (G X A) / (50 X T) Where: M is the maximum number of parking spaces, G is the gross floor area of all commercial uses in the building in square metres, A is the site area in square metres, and T is the total gross floor area of all buildings on the site in square metres</p> <p><i>Commercial - Take away food and drink premises:</i> no rate provided.</p>	<p>Maximum car parking rates:</p> <p><i>Residential:</i> Studio: 0.1 spaces 1 bed: 0.3 spaces 2 bed: 0.7 spaces 3 bed: 1 space</p> <p><i>Commercial premises (excluding Take Away Food and Drink Premises):</i> M = (G X A) / (50 X T) Where: M is the maximum number of parking spaces, G is the gross floor area of all commercial uses (excluding Take Away Food and Drink Premises) in the building in square metres, A is the site area in square metres, and T is the total gross floor area of all buildings on the site in square metres</p> <p><i>Commercial - Take Away Food and Drink Premises:</i> 1 space / 30 sqm GFA or 30 spaces, whichever is less; include a 5-year sunset clause for this provision</p>
Maximum gross floor area (GFA)	15,047m ²	33,092m ²	33,092m ²
Maximum dwelling yield	Approximately 177 units (<i>maximum GFA / 85 m² for high density dwellings</i>)	Approximately 389 residential units (<i>assuming average GFA / 85 m² for high density dwellings and all FSR built as residential</i>)	Approximately 346 residential units and approximately 1,355m ² for Commercial Uses and Take Away Food and Drink Premises (as per current reference design)

9. Under the current provisions of the Parramatta CBD Planning Proposal, the development proposed in the reference design would be eligible for the High-Performing Building Bonus. However, it is noted that the Applicant has not requested application of this bonus through this site-specific Planning Proposal process and given this the ability of this site to achieve the bonus within the solar access plane has not been tested. The Applicant could potentially seek this bonus at DA stage, depending on the timing of that DA assessment process and the Parramatta CBD Planning Proposal process.
10. Procedurally, it is recommended that the height and FSR controls outlined above are contained in a site-specific clause, rather than as mapped amendments. This is because current Parramatta LEP 2011 maps do not contain the Prince Alfred Square Sun Access Plane (this is to be introduced under the Parramatta CBD Planning Proposal). It is noted that further guidance

regarding structural clause drafting will be provided by DPIE and Parliamentary Counsel later in the process if required.

11. In summary, this Planning Proposal is consistent with the Parramatta CBD Planning Proposal, with the exception of specifying a parking rate for the *Take Away Food and Drink Premises* use proposed as part of the reference design. This issue is discussed in further detail later in this report.

ASSESSMENT OF KEY PLANNING ISSUES

Floor Space Ratio (FSR)

12. The FSR sought under this Planning Proposal (6:1 FSR + 15% Design Excellence bonus, bringing the total FSR to 6.9:1) is consistent with the provisions for this site under the Parramatta CBD Planning Proposal. This aspect of the Planning Proposal is therefore supported by Council officers.

Height and Sun Access Plane (SAP) to Prince Alfred Square

13. Under the Parramatta CBD Planning Proposal, the height controls for this site are determined by the Prince Alfred Square Sun Access Plane (SAP). The SAP ensures that no additional overshadowing is created on the southern part of the Square between 12pm-2pm in midwinter (21 June). **Figures 2 and 3** illustrate the protected portion of the park, and the impact that this control has on the potential building envelope for this site.

Figure 2: Portion of Prince Alfred Square protected by SAP (blue hatching)
Source: Draft Parramatta CBD Planning Proposal (as at time of report writing)

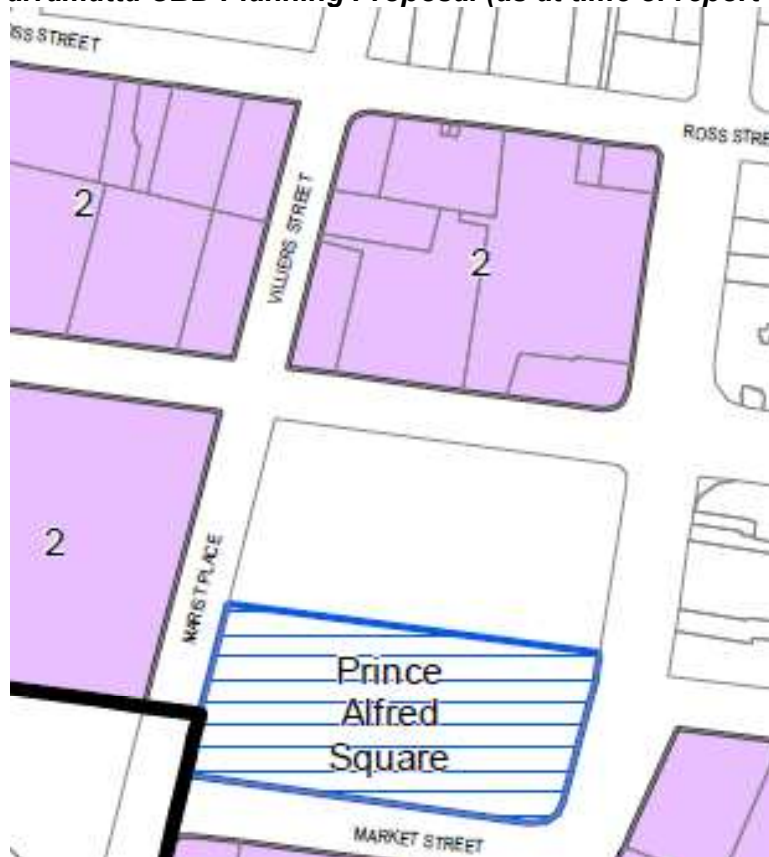
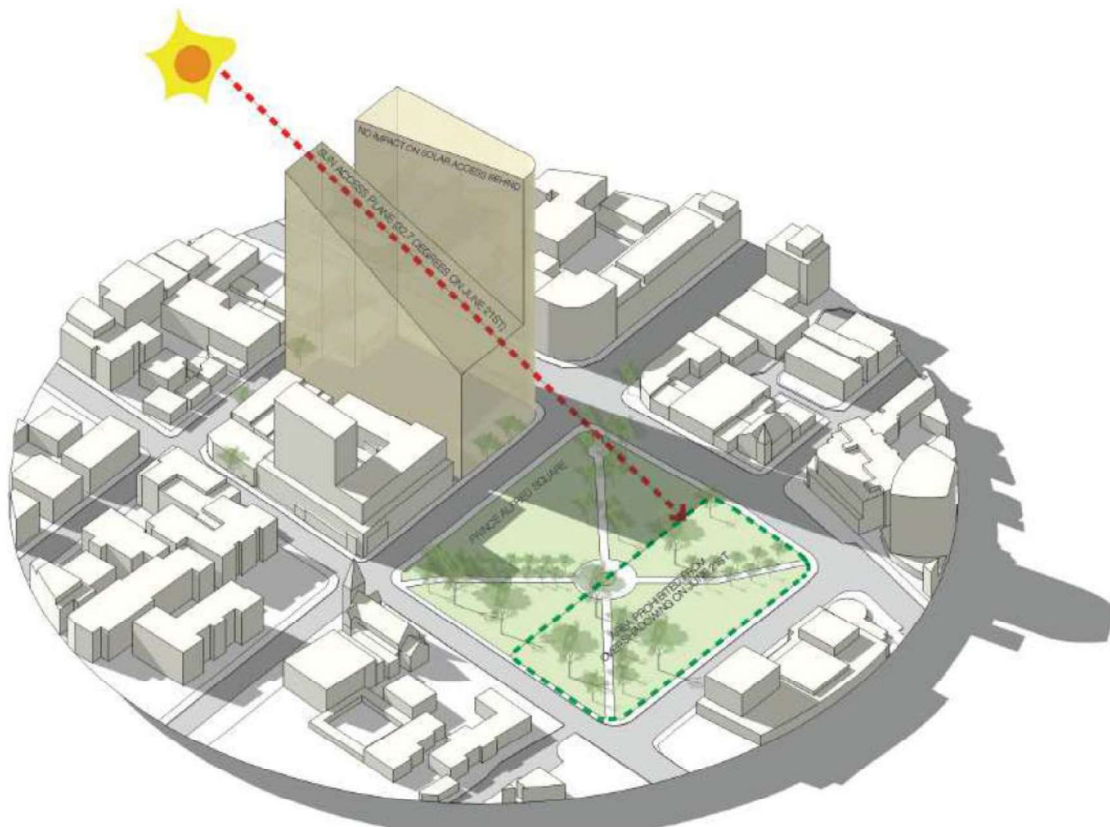


Figure 3: Prince Alfred Square SAP and resulting building envelope on subject site
Source: Applicant's reference design



14. The Planning Proposal aligns with the desired outcomes of the Parramatta CBD Planning Proposal on this issue, as it seeks to replicate the Prince Alfred Square SAP in its provisions and presents a preferred scheme that is compliant with this SAP (as discussed in the following section). Therefore, Council officers support the changes to height controls sought under this Planning Proposal.

Reference Design and Tower Massing

15. The applicant prefers a two-tower scheme on the site due to the market advantages of a staged development. However, the development of a two-tower reference design for this site indicated that there would likely be some non-compliances with setback and building separation requirements. To address this issue, the applicant explored one-tower and two-tower reference design schemes in the urban design analysis submitted as part of the Planning Proposal (refer to **Attachment 2**). Example images of these two schemes are shown below in **Figures 4 and 5**. Both schemes are compliant with the Prince Alfred Square SAP, as discussed in the previous section.

Figure 4: Example view - Two-tower reference design scheme –outlined in red
Source: Applicant’s reference design with annotations by Council officers

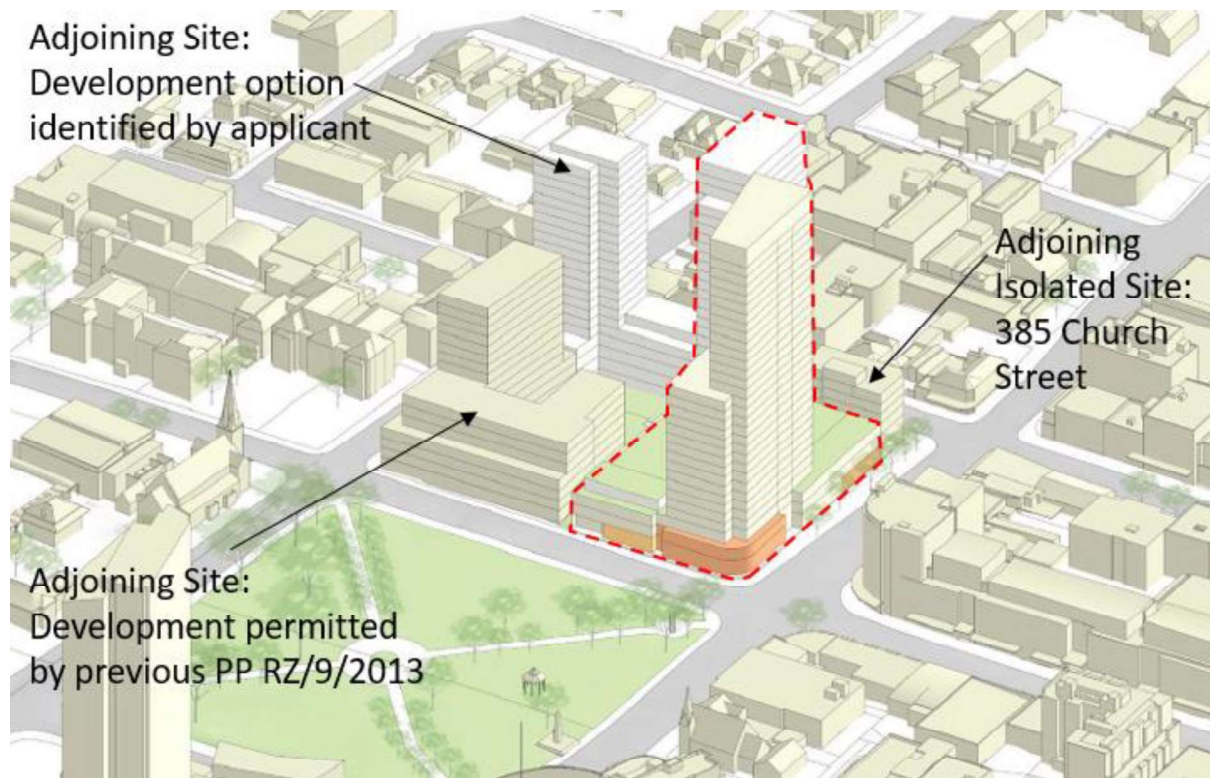
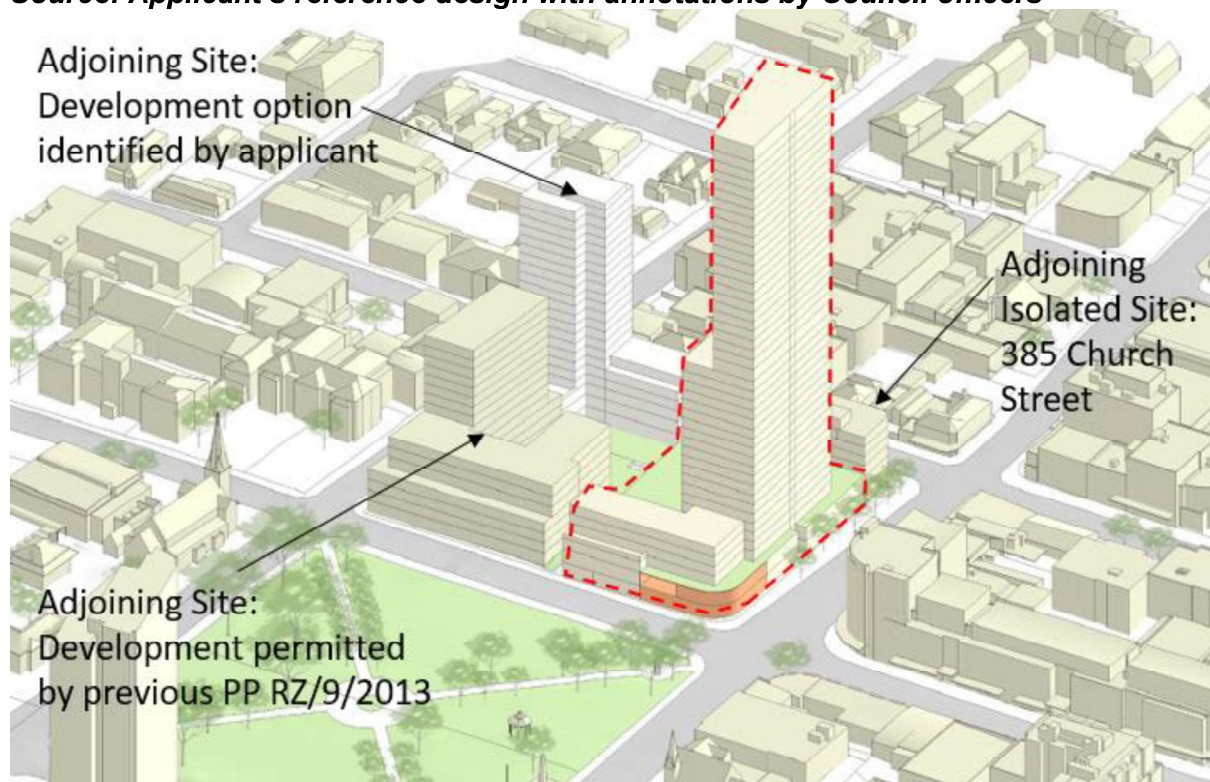


Figure 5: Example view - one-tower reference design scheme (outlined in red)
Source: Applicant’s reference design with annotations by Council officers



16. The one-tower scheme (shown in **Figure 5**) has a 7-8 storey podium and a single tall tower of 48 storeys fronting Church Street. The Prince Alfred Square SAP is the main driver behind the form of this scheme. The SAP impacts development massing on this site by push the massing “down” into a higher podium and “out” to the eastern part of the site to become concentrated into a single tall tower located on the Church St frontage.
17. The two-tower scheme (shown in **Figure 4**) has a 3-4 storey podium and two offset towers of 28-32 storeys. This scheme does have some non-compliances with separation requirements set out in the *Apartment Design Guide* (ADG), as well as upper-level (i.e. tower) setback requirements set out in the *Parramatta Development Control Plan (DCP) 2011*. These non-compliances include:
 - a. Tower setback of 3m along Church St (the DCP specifies 4m);
 - b. Building separation between the upper levels of the two towers is 9-12m, which is less than that specified in the ADG (12-24m); and
 - c. Building separation between Ross Street tower and potential development at 383 Church St (discussed in further detail in a later section of this report).
18. Despite these non-compliances, Council officers consider that the scale of the towers and podium in the two-tower scheme is more sensitive to the local context, which includes Church Street, Heritage-listed Prince Alfred Square, and other nearby Heritage items. Council officers consider that the scale of the podium of the two-tower scheme is more appropriately matched with that of nearby buildings, and that dividing the mass between two towers creates a more appropriate relationship between towers on this site and other likely future development in the vicinity (as envisioned under the Parramatta CBD Planning Proposal). To illustrate this point, **Figure 6** illustrates the massing of the preferred two-tower scheme within the outline (blue dashed line) of the massing of the one-tower scheme.

Figure 6: Two-tower scheme (solid massing) vs. one-tower scheme (blue dashed line)
Source: Applicant's reference design



19. In conclusion, Council officers support progressing a two-tower scheme as the preferred reference design for this site based on the analysis above. It is recommended that an important focus for the Design Competition and Development Control Plan (DCP) processes for this site will be to minimise any non-compliances of a two-tower scheme.

Heritage

20. The Planning Proposal is located in close proximity to many Heritage-listed items; those items closest to the site are detailed in **Figure 7** and **Table 2**. The nearest Heritage Conservation Areas to this site are the North Parramatta and Sorrell Street Conservation Areas, the borders of which are located approximately one block from the subject site to the northwest and northeast respectively (red hatching in **Figure 7**).

Figure 7: Extract of Council's Heritage Map - subject site in blue
Source: Parramatta LEP 2011 (with added annotation for subject site)

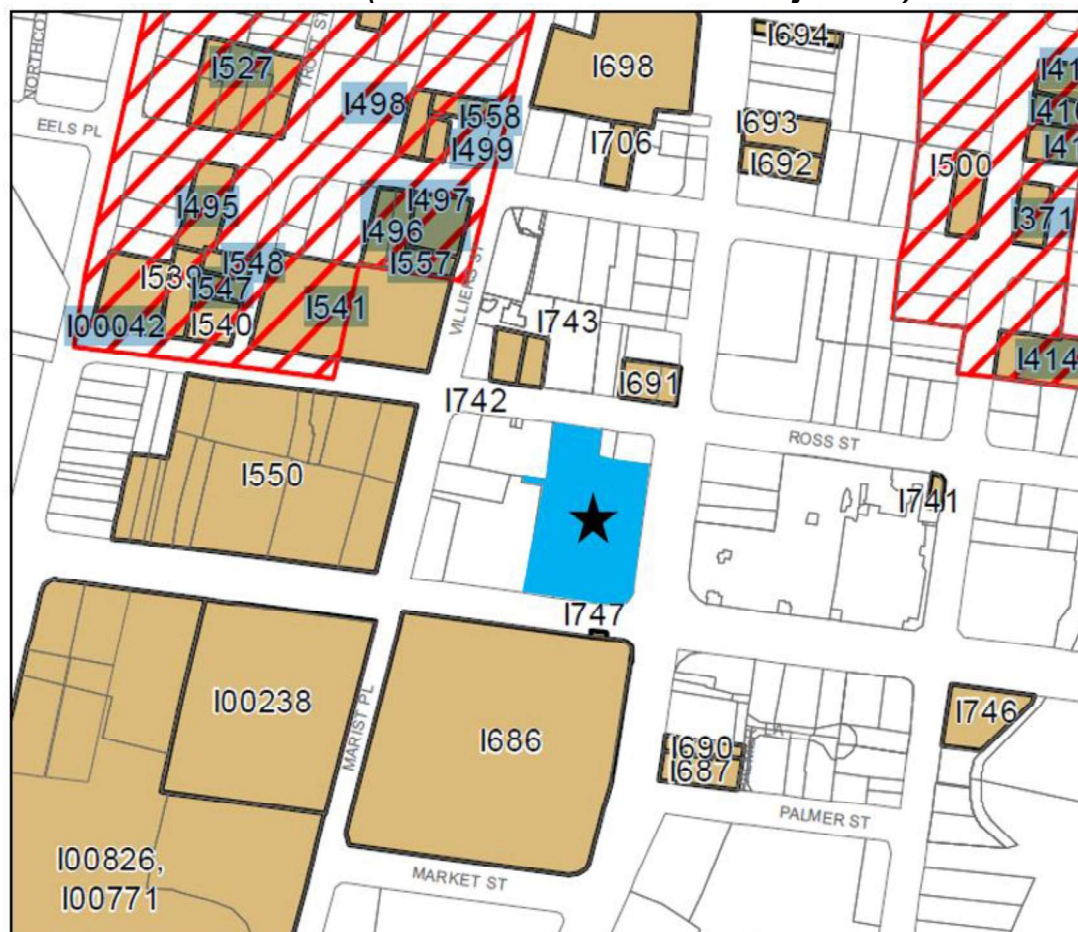


Table 2: Heritage Items located closest to site

PLEP 2011 Item no.	Item (all Items are Local Heritage items unless noted as State-listed)
1686	Alfred Square and potential archaeological site - State-listed item
1747	Horse trough (adjacent to 353a Church St)
1687	St Peter's Uniting Church and studio theatre (and potential archaeological site)
1690	Anthony Malouf and Co
1691	Royal Oak Hotel and stables (and potential archaeological site)*
1742	Single-storey residence (14 Ross Street)
1743	Wine bar bistro (16 Ross Street)
1541	Lurlinea and potential archaeological site (8-10 Ross Street)
1550	Convent of Our Lady of Mercy and associated buildings
100238	St. Patrick's Cathedral, presbytery and precinct (and potential archaeological site) - State-listed item

**The Hotel has recently been demolished as part of the Parramatta Light Rail project. The stables, which are of significance, remain on the site.*

21. The applicant submitted a Heritage Impact Statement (HIS) alongside the Planning Proposal. The final version of the HIS is included at **Attachment 6**.
22. Council's heritage officer has reviewed the proposal and requested that the proposal be consistent with the Parramatta CBD Planning Proposal. Given the proximity to Prince Alfred Square (a State-listed item), Council's heritage officer also recommended that preliminary consultation be undertaken with the Office of Environment and Heritage (OEH).
23. OEH responded to Council officers' referral with preliminary comments, which have been reviewed by Council officers and the Applicant. The Applicant has completed some additional work in response to these comments. For the information of the decision-makers, community and DPIE assessment staff, in **Table 3** Council officers have copied OEH's preliminary comments into this report and included a response.

Table 3: OEH preliminary comments and response

OEH Preliminary Comment	Council Officer Response
<p>"The HIS has concentrated on the potential impact of the proposed development on views to and from the heritage items, more consideration needs to be given to assessing the impact of the proposal on the setting of heritage items in the immediate vicinity. Photomontages demonstrating the relationship between the new element and heritage items in the immediate vicinity should be provided in an updated HIS. The updated HIS should clearly articulate mitigation strategies recommended to reduce or avoid adverse impact on heritage items. Appropriate setbacks for the tower elements should be considered in the HIS. The proposed development should not overwhelm the neighbouring park or dominate vistas along Victoria Road."</p> <p>"[the HIS] ... discusses views to and from heritage items in the vicinity however the images provided to not show a representation of proposed to development. Photomontages would assist in the assessment of the potential impact on views to and from these items. An updated HIS should included photomontages showing the extent to which the proposed development can be seen in identified views. Representations of the proposed structures should be solid (not semi-transparent)."</p>	<p>The Planning Proposal is consistent with the Parramatta CBD Planning Proposal, the formulation of which has taken into account impacts on heritage items.</p> <p>The HIS originally submitted by the applicant has been updated to include a diagrammatic cross-section showing the relationship between the reference design's podium and St. Patrick's Cathedral.</p> <p>The Planning Proposal considers changes to planning controls with a potential reference design envelope only (i.e. it does not consider detailed proposed development). Therefore, Council officers consider that a more detailed examination of impacts on heritage items (including issues such as setbacks, relationship to Prince Alfred Square, vistas, views etc.) and mitigation strategies should form part of later stages of this project, (including DCP, design competition and DA) when the specific nature of the proposed development is known. Officers also consider that photomontages are more appropriately included at those later stages of development (again, when the specific nature of the proposed development is known).</p>

<p>“Documentation accompanying the proposal indicates that large part of Prince Alfred Park will be overshadowed in winter as a result of the proposed development. This may impact on the use of this historic park and on its plantings. The concept design should seek to mitigate or avoid this impact. An updated HIS should address the impact of the overshadowing of the park on the significance of this item.”</p>	<p>The Planning Proposal complies with the Prince Alfred Square SAP, which seeks to protect the southern half of Prince Alfred Square.</p> <p>The Planning Proposal is considering changes to planning controls with a potential reference design envelope only (i.e. it does not consider detailed proposed development). Therefore, officers consider that further mitigation of the impacts on Prince Alfred Square should be investigated at later stages (including DCP, design competition and DA) when the specific nature of the proposed development is known.</p>
<p>“The podium elevation should be appropriately articulated on its street frontages to avoid the creation of a ‘wall effect’ along the length of the site.”</p>	<p>Officers consider that podium articulation is a design issue best addressed through the DCP and design competition stages. Nevertheless, the applicant has added further consideration of the podium’s relationship to nearby Heritage Items to the amended HIS; this discussion suggests a green interface with landscaping elements on the podium to break up the podium element and extend the green space established by Prince Alfred Square.</p>
<p>“The Australian Government, the NSW Government and Parramatta City Council have signed a Conservation Agreement under the <i>Environmental Protection and Biodiversity Conservation Act 1999</i> to protect the world and National Heritage values of Old Government House and Domain (OGHD) in relation to its significant views and settings. The Agreement requires that the findings of the Technical Report (Planisphere 2012) be implemented. Council should satisfy themselves that the requirements of the Conservation Agreement have been met.”</p> <p>“The HIS identifies that the proposed development is within the ‘sensitive’ zone for views from Old Government House and Domain. The Technical Report includes design requirements that proposed development should address. An updated HIS should demonstrate how the proposed development meets these requirements.”</p>	<p>The outcome of the analysis and discussions between Council and the State, Federal Agencies when formulating the Conservation Agreement described by OEH is that only the sites in the Area of Special Significance (a precinct located south west of the subject site) would be subject of the agreement. Outside this precinct Council could continue to plan to allow growth in other parts of the Parramatta CBD without having to refer the changes to the Federal Government under the Environmental Protection and Biodiversity Conservation Act 1999. The Area of Special Significance is the most significant precinct when it comes to the world and National Heritage values of Old Government House and Domain (OGHD).</p> <p>The impacts of growth outside the Area of Special Significance were considered in the Heritage Study prepared by Urbis (2015) undertaken as part of the Parramatta CBD Planning Proposal. The conclusion of this study was that the growth proposed in the Parramatta CBD Planning Proposal does not have any significant impact on the world and National Heritage values of Old Government House and Domain (OGHD).</p> <p>The Planning Proposal does not propose development; it proposes to change planning controls consistent with the Parramatta CBD Planning Proposal. One of the factors</p>

	considered in preparation of the Parramatta CBD Planning Proposal were the various planning requirements relating to OGHD.
“An archaeological assessment may be required. Depending on the recommendations of the assessment further archaeological investigation maybe recommended prior to commencement of works. It is desirable that intact State significant archaeology be retained <i>in situ</i> .”	Broadly, the Planning Proposal does not change the potential archaeological impacts in comparison to the current planning controls for this site, as this site already has significant development potential under current controls. The Planning Proposal is seeking to allow more height and floorspace on the site. The site would be subject to archaeological assessment at DA stage, whether developed under current planning controls or the controls envisaged by the Planning Proposal. Therefore, it is not considered that an archaeological assessment is required at Planning Proposal stage. Consistent with officers’ approach to other similar site-specific Planning Proposals in the Parramatta CBD, officers recommend that archaeological matters are dealt with at DA stage.

24. Council officers acknowledge that some of the extra work requested by OEH in their preliminary comments was not completed at this initial stage of the Planning Proposal process. Pending a Gateway determination that authorises exhibition, OEH will be asked to comment formally on this Planning Proposal. OEH will have the opportunity at that point to revisit the preliminary comments made on this proposal, review the work done by the applicant in the interim, and make formal comment about any outstanding matters. Furthermore, DPIE consults Government agencies prior to issuing Gateway determinations as required, so it is assumed that OEH would have an opportunity to provide DPIE with advice about any necessary Gateway conditions with respect to heritage if DPIE considered this was necessary prior to issuing a Gateway determination.

Flooding

25. As illustrated in **Figure 8**, a portion of the site is within the area of the Probable Maximum Flood (PMF). However, the site is not affected by the 100-year Average Recurrence Interval (ARI) flood area (i.e the “1%” flood zone).

Figure 8: Portion of site affected by PMF (denoted with light blue shading)

Source: Council’s internal mapping (subject site outlined in red)



26. Council officers have reviewed the applicant's flood assessment (**Attachment 5**) submitted with the Planning Proposal. Council officers consider that river flooding is not an impediment to progression of this Planning Proposal, and that any overland flow issues can be addressed as part of a future DA process.

Interface with Parramatta Light Rail (PLR)

27. Council officers undertook a preliminary referral to Transport for NSW (TfNSW) given that the site is adjacent to the PLR Stage 1 corridor. TfNSW responded requesting further work relating to traffic impacts on the site. Council officers clarified with TfNSW which elements of the requested further work are relevant at Planning Proposal stage, and these elements are detailed in **Table 4** along with an officer response.

Table 4: TfNSW preliminary comments and response

TfNSW Preliminary Comment	Council Officer Response
<p>"A Traffic Impact Assessment should consider the existing and future performance of key intersections providing access to the site, supported by appropriate modelling and analysis to the satisfaction of RMS and TfNSW. The TIA should include proposed measures to mitigate impacts of the proposed development on the operation of existing and future traffic, public transport, pedestrian and bicycle networks including any required upgrades."</p>	<p>The Applicant has submitted a traffic assessment that examines existing and future performance of key intersections. TfNSW will have the opportunity to comment formally on this assessment as part of agency referral and can identify any additional measures required for the satisfaction of transport agencies through that process.</p>
<p>"The TIA should include an assessment of any impacts of the development on the Parramatta Light Rail (PLR). During the construction and operation phases of the Parramatta Light Rail (PLR) there will be intermittent, short and long term road closures as well as material changes to road network operations. These changes may impact pedestrian, cyclist and vehicular access routes to the proposed development</p>	<p>Council officers agreed with TfNSW's view that the Applicant should review the PLR Environmental Impact Statement (EIS) and related documents in greater detail, and consider these in an amended traffic assessment. This review has been undertaken and the Applicant's traffic assessment has been updated to include changes to the road network as a result of the PLR (in particular the changes to the</p>

and should be included in any analysis.”	intersection of Victoria Road and Church St).
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28. TfNSW has agreed with Council officers that the other matters raised in their preliminary comments (pertaining to issues such as sustainable transport options, construction management arrangements, and accommodation of freight and services) could be addressed at DA stage when the specific nature of the proposed development is known.
29. This site was originally proposed for partial acquisition under the PLR Stage 1 EIS to facilitate road widening. Following a more detailed design review of property impacts, TfNSW formally advised the applicant that PLR would not require road widening at this site. This advice has been shared with Council officers. Therefore, no concern is raised with the need for road widening in relation to PLR.
30. Based on the above, Council officers do not consider PLR an impediment to this Planning Proposal's progress. As noted previously in relation to preliminary comments from OEH, it is envisaged that TfNSW will have the opportunity to make formal comment to DPIE (if required as part of the Gateway determination process) and to Council (as part of the exhibition process) later in the Planning Proposal process.

Traffic and Access Issues

31. As shown in **Figure 9**, the reference design envisages dual vehicle access from both Victoria Road (entry) and Ross Street (entry and exit), with retention of a drive-through facility located within the podium. The drive-through is integrated into the basement design and sleeved by lobbies and commercial/retail uses.

Figure 9: Ground floor plan demonstrating access and drive-through arrangements
Source: Applicant's reference design



32. The applicant has submitted a traffic report alongside the Planning Proposal (refer **Attachment 4**). This report concludes that, in comparison to current traffic generation on the site, the reference design will result in a reduction of traffic during peak periods. Council officers queried the conclusions related to reduced traffic generation in an earlier version of the traffic report, and the applicant responded that this is due to the reduction in traffic generation from the redeveloped McDonald's restaurant offsetting the future traffic generation of the new uses at the site.
33. Council's traffic team requested that the applicant acknowledge that the right turn entry into the site from Victoria Road may be restricted in the future if this movement impacts on the traffic performance of Victoria Road. The applicant has acknowledged this point in a written response to Council.

34. Council's traffic and transport officers have requested that sightlines, vehicle queueing, pedestrian safety and bicycle parking are addressed in further detail. It is recommended that these matters are addressed in future site-specific DCP, Design Competition and DA processes for this site.
35. Given concerns about vehicle congestion and the need to rebalance transport habits towards active transport in a growing CBD identified in Council's strategic transport work, Council officers raised the concern that the drive-through facility associated with the McDonald's restaurant may not be the optimal long-term outcome for this site. The applicant responded to this view by demonstrating their consideration of future adaptive re-uses for the drive-through facility, should it no longer be commercially desirable in the future. This response is included in the reference design at **Attachment 2**, and Council officers recommend that this matter is considered further during preparation of the site-specific DCP and Design Competition brief.
36. In the view of Council officers, the above matters have been addressed satisfactorily for the purposes of progressing a Planning Proposal. The final assessment matter relating to traffic relates to the parking rates applied in the Planning Proposal, and the next section of this report addresses this matter in more detail.

Parking Rates

Introduction

37. In April 2017, Council endorsed parking rates to be applied to site-specific Planning Proposals seeking to progress ahead of the Parramatta CBD Planning Proposal and the related Integrated Transport Plan (ITP) for the Parramatta CBD. These rates have since been included in the provisions of the Parramatta CBD Planning Proposal (endorsed by Council November 2019), and are currently as follows:

- a. *Maximum parking rates for residential uses:*

Studio:	0.1 spaces/dwelling
1 bedroom:	0.3 spaces/dwelling
2 bedroom:	0.7 spaces/dwelling
3 bedroom:	1 space/dwelling

- b. *Maximum parking rate for commercial (i.e. retail, business and office) premises for buildings on land where the FSR is greater than 3.5:1:*

$$M = (G \times A) / (50 \times T)$$

Where:

M is the maximum number of parking spaces,

G is the gross floor area of all commercial uses in the building in sqm,

A is the site area in sqm, and

T is the total gross floor area of all buildings on the site in sqm.

38. The initial version of the subject Planning Proposal lodged with Council requested higher maximum parking rates than those cited above. Following

assessment and further discussion with the Applicant, the Planning Proposal now contains rates consistent with the above rates, with the exception of the *Take Away Food and Drink Premise* use for which a specific parking rate is proposed. The parking rates for each of the land uses proposed on this site are discussed in turn in the following sections.

Residential parking rate

39. The Applicant expressed concern that market conditions in Parramatta require more residential parking than the aforementioned maximum rate. In particular, the Applicant submitted market research indicating that two-bedroom residential units require a parking space to sell in current market conditions. This information was reviewed by Council officers and is noted.
40. For site-specific Planning Proposals seeking to progress ahead of the Parramatta CBD Planning Proposal, Council officers continue to support the aforementioned residential parking rate. This rate has been consistently applied to other site-specific Planning Proposals and continues to be part of the Parramatta CBD Planning Proposal as the ITP is not complete. This precautionary approach is considered necessary until the ITP either confirms or amends these rates.
41. While the Applicant's preference would be to provide more residential parking, they have accepted the maximum residential parking rate cited above in order to progress the Planning Proposal, and submitted an amended traffic report responding to these rates. Therefore, this component of the Planning Proposal is supported by Council officers.

Commercial parking rate (excluding Take Away Food and Drink Premises use)

42. For those commercial uses proposed - with the exception of the *Takeaway Food and Drink Premise* use - the Applicant has accepted the aforementioned formula to determine the number of spaces. Applying the formula so as to exclude the *Take Away Food and Drink Premise* use results in this component of the development having approximately 1 parking space.
43. This is generally consistent with rates endorsed by Council for site-specific Planning Proposals, as well as the current draft controls within the Parramatta CBD Planning Proposal. Therefore, this component of the Planning Proposal is supported by Council officers.

Take Away Food and Drink Premises Parking Rate

44. The proposed parking rate for Take Away Food and Drink Premises in the Planning Proposal at **Attachment 1** is a maximum of 1 parking space / 30 sqm of GFA, or 30 parking spaces, whichever is less. It is also recommended that a five-year sunset clause apply to this rate. The process by which this rate was determined is described below.
45. The Applicant initially proposed applying the current Parramatta LEP 2011 parking rate for *drive-in take away food and drink premises with seating*, which is a maximum of one parking space/10sqm of gross floor area or one parking

- space/six seats (whichever is less). This would have resulted in about 34 parking spaces for the *Take Away Food and Drink Premises* use.
46. During assessment of the Planning Proposal, Council officers initially requested that all commercial uses (i.e. including the *Take Away Food and Drink Premises* use) conform to the formula for commercial uses cited in paragraph 37 of this report. Under the original reference design, this would have resulted in a total of approximately six (6) car parking spaces for all commercial uses on site, including approximately three (3) for the *Take Away Food and Drink Premises* use.
47. The Applicant has indicated that this outcome is not commercially viable for the landowner (who would operate the restaurant), and would therefore prevent the redevelopment of this site in the short to medium term. Therefore, whilst the Applicant accepted the application of the formula for other commercial uses proposed, they requested the opportunity to propose and provide justification for a specific rate for the *Take Away Food and Drink Premises* use.
48. Council officers provided the Applicant with the opportunity to propose and provide justification for a specific rate, due to the following considerations:
- a. Parramatta LEP 2011 currently contains a parking rate relevant to the proposed use, however, the draft controls currently contained in the Parramatta CBD Planning Proposal do not. This is because the draft Parramatta CBD Planning Proposal adopts City of Sydney rates, which do not include a specific rate for the use in question. Council officers acknowledge that the list of uses within the draft controls of the Parramatta CBD Planning Proposal may need to evolve through the exhibition and finalisation process, and this may be one such case reflecting this issue.
 - b. This site is currently the only Take Away Food and Drink Premise with a drive through and seating located on an arterial road in the Parramatta CBD Planning Proposal area. Setting a rate for this specific land use at this particular site does not set a precedent for reconsidering the parking rates otherwise consistently applied to site-specific Planning Proposals seeking to proceed ahead of the Parramatta CBD Planning Proposal.
 - c. Developing a bespoke rate for this use at this site provides an opportunity to “unlock” redevelopment of this site in line with the Parramatta CBD Planning Proposal, whilst carefully balancing this with traffic impacts.
 - d. A bespoke rate for this land use is considered appropriate so that development assessment officers have an appropriate tool for considering any future DA involving this land use.
49. The Applicant proposed a rate of 1 space / 30 sqm, which would facilitate provision of 30 parking spaces for the *Take Away Food and Drink Premises* use under the reference design. This justification was based in part on a benchmarking exercise of parking controls from across various jurisdictions in Sydney and Australia that showed a wide range of potential outcomes from 15-60+ parking spaces for this use if applied at this site. Key details of this benchmarking exercise are referred to later in this section.
50. In response to the above proposal, Council officers communicated the following position back to the Applicant:

- Council officers do not have any strong reservations in terms of traffic generation of the proposed rate, noting that 30 parking spaces is a significant reduction on the current amount of parking on site (approximately 60 spaces) and a marginal reduction on the parking rates for the use under current planning controls (approximately 35 spaces).
 - Despite the above, Council officers have concerns about the proposed rate that stem from the perspective of (a) strategic vision and (b) precedent.
 - With regards to strategic vision, Council officers note that the rate proposed would result in parking provision of 30 spaces, which is greater than the provision that would result in many of the centres identified in the Applicant's benchmarking analysis, including Sydney CBD (fringe) (13.5 spaces), Burwood (13.5), Green Square (13.5), North Sydney (16-18), Crows Nest (18), Kogarah (20), and Lane Cove (22.5). Officers are concerned that accepting a rate greater than this group of centres would not align with the longstanding imperative to grow Parramatta CBD as Sydney's Central City and achieve the vision of a true CBD of metropolitan - and even global - significance.
 - With regards to precedent, Council officers are concerned that accepting car parking rates that do not align with Council's established strategic framework would set a precedent that risks putting Council into the position of having to regularly renegotiate the rates in the Parramatta CBD Planning Proposal.
 - However, Council officers recognise a shared vision to see this site redeveloped in line with the Parramatta CBD Planning Proposal and acknowledge both the realistic pressures of development feasibility and the unique characteristics of this site.
 - Taking into account the above, Council officers suggested that a compromise position of 1 space / 45 sqm (resulting in approximately 20 parking spaces) would be more aligned with the parking rates for the aforementioned group of centres and would more easily supportable.
51. In response to Council officers' position, the Applicant has stated that (due to development feasibility issues) development would not proceed if the parking rate for the *Take Away Food and Drink Premise* use was 1 space / 45 sqm (about 20 spaces).
52. Council officers' position remains that a parking rate of 1 space / 45 sqm (about 20 spaces) would be more aligned with strategic goals for the Parramatta CBD that envisage significant mode shift away from vehicles and towards active transport. Nevertheless, officers are prepared to support the Applicant's proposed rate (1 space / 30 sqm or about 30 spaces) on the following basis:
- a. Council officers acknowledge the broader shared vision for this site, which is to see it redeveloped in line with the Parramatta CBD Planning Proposal (with which the proposal is otherwise consistent);
 - b. Council officers acknowledge the Applicant's position relating to feasibility, which is that the blanket commercial parking rate formula otherwise applied in the Parramatta CBD Planning Proposal would make this development unviable in the short term. Council officers consider that car parking vs. active transport is one of many "transitional" issues facing the City as it assumes the role of Sydney's
-

Central City over the coming years. In other words, the viability of this development as proposed at present remains dependent on vehicle traffic. However, it is considered that the business model for this and many other vehicle-dependent businesses will necessarily rebalance toward active transport in coming years as (a) new public transport infrastructure comes on line and (b) a mix of public and active transport modes become the most viable transport option in to, out of and around the Parramatta CBD (given the significant increases in development).

- c. The proposed rate results in a decrease of approximately 50% in on-site parking associated with this use, and the traffic report states that the net result of the development will be a reduction in vehicle traffic during the peak.
 - d. The Applicant has already completed conceptual work demonstrating how the drive through could be adapted to other uses in the future, and it is considered that this work could be extended to include at least some of the proposed parking.
 - e. Appropriate limits could be applied to the Applicant's proposed rate at clause drafting stage, as follows:
 - i. Structuring the control to limit the parking to 1 space / 30 sqm or 30 spaces, *whichever is less*. This ensures that the number of spaces is capped at the 30 spaces, even if the size of the use increases at DA stage. It will also scale down the number of spaces if the size of the restaurant ends up being smaller than currently anticipated.
 - ii. Placing a 5-year "sunset" clause on this parking rate, after which time the control would revert to the blanket commercial rate applied to the rest of the commercial uses through the Parramatta CBD Planning Proposal process. This ensures that, should the Applicant not gain planning permission for development within 5 years of finalising this LEP amendment, the parking question would be reconsidered. During that time, it is anticipated that Council will have established a final parking rate regime through the finalisation of the CBD Planning Proposal, and by which time development feasibility calculations may have changed based on transport mode shifts in the CBD.
53. In summary, the Planning Proposal recommended at Attachment 1 contains a rate for the *Take Away Food and Drink Premises* use of 1 parking space / 30 sqm GFA or 30 spaces (whichever is less), and includes a 5-year "sunset" clause provision.
54. Finally, Council officers note preliminary advice from DPIE and Transport for NSW as to how such a proposed variation to the draft Parramatta CBD Planning Proposal rates might be viewed by State agencies as part of a Gateway assessment. These agencies have advised that they are generally not supportive of such variations, and the Applicant has been made aware of this position. Nevertheless, given the assessment provided above, Council officers do not object to establishing a specific rate for this use at the pre-Gateway stage. This will be assessed by DPIE and relevant State agencies as part of their Gateway assessment.

Active Street Frontage

55. Under the Parramatta CBD Planning Proposal, this site is affected by Active Frontages controls along the Victoria Road and Church St frontages (refer **Figure 10**). The draft controls for Active Frontages state that all premises on the ground floor of the building facing the street and any public spaces are to be used for the purposes of business or retail premises, community facilities, or entertainment facilities. Entrances/lobbies, services and related access, and vehicular access points are excluded from this requirement.

Figure 10: Active Frontages Map (active frontage requirement denoted in red)
Source: Parramatta CBD Planning Proposal (as at time of report writing)



56. The reference design for this Planning Proposal meets this requirement, in that it proposes commercial/retail facilities along the Victoria Road and Church Street frontages. Parking and drive-through facilities located in the podium are sleeved by active uses. Council officers support these aspects of the reference design, and recommend incorporation of the same into the future DCP and Design Competition brief for this site.

Isolated Site

57. As noted previously in this report, this Planning Proposal does not include land located at 383 Church Street, Parramatta (i.e. on the corner of Ross Street and Church Street). Council officers consider that the optimal urban design outcome for these sites would be amalgamation and holistic redevelopment. However, the planning system cannot enforce this outcome. Council officers have requested that the Applicant engage with this isolated site issue through two means, namely:
- a. Demonstrating the redevelopment potential of the isolated site
 - b. Demonstrating efforts towards meeting the NSW Planning Principle for addressing isolated site issues (a requirement for any future DA process at this site).

Potential redevelopment of the isolated site

58. While the planning system cannot enforce site amalgamation outcomes, they can be encouraged through levers such as the Parramatta CBD Planning

Proposal's FSR "sliding scale" which encourages site amalgamation and better urban design outcomes by limiting the development potential of small sites. Under the sliding scale, 383 Church Street would have an FSR of 4:1 if developed on its own. If developed with the adjoining site that is the subject of this Planning Proposal, it would have an FSR of 6:1.

59. The applicant has completed urban design analysis demonstrating the development potential of the 383 Church Street at an FSR of 4:1. This is included at **Attachment 2**. The resulting building is a 6-storey building with 0m setbacks to the shared boundaries.
60. Officers have identified a potential building separation issue leading to amenity impacts between the northern tower in the two-tower reference design and potential redevelopment at 383 Church St. As demonstrated in **Figure 11**, there is a 3m separation between the units in the northwest corner of this tower and the potential redevelopment at 383 Church St. It is recommended that this matter is resolved in the DCP, acknowledging that the best solution may be for the lower levels of the northern tower to provide a 0m setback to the shared lot line at this point.

Figure 11: Illustration of upper level setback issue between reference design scheme and adjacent potential redevelopment of 383 Church St

Source: Applicant's Reference Scheme with annotation by Council officers



Addressing NSW Planning Principle for isolated sites

61. As 383 Church Street would be considered an isolated site at DA stage, Council officers requested that the applicant begin the process to address the NSW Planning Principle relating to isolated sites (which is a requirement at DA stage). In demonstrating their engagement with the site isolation issue, the applicant has submitted copies of valuations and offers that were made to the landowner of 383 Church St, both as part of the previous DA process at this

site, as well as just before lodgement of the current Planning Proposal. This information is noted.

Isolated site – conclusion

62. While Council officers consider that amalgamation of these sites would likely facilitate a better planning outcome, Council officers do not consider that the isolated site issue should be an impediment to the progress of this Planning Proposal, as the Applicant has demonstrated that the isolated site can develop in line with the sliding-scale provisions of the Parramatta CBD Planning Proposal.
63. The landowner of 383 Church Street will be notified as part of the public consultation process for this Planning Proposal, and will have the opportunity to formally respond to Council regarding their position at that time. Furthermore, Council officers will notify the landowner of 383 Church Street of this report to the LPP, and will continue to communicate with this landowner about reports concerning this Planning Proposal.
64. Based on experience with processes for other site-specific Planning Proposals that are adjacent to isolated sites, Council officers consider it possible that DPIE will direct the inclusion of 383 Church St in this Planning Proposal through the conditions of a future Gateway determination. In this instance, officers consider it would be prudent to request that sliding-scale provisions consistent with the Parramatta CBD Planning Proposal are also included in an amended Planning Proposal, as it is not expected that these two sites would amalgamate in the near future.
65. Council could make a decision to include 383 Church St to pre-empt a potential decision by DPIE to have it included. However, this option results in further potential cost and delay for the applicant. Inclusion of this site would require documents to be reviewed and amended to include 383 Church St prior to any consultation process. Council officers consider that it is not justified to require the applicant to incur this cost unless DPIE deems it necessary.

Other statutory considerations

66. The proposal has been assessed against the statutory considerations including relevant local and regional strategies and planning policies and relevant Ministerial directions. Details of the assessment of these matters is included in the Planning Proposal provided at **Attachment 1**.

Conclusion of officer assessment of Planning Proposal

67. In conclusion, based on the analysis summarised in previous sections, Council officers recommend progression of this Planning Proposal.
68. Council officers also recommend that Council advise DPIE that the CEO will not be exercising the plan-making delegations for this Planning Proposal. This is on the basis that Council is also advancing the Parramatta CBD Planning Proposal (which affects this site), and the Parramatta CBD Planning Proposal has not yet been approved by DPIE for finalisation.

PLANNING AGREEMENT

69. The Applicant has provided an initial letter of offer that accepts valuing the total public benefit to be provided under a future Planning Agreement to be calculated at a rate of \$150/sqm of additional approved gross floor area (GFA) above the “base” FSR.
70. The \$150/sqm rate proposed is consistent with the Community Infrastructure framework established through the Parramatta CBD Planning Proposal process.
71. The Applicant’s proposed approach to calculating the monetary contribution allows for flexibility as part of the DA process, wherein the final quantum of GFA approved will more than likely differ from a strict theoretical calculation converting the maximum permissible FSR into a GFA figure. For instance, detailed design may result in a building that is slightly less than the overall FSR; on the other hand, the applicant might pursue a minor variation to the FSR control through a Section 4.55 variation that results in a building with slightly more FSR than the controls. It is considered that the Planning Agreement should have the flexibility to respond to either scenario, and should therefore contain provisions calculating the final contribution to be payable based on the GFA approved at Development Application stage (on a \$150/sqm basis). A recent precedent for this was set in the Planning Agreement negotiations for 14-20 Parkes St, Harris Park.
72. To give an indication of potential value of the Planning Agreement, Council officers have also undertaken a calculation of the value based on the increase from current FSR controls to future FSR controls (excluding Design Excellence bonus). This calculation is shown in **Table 5** and takes into account that two different parts of the site have different “base” or current FSRs. As noted above, calculating this value based on the amount of GFA ultimately approved means that the final value of the VPA would likely vary somewhat from this amount; however, the below estimate provides an indication of the likely final value.

Table 5 – Estimate of likely value of Planning Agreement

	Land Area	Base FSR	Planning Proposal FSR (excluding Design Excellence bonus)	Value based on \$150/sqm of FSR uplift
Parcel A	659 sqm	4:1	6:1	\$ 197,700
Parcel B	4,137 sqm	3:1	6:1	\$ 1,861,650
Total	4,796 sqm			\$ 2,059,350

73. While the value of the Planning Agreement contribution offer is consistent with Council policy framework, the detailed content of the agreement is still to be negotiated. However, it is noted that the Applicant and Council officers have already discussed two potential land dedications with the Applicant, namely:
- a. A footpath widening dedication of width up to 1m at the corner of Church Street and Victoria Road to support increased pedestrian traffic in this area, and

- b. The dedication of the small irregularly-shaped “notch” of land located in the centre of this city block which would form part of a future laneway running from Ross Street to Victoria Road.
74. Therefore, Council officers recommend the negotiation of a draft Planning Agreement in accordance with the following principles:
 - a. Inclusion of the footpath and laneway dedications discussed above, noting that Council’s policy on such dedications is to assign a nominal (\$1) value to such dedications, as the Applicant is receiving the benefit of the FSR from the dedicated land;
 - b. A monetary contribution in line with the Parramatta CBD Community Infrastructure framework, noting that a potential use of some or all of this contribution for improvement of Prince Alfred Square should be explored as part of the negotiations (given the proximity of the site to the Square and that Council has recently completed a masterplan for it);
 - c. Addressing the potential circumstance in which the rate in the Parramatta CBD Community Infrastructure framework changes;
 - d. Addressing the potential circumstance where this site proceeds in whole or in part as a non-residential use (in which case the framework would not apply to non-residential floorspace); and
 - e. Addressing the potential circumstance in which Council decides not to proceed with the Community Infrastructure framework, and instead pursues amendments to its other contributions plans.
75. It is recommended that the draft Planning Agreement is reported back to Council alongside the draft DCP (addressed in next section) prior to concurrent exhibition with the Planning Proposal.

DEVELOPMENT CONTROL PLAN

76. As is standard practice for site-specific Planning Proposals in the Parramatta CBD, Council officers will work with the Applicant to prepare a site-specific Development Control Plan (DCP) for the site. This DCP will address the issues raised in the assessment of the proposal, including, but not limited to:
 - a. Further defining the preferred two-tower scheme, including podium heights and tower setbacks, with a view to minimising any non-compliances with relevant ADG requirements;
 - b. Relationship to and mitigating impacts on Heritage items;
 - c. Traffic issues such as sightlines, vehicle queuing, pedestrian safety and bicycle parking;
 - d. Demonstrating adaptive re-use potential of drive-through facility and at least some of the parking spaces proposed;
 - e. Active frontage requirements; and
 - f. Relationship to 383 Church Street isolated site.
77. It is recommended that the draft DCP is reported back to Council alongside the draft Planning Agreement prior to concurrent exhibition with the Planning Proposal.

CONSULTATION & TIMING

78. It is expected that specific requirements for the public exhibition period would be set out in the Gateway determination for this Planning Proposal.
79. The details of preliminary consultation undertaken with relevant State Government agencies are detailed in the previous section entitled “Assessment of Key Issues”.
80. Council’s Heritage Advisory Committee (HAC) was briefed on this Planning Proposal at its meeting of 31 October 2018. The Planning Proposal will be considered by the HAC at its extraordinary meeting of 3 June 2020. Due to this LPP report needing to be finalised before the extraordinary meeting any comment from the HAC received at that meeting will be circulated to members of the LPP under separate cover.

FINANCIAL IMPLICATION FOR COUNCIL

81. The Planning Agreement process associated with this Planning Proposal is discussed in detail in the previous section of this report entitled “Planning Agreement”. The financial implication for Council is a contribution in line with Council’s current policy position for Community Infrastructure funding in the Parramatta CBD, which would be approximately \$2.06 million, depending on the final GFA approved through the relevant Development Application process.

RECOMMENDATION

82. For the reasons detailed previously in this report, Council officers recommend progression of this Planning Proposal, as well as the associated DCP and Planning Agreement processes.

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ATTACHMENTS:

1 ↓	Planning Proposal	34 Pages
2 ↓	Urban Design Report	98 Pages
3 ↓	Landscape Concept Plan	8 Pages
4 ↓	Transport Report	33 Pages
5 ↓	Flood Assessment	8 Pages
6 ↓	Heritage Impact Statement	86 Pages

REFERENCE MATERIAL