



Planning,
Industry &
Environment

IRF21/135

Gateway determination report – PP_2019_COPAR_006_00

Planning proposal to rezone industrial land at 55-59
Kirby Street Rydalmere to allow for residential
development.

March 21



Published by NSW Department of Planning, Industry and Environment

dpie.nsw.gov.au

Title: Gateway determination report – PP_2019_COPAR_006_00

Subtitle: Planning proposal to rezone industrial land at 55-59 Kirby Street Rydalmere to allow for residential development.

© State of New South Wales through Department of Planning, Industry and Environment 2021. You may copy, distribute, display, download and otherwise freely deal with this publication for any purpose, provided that you attribute the Department of Planning, Industry and Environment as the owner. However, you must obtain permission if you wish to charge others for access to the publication (other than at cost); include the publication in advertising or a product for sale; modify the publication; or republish the publication on a website. You may freely link to the publication on a departmental website.

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (March 21) and may not be accurate, current or complete. The State of New South Wales (including the NSW Department of Planning, Industry and Environment), the author and the publisher take no responsibility, and will accept no liability, for the accuracy, currency, reliability or correctness of any information included in the document (including material provided by third parties). Readers should make their own inquiries and rely on their own advice when making decisions related to material contained in this publication.

Contents

1	Planning Proposal	1
1.1	Overview and objectives of planning proposal	1
1.2	Explanation of provisions.....	2
1.3	Site description and surrounding area	2
1.4	Mapping.....	5
2	Need for the planning proposal	10
3	Strategic assessment	10
3.1	Regional Plan	Error! Bookmark not defined.
3.2	District Plan [If relevant].....	10
3.3	Local	12
3.4	Local planning panel (LPP) recommendation.....	13
3.5	Section 9.1 Ministerial Directions	13
3.6	State environmental planning policies (SEPPs)	16
4	Site-specific assessment	17
4.1	Environmental.....	17
4.2	Social and economic	18
4.3	Infrastructure	19
5	Consultation	Error! Bookmark not defined.
5.1	Community	Error! Bookmark not defined.
5.2	Agencies.....	Error! Bookmark not defined.
6	Timeframe	Error! Bookmark not defined.
7	Local plan-making authority	Error! Bookmark not defined.
8	Assessment Summary	19
9	Recommendation	20

Table 1 Reports and plans supporting the proposal

Relevant reports and plans
Planning Proposal dated September 2018 (Attachment A)
Ecological Assessment Report dated July 2016 (Attachment A1)
Conservation Management Strategy dated August 2018 (Attachment A2)
Urban Design Report dated September 2018 (Attachment A3)
Traffic Impact Assessment Report dated October 2016 (Attachment A4)
Phase 1 Contamination Assessment Report dated December 2016 (Attachment A5)
Economic Impact Assessment Dated September 2018 (Attachment A6)
Parramatta Employment Lands Strategy dated July 2016 (Attachment B)
Parramatta Local Planning Panel dated February 2019 (Attachment C)
Council Resolution dated March 2019 (Attachment D)
Central City District Plan dated March 2018 (Attachment E)
Mapping (Attachment F)
GSC recommendations dated May 2019 (Attachment G)
Parramatta Employment Lands Strategy – Review and Update dated July 2020 (Attachment H)
A Metropolis that Works (Attachment I)

1 Planning Proposal

1.1 Overview

Table 2 Planning proposal details

LGA	LGA name
PPA	City of Parramatta Council
NAME	Planning proposal for 55-59 Kirby Street, Rydalmere
NUMBER	PP_2019_COPAR_006_00
LEP TO BE AMENDED	Parramatta Local Environmental Plan 2011
ADDRESS	55-59 Kirby Street, Rydalmere
DESCRIPTION	Lot 20 DP 855339 and Lot 21 DP 855339
RECEIVED	18/04/2019
FILE NO.	IRF21/135
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

The planning proposal contains objectives and intended outcomes adequately explaining the intent of the proposal.

The objectives of the planning proposal are to:

- rezone the site from IN1 General Industrial to R2 Low Density Residential;
- decrease the maximum height of buildings from 12m to 9m (two storeys);
- decrease the floor space ratio (FSR) from 1:1 to 0.5:1; and
- amend Schedule 1 Additional permitted uses within the Parramatta LEP 2011 to permit café/restaurant, shops and office premises on 59 Kirby Street (Lot 20 DP 855339) only.

The intended results of the planning proposal are to facilitate:

- a mixed-use development comprising residential dwellings, commercial uses including child care centre and recreation floor space, adaptive reuse of the existing Upjohn House heritage item, improvements to open space and additional permitted uses for a café, restaurant, shops and office premises.

The objectives and intended outcomes of this planning proposal are clear. However, it is not considered to have sufficient strategic or site-specific merit to proceed. A revised planning proposal could be resubmitted when the Parramatta Employment Lands Strategy 2016 (ELS 2016) and Parramatta Employment Lands Strategy – Review and Update 2020 (ELS- Review and Update 2020) has been reviewed and endorsed by the Department. Should this strategy confirm mixed

use is appropriate in this precinct, Parramatta City Council could prepare and lodge a planning proposal more clearly defining intended land use mix.

1.2 Explanation of provisions

The planning proposal seeks to amend the Parramatta LEP 2011 per the changes below:

Table 3 Current and Proposed controls

Control	Current	Proposed
Zone	IN1 General Industrial	R2 Low Density Residential
Maximum height of the building	12m	9m
Floor space ratio	1:1	0.5:1
Number of dwellings	0	Approximately 200 see note below
Number of jobs	48	102
Reclassify land from	N/A	N/A

Note the most recent iteration of the proposal has not quantified dwelling yield and would require testing in a future planning exercise. The planning proposal also seeks to amend Schedule 1 Additional permitted uses by inserting a clause to permit a café/restaurant, shops and office premises on part of the site (59 Kirby Street, Rydalmere).

The planning proposal contains an explanation of provisions adequately explaining how the objectives of the proposal could be achieved.

1.3 Site description and surrounding area

Site description

The proposal applies to land at 55-59 Kirby Street, Rydalmere and comprises two parcels of land (Lot 21 DP 855339 and Lot 20 DP 855339) with a total area of approximately 50,000m² (5ha). The site is outlined in blue in Figures 1 and 2. The site is zoned IN1 General Industrial and is surrounded by low-density residential housing to the east and west, public open space (Upjohn Park) to the north and Subiaco Creek to the south. The site is also adjacent to the classified Silverwater Road along the south-east boundary. An item of local heritage significance, Upjohn House, is located in the northern portion of the site, Item I585 in schedule 5 of the Parramatta LEP 2011 (Figure 3).

The site contains two large industrial/warehouse buildings and a heritage item as follows:

- 55 Kirby Street – previously occupied by a healthcare services wholesaler and currently occupied by Head 2 Toe Kids and Family Health Clinic.
- 59 Kirby Street – occupied by Homart Pharmaceuticals (employing 48 workers on-site). Local heritage item Upjohn House is on this land and is vacant.

The site is subject to 1-in-20 and 1-in-100-year flood events along Subiaco Creek. The site contains part of the Subiaco Creek riparian corridor, which is identified on the Natural Resources map for both Riparian Land and Waterways and Biodiversity (Figure 4 and Figure 5). The site is

not identified as bushfire prone. However, the southern side of the site along the creek contains significant vegetation that could sustain a bushfire (**Attachment A1**).



Figure 1 Aerial view of 55-59 Kirby Street, Rydalmere – in red (source: Sixmap)

Surrounding area

The site is in Rydalmere in a suburban setting surrounded predominantly by low-density residential development. The surrounding land-use zones comprise RE1 Public Recreation on the northern boundary, R2 Low Density Residential and SP2 Infrastructure on the eastern boundary, R2 Low Density Residential and W1 Natural Waterways to the south and R2 Low Density Residential to the west of the site.

The site is approximately 1.1km from the Ermington shops. Telopea Station and Dundas Station are approximately 2.4km north and west of the site respectively. The Parramatta CBD is 4.5km from the site.

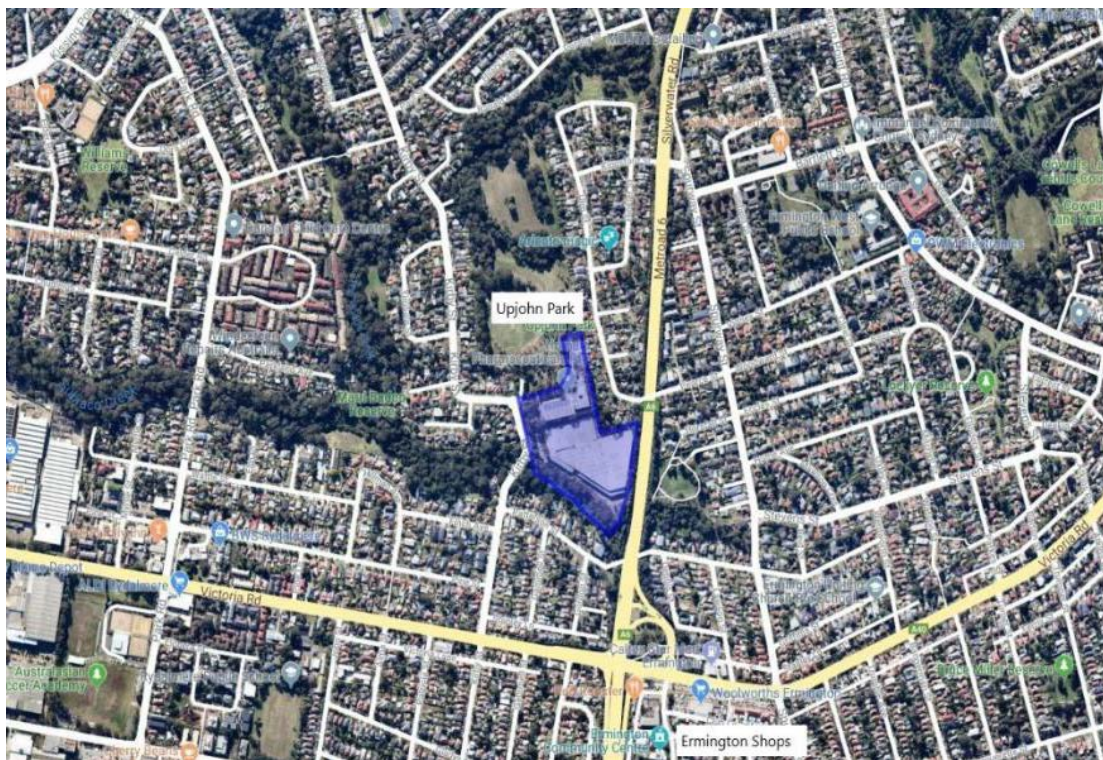


Figure 2 Subject site (in blue) and immediate surrounds (source: Nearmaps)

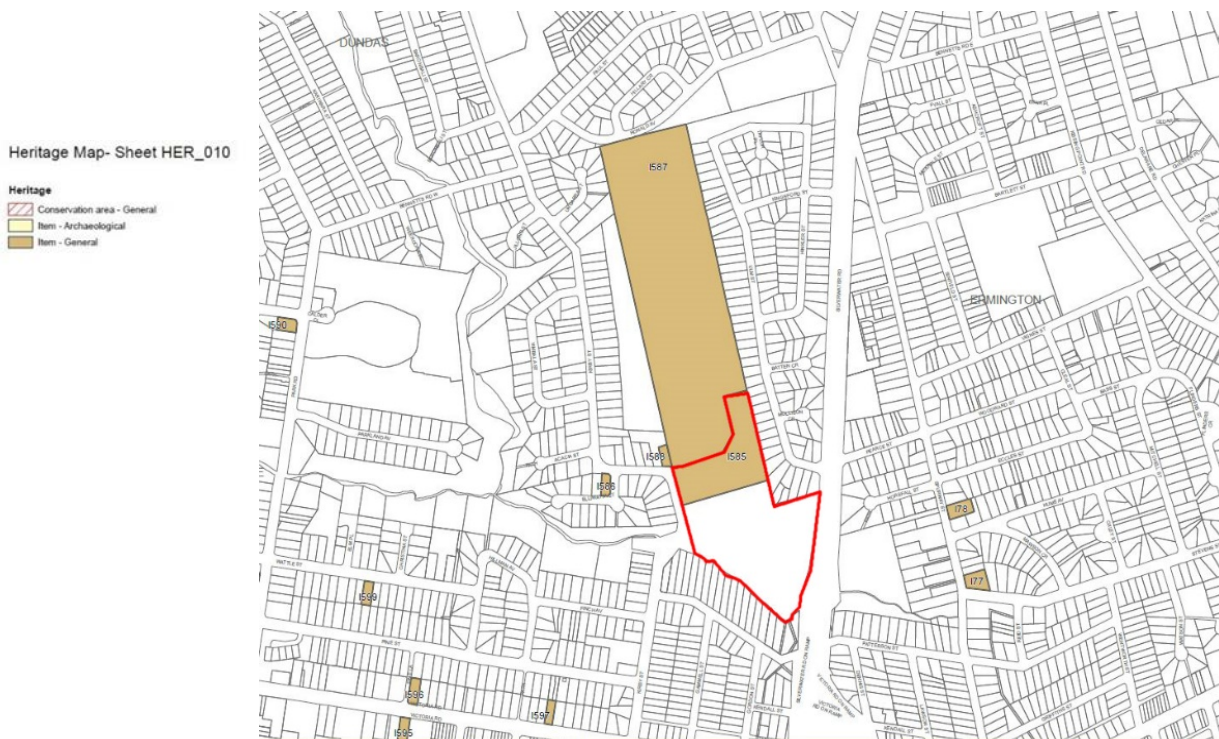


Figure 3 Existing heritage map – site outlined in red (source: Parramatta LEP 2011 heritage maps).



Figure 4 Existing natural resources – biodiversity is identified in the southern side of the site – outlined in red (source: Parramatta LEP 2011 natural resources biodiversity maps).



Figure 5 Natural resources – riparian land and waterways is identified in the southern side of the site – outlined in red (source: Parramatta LEP 2011 natural resources riparian land maps).

1.4 Mapping

The planning proposal includes mapping showing the proposed changes to the Parramatta Local Environmental Plan 2011 maps.

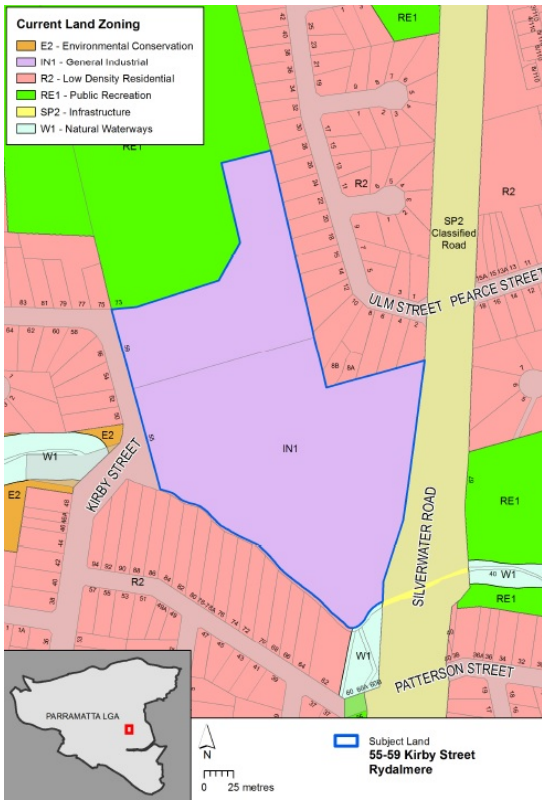


Figure 6 Current zoning map

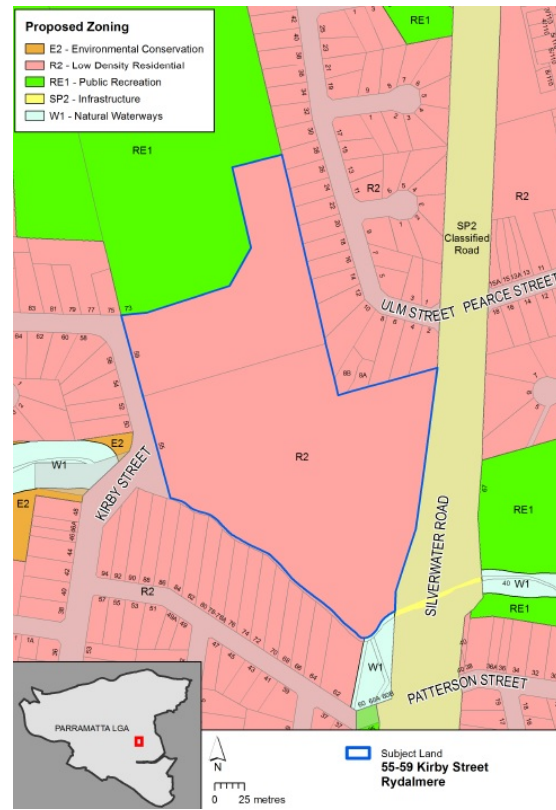


Figure 7 Proposed zoning map



Figure 8 Current height of building map



Figure 9 Proposed height of building map

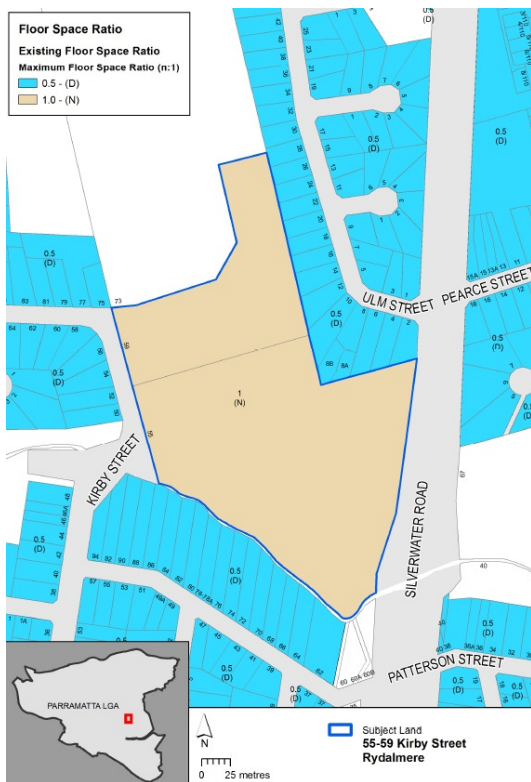


Figure 10 Current floor space ratio map

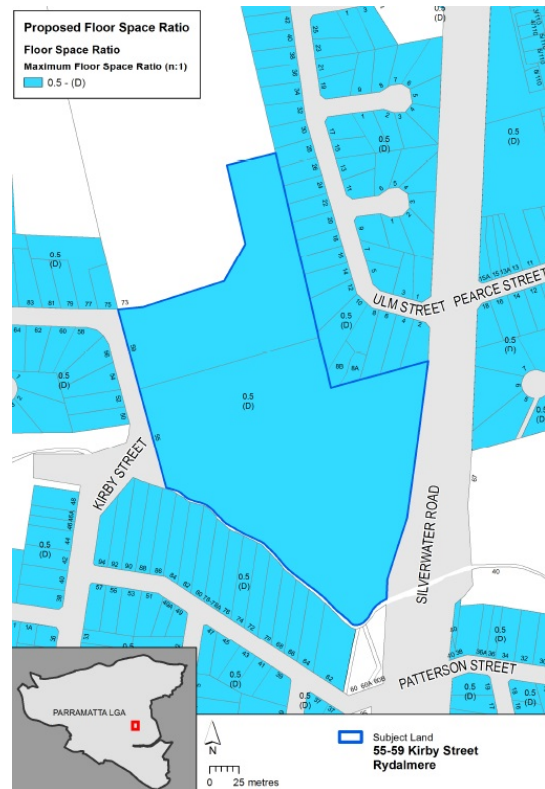


Figure 11 Proposed floor space ratio map

1.5 Background

In July 2016, Council adopted the Parramatta ELS 2016 (**Attachment B**), which identifies various sites, including the subject site, as being suitable for redevelopment for non-industrial uses. The subject site was identified due to its relative isolation in a low-density residential area and accessibility constraints (Figure 12). In accordance with the ELS 2016, the following key actions are relevant to the subject site:

- A2 – allow for a net reduction of existing employment lands;
- A4 – facilitate the renewal of isolated industrial precincts;
- A6 – prepare structure plans for key employment precincts which are undergoing economic changes; and
- A11 – proposed rezoning must be supported by an economic impact study.

The Parramatta ELS 2016 has been submitted to the Department but is not yet endorsed.

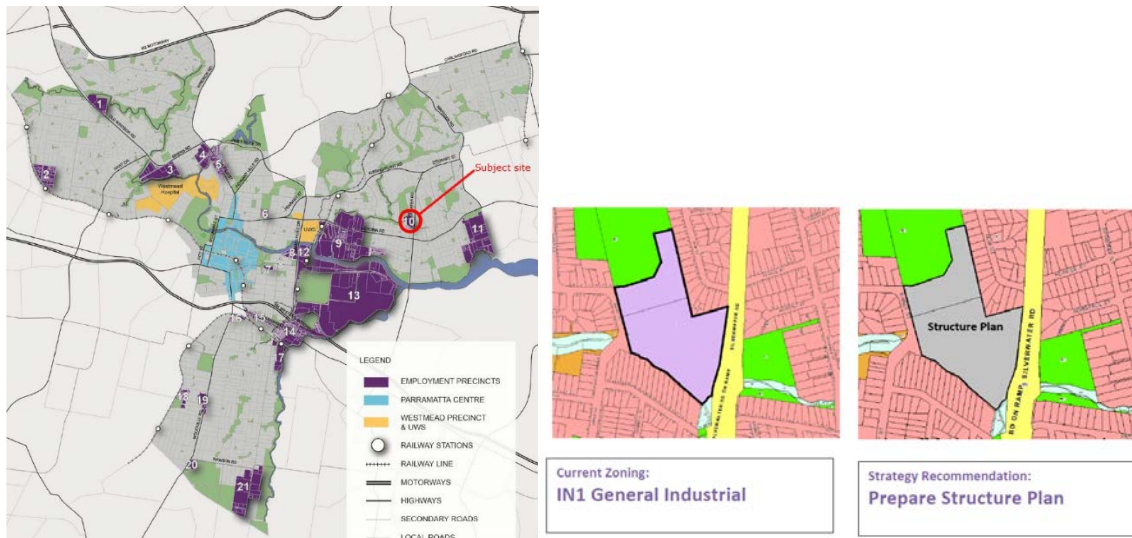


Figure 12 The site is subject to a recommendation to prepare a structure plan (source: Parramatta Employment Lands Strategy).

In December 2016, a planning proposal was lodged by Mecone on behalf of landowners Fife Capital to rezone the subject site from IN1 General Industrial to R4 High Density Residential with a proposed FSR of 2.1:1 and a building height up to 12 storeys.

In March 2018, the Central City District Plan was released and identified the site as industrial land to be reviewed and managed (Figure 13).



Figure 13 Subject site in relation to industrial and urban services land in the Central City District Plan.

In September 2018, the applicant lodged a revised planning proposal seeking to rezone the site from IN1 to R4, include a maximum height limit of 6-8 storeys and an FSR of 1.5:1, and amend schedule 1 of the Parramatta LEP 2011 to permit additional uses. This scheme could support approximately 795 new dwellings.

In December 2018, Council officers prepared a planning proposal with a recommendation to reduce the FSR from 1.5:1 to 1.3:1. This was supported with a feasibility report commissioned by BEM Property on behalf of Council.

In February 2019, the Parramatta Local Planning Panel (LPP) reviewed the proposal and provided recommendations (**Attachment C**) as follows:

- rezone the site from IN1 General Industrial to R4 High Density Residential;
- increase the maximum height of buildings from 12m to 20m (up to six storeys);
- increase the FSR from 1:1 to 1.3; and
- amend schedule 1 of the Parramatta LEP 2011 to permit additional uses on 59 Kirby Street only.

In March 2019, Council resolved to reduce the density on the site and endorse the following LEP amendments (**Attachment D**):

- rezone the site from IN1 General Industrial to R2 Low Density Residential;
- height of building of 9m (up to two storeys);
- FSR of 0.5:1; and
- amend Schedule 1 Additional permitted uses in the Parramatta LEP 2011 to permit café/restaurant, shops and office premises on 59 Kirby Street (Lot 20 DP 855339) only.

The urban design report attached to the proposal (**Attachment A3**) has not been updated to reflect the final intended outcome of the proposal as endorsed by Council.

The proposal states that the applicant has indicated a willingness to enter into a voluntary planning agreement (VPA) with Council and submitted a formal letter of offer. Council has resolved to prepare a site-specific development control plan for the site prior to public exhibition.

On 21 March 2019, the proponent submitted a rezoning review request to the Department on the basis that Council did not make the decision to support the proposal within 90 days of the proponent submitting the original request. The request could not proceed because, while a decision was made after the 90-day period, Council did resolve to support the proposal on 11 March 2019, albeit in a different form. Council had the discretion to make these changes as the Planning Proposal Authority. Under Planning Circular PS 16-004, Council has 42 days from the date of the Council decision to submit the proposal for a Gateway determination before a rezoning review may be lodged. Council submitted the planning proposal on 18 April 2019, which is within 42 days. Therefore, the Department progressed the assessment of the Gateway determination.

The Greater Sydney Commission (GSC) was requested on 10 May 2019 to provide preliminary comment to the Department on the Planning Proposal. The informal initial feedback did not constitute a formal referral under section 3.34(3A) of the Act. The GSC commented the proposal was inconsistent with the Central City District Plan.

On 4 June 2019, the Department met with the proponent regarding the request for a rezoning review and confirmed that the planning proposal would not be considered for a rezoning review.

On 18 September 2019, the Department met with the proponent and discussed the strategic planning context of the site having regard to the work Council was undertaking for the preparation of its Local Strategic Planning Statement.

In July 2020, Council adopted the Parramatta ELS – Review and Update 2020 (**Attachment H**), which updates the status of Councils Employment Land Precincts contained in the Parramatta ELS 2016. The subject site is listed in the ELS Review and Update as: *‘Planning Proposal awaiting*

gateway determination, Central City District Plan in effect and Draft PIC exhibited'. This update was triggered by new employment land planning policy outlined in the District and Region Plan.

The Review and update document identifies the subject site as an investigation area suitable for uses other than employment and seeks to retain and intensify employment in other parts of Rydalmere. The Parramatta ELS – Review and Update 2020 has been submitted to the Department but is yet to be evaluated or endorsed.

2 Need for the planning proposal

The site is zoned IN1 General Industrial and residential development is not permissible within this zone. As the proposal's objective is to seek a mixed-use development of residential and retail/commercial on the site, a planning proposal is required to amend the land zoning to permit residential development and include additional permitted uses by amending schedule 1 of the Parramatta LEP 2011.

The planning proposal was prepared in response to the Parramatta ELS 2016. As this has been updated and not endorsed, the proposal lacks strategic merit.

The planning proposal is inconsistent with Ministerial Direction 1.1 Business and Industrial Zones and the Central City District Plan as further discussed in section 3 of this report. The rezoning of the site to residential and retail/commercial uses would erode the value of the land for employment purposes and this lacks merit. While the proposal states it has been informed by the strategy recommendation, insufficient justification has been presented in the strategy to support the need for the planning proposal to rezone industrial land to residential particularly in the context of the broader strategic policy framework applicable to the site.

Without further evidence, it is considered that the planning proposal is premature, and further business and employment outcomes need to be considered for the locality and LGA more broadly through the Department's consideration of the ELS 2016 and ELS – Review and Update 2020.

3 Strategic assessment

3.1 District Plan

The site is within the Central City District and the GSC released the Central City District Plan (District Plan) on 18 March 2018. The District plan contains planning priorities and actions to guide the growth of the district while improving its social, economic and environmental assets.

The planning proposal is not consistent with the priorities for infrastructure and collaboration, liveability, productivity, and sustainability in the District plan as outlined below.

The GSC released the Industrial and urban services land (retain and manage) – transitional arrangement information note on 5 October 2018. The note sought to provide guidance on the impact that the introduction of the District Plan would have on planning proposals lodged for Gateway determination prior to March 2018.

The planning proposal was submitted to the Department for Gateway determination on 18 April 2019. The submission of the planning proposal after the date identified in the information note means that the transitional provisions do not apply, and the site is to be considered on its strategic and site specific merits and the policy to Review and Manage industrial and urban services land, as set out in the relevant District Plan, is to be applied.

The Department is satisfied the planning proposal does not give effect to the District Plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*. The following table includes an assessment of the planning proposal against relevant directions and actions.

Table 5 District Plan Assessment

District Plan Priorities	Justification
C6 - Creating and renewing great places and local centres, and respecting the District's heritage	While it is not recommended that the proposal should proceed in its current form, it is noted there are controls within the Parramatta LEP 2011 to enable further consideration of heritage impacts at the development application stage. Therefore, it is considered the proposal is consistent with this priority.
C8 - Delivering a more connected and competitive GPOP Economic Corridor	This priority applies to the proposal as the site is located within the Rydalmere precinct that forms part of the GPOP Economic Corridor. This priority seeks to retain Rydalmere as a location for urban services. Urban services serve local communities and businesses and require access to industrial land. The proposal diminishes industrial activities on the site which does not give effect to this priority.
C11 - Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land	<p>The site is identified in the plan as industrial land that is to be reviewed and managed under Action 49 of the Plan. The GSC was requested to provide informal advice on the Planning Proposal on 10 May 2019. The GSC provided an email response with initial feedback as follows:</p> <ul style="list-style-type: none"> • the relative isolation of the site from the major road network and reliance on access through local roads is noted; • the proposed development will increase the number of jobs, but the future uses differ from the current industrial activities on the site. This will be more likely to serve the immediate locality rather than the State; • the District Plan does not stipulate increases in the number of jobs as the primary criteria but retaining land for industrial and urban services uses that meet current and future demand; and • given the location of the land within the review and manage area under the District Plan, the GSC recommends the proposal should not proceed. The preferred strategic planning outcome for the land is for redevelopment for new employment uses and not residential development. It is recommended that the new uses could include subdivision into smaller industrial units for urban services purposes. <p>In 2018, the GSC published 'A Metropolis that Works' (Attachment I), which outlines the reasons to retain employment lands in the Sydney basin. While the subject site is not being used to its full potential under the IN1 General Industrial zone (given its current low employment density), it is not considered appropriate to erode the employment value of the land by introducing residential and small-scale retail land uses.</p> <p>Therefore, the proposal is inconsistent with this action and remains unresolved as an appropriate study has not been undertaken to determine how industrial lands within the Parramatta LGA may be retained or managed to transition to higher-order industrial land uses.</p>

3.2 Local

The proposal states that it is consistent with the following local plans and endorsed strategies. It is also consistent with the strategic direction and objectives, as stated in the table below:

Table 6 Local strategic planning assessment

Local Strategies	Justification
<p>Parramatta Local Strategic Planning Statement – City Plan 2036</p>	<p>The Parramatta Local Strategic Planning Statement – City Plan 2036 (LSPS) was made by Council in March 2020. The planning proposal was lodged prior to the release and making of the LSPS.</p> <p>The Parramatta LSPS sets out a 20-year vision and planning priorities for managing future land use and preserving the community’s values and special characteristics of the Parramatta LGA.</p> <p>The planning proposal is consistent with the Parramatta LSPS, particularly with the following action under productivity planning priority 11</p> <p><i>A75 Assess the case for zoning changes in response to the City of Parramatta Employment Lands Strategy (2016) and the City of Parramatta Employment Lands Strategy Review and Update (2020) once endorsed by Council and DPIE and as part of the review and management approach to employment lands.</i></p> <p>The LSPS also identifies the site as an investigation area which is not excluded from zone conversion to residential purposes. Investigation area is defined as;</p> <p><i>Employment lands which could be considered for alternate uses in the future, including potentially some residential uses, subject to detailed analysis and investigation, and preparation of structure plans in the case of larger sites. (Refer to Council’s Employment Lands Strategy (2016) and Employment Lands Strategy Review and Update (2020) for more information. Please note this strategy is subject to endorsement by DPIE in accordance with the relevant Section 9.1 Ministerial Direction).</i></p> <p>The proposal seeks to provide alternative uses for the site and is consistent with the above action. However, the planning proposal should not proceed in its current form as the proposal relies on the ELS 2016 which is not a Department endorsed strategy.</p>
<p>Parramatta Employment Lands Strategy (2016)</p>	<p>The Parramatta ELS 2016 is not a Department endorsed strategy.</p> <p>The site is identified in Precinct 10 – Rydalmere (Kirby Street) of the Parramatta ELS 2016. Four key strategy actions for the future of employment land are relevant to the site, A2 – Allow for a net reduction of existing employment lands A4 – Facilitate renewal of isolated industrial precincts A6 – Prepare Structure Plans for Key Employment Precincts which are undergoing economic change A11 – Proposed rezoning must be supported by an Economic Impact Study.</p> <p>TAs outlined above the ELS has no status and cannot be used to establish strategic merit for this proposal.</p>
<p>Parramatta Employment Lands Strategy – Review and Update (2020)</p>	<p>The Parramatta ELS – Review and Update 2020 is not a Department endorsed strategy.</p> <p>The strategy describes the strategic direction for the site as an investigation area and recommends further studies to consider alternative uses for the site. However,</p>

Local Strategies	Justification
	it seeks to retain and intensify employment in other parts of Rydalmere. Table 2 in the document provides a revised status of Parramatta's Employment Land precincts which includes Kirby Street precinct and identifies the strategic action for the site is to progress with the proposed rezoning to allow for residential uses and to consider progressing as a Housing Diversity Precinct.

3.3 Local planning panel (LPP) recommendation

On 19 February 2019, the Parramatta LPP considered the applicant's planning proposal which at the time included the rezoning of the site from IN1 to R4, an increase of the maximum height from 12m to 31m, an increase of the floor space ratio from 1:1 to 1.5:1 and an amendment to schedule 1 additional permitted uses to permit café/restaurant, shops and office premises on 59 Kirby Street (Lot 20 DP 855339) only.

Council officers recommended changes to the applicant's planning proposal to reduce the maximum building height to 20m and reduce the floor space ratio to 1.3:1. The Parramatta LPP agreed with the Council officer's assessment and supported the recommendations of the LPP report (**Attachment E**).

The planning proposal has been amended since the LPP considered its report for the purpose of a gateway assessment.

3.4 Section 9.1 Ministerial Directions

The planning proposal's consistency with relevant section 9.1 Directions is discussed below:

Table 7 9.1 Ministerial Direction assessment

Directions	Consistent/ NA	Reasons for Consistency or Inconsistency
Direction 1.1 Business and Industrial Zones	No	<p>The objectives of this Direction are to encourage employment growth in suitable locations, protect employment land in business and industrial zones, and support the viability of identified centres.</p> <p>This Direction applies to the proposal as the proposal will affect land within an industrial zone. The proposal is considered inconsistent with this Direction as:</p> <ul style="list-style-type: none"> the total potential floor space area for employment uses has been reduced; the proposal is justified and supported by the Parramatta ELS 2016 and Parramatta ELS – Update and Review 2020, which are not Department endorsed strategies; and it is inconsistent with the Central City District Plan, particularly Action 49, as the site is identified in the plan as land to be reviewed and managed. <p>The Parramatta ELS 2016 provides Council's perspective of strategic justification for the loss of industrial land but it was prepared prior to the release of the District Plan. While Council has adopted the ELS- Review and Update 2020 to reflect the</p>

Directions	Consistent/ NA	Reasons for Consistency or Inconsistency
		change in the strategic framework that has since evolved, neither documents are Department endorsed, as required by the 9.1 Direction. It is recommended that the Secretary's delegate note that the proposal's inconsistency with this Direction remains unresolved.
Direction 2.3 Heritage Conservation	No	<p>The objective of this Direction is to conserve items, areas, objects and places of environmental heritage significance and Indigenous heritage significance.</p> <p>This Direction applies to the proposal as the site contains a locally significant heritage-listed item – Upjohn House.</p> <p>While insufficient evidence has been provided with the proposal to demonstrate the proposal is consistent with this Direction, it is recognised that this inconsistency could be addressed if a conditional gateway was issued.</p>
Direction 2.6 Remediation of Contaminated Land	No	<p>The objective of this direction is to reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered by planning proposal authorities.</p> <p>The proposal includes a phase 1 contamination assessment (Attachment A5). While this may be appropriate for the purpose of a gateway assessment, further justification would be required to demonstrate the suitability of the site for residential development. While this Direction may be able to be satisfied, it is considered unresolved for the purpose of this assessment.</p>
Direction 3.4 Integrating Land Use and Transport	No	<p>The objectives of this Direction are to improve access to housing, jobs and services, increase the choice of transport and reduce travel demand, support the efficient and viable operation of public transport services, and provide the efficient movement of freight. This direction requires planning proposals to locate zones for urban purposes and include provisions that give effect to and are consistent with the aims and objectives of the 'Improving transport choice- guidelines for planning and development' and 'The right place for business and services – planning policy'.</p> <p>This Direction applies to the proposal as the proposal seeks to rezone the land from industrial to residential purposes. A traffic impact assessment has been submitted with the proposal to consider the objectives of this Direction (Attachment A4). However further analysis and studies would be required should the proposal progress to demonstrate it could give effect to the principles in the 'Improving transport choice' and 'The right place for business services'.</p> <p>The site is not within 800m of a major transport node. It is approximately 30 minutes' walk from Telopea and Dundas Stations. The Department is not convinced additional residential development in this location is consistent with this direction. Erosion of urban services land would reduce the availability of services locally, increasing vehicle travel for local residents.</p>

Directions	Consistent/ NA	Reasons for Consistency or Inconsistency
		<p>Further, the site is not on a city shaping corridor for which Transport for NSW contemplates additional investment in public transport.</p>
Direction 4.1 Acid Sulfate Soils	No	<p>The objectives of this Direction are to avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulfate soils.</p> <p>This Direction applies to the proposal as the subject site is mapped as having class 5 acid sulfate soils under the Parramatta LEP 2011. It is noted that the Phase 1 Contamination Report that accompanies the Planning Proposal has undertaken an initial investigation and considers the risk of Acid Sulfate Soils to be 'low'.</p> <p>Clause 6.1 Acid sulfate soils of the Parramatta LEP 2011 would apply and is a matter that can be addressed at the development application stage in accordance with the requirements of the clause. The clause requires an acid sulfate soils management plan to be submitted at the development application stage if certain development thresholds are met.</p> <p>It is recommended that the Secretary's delegate agree that the proposal's inconsistency with this Direction is justified.</p>
Direction 4.3 Flood Prone Land	Yes	<p>The objectives of this Direction are to ensure that development of flood-prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the <i>Floodplain Development Manual</i>, and to ensure that the provisions of an LEP on flood-prone land are commensurate with flood hazard and include considerations of the potential flood impacts on and off the subject land.</p> <p>This Direction is relevant to the proposal as the site is affected by the 1-in-20 and 1-in-100-year flood levels along Subiaco Creek. The proposal states the proposed buildings are set back a minimum of 10m from the creek. The flood map confirms that no flood water encroaches on the site and would be contained within the channel of Subiaco Creek.</p> <p>The proposed development is sufficiently set back from Subiaco Creek and the design could address the flood planning objectives and provisions in the Parramatta LEP 2011. Further flooding advice would be provided at the development application stage.</p>
Direction 6.3 Site Specific Provisions	Yes	<p>The objective of this Direction is to discourage unnecessary restrictive site-specific planning controls. This Direction applies to the planning proposal as it seeks to amend schedule 1 of the Parramatta LEP 2011 to allow a development proposal to be carried out for additional permitted uses to permit café/restaurant, shops and office premises. This clause will only apply to 59 Kirby Street (Lot 20 DP 855339). It is recommended</p>

Directions	Consistent/ NA	Reasons for Consistency or Inconsistency
		that the Secretary's delegate agree that any inconsistency with this Direction is of minor significance as, should the planning proposal progress, the provisions would facilitate the redevelopment of the site for economic activities and the adaptive reuse of the local heritage item within the site.
Direction 7.5 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan	No	The objective of this Direction is to ensure development within the Greater Parramatta Priority Growth Area is consistent with the Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan dated July 2017. Although the site is located outside the Greater-Paramatta-to Olympic Peninsula (GPOP) Land Use and Infrastructure Implementation Plan (LUIIP) boundary. However, it is within the study environs for the GPOP Place Strategy area. The suburb of Rydalmere is located within the LUIIP maps. In this regard, the proposal is inconsistent with the Plan as it supports retention and enhancement of employment land and residential development in areas with superior access to transport and services.

3.5 State environmental planning policies (SEPPs)

The planning proposal is inconsistent with all relevant SEPPs as discussed in the table below.

Table 8 Assessment of planning proposal against relevant SEPPs

SEPPs	Requirement	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
SEPP 19 – Bushland in Urban Areas	The aim of this Policy is to protect and preserve bushland within the urban areas in the Parramatta LGA.	No	The planning proposal includes an ecological assessment study submitted with the proposal. The study suggests technical requirements to protect and manage the affected environmentally sensitive area (Attachment A1). The planning proposal seeks to retain existing vegetation to establish adequate vegetation buffers to adjoining development and riparian corridor to the south. The proposal states further study at the development application stage will be undertaken to control the proposed development's potential overshadowing of the sensitive vegetation.
SEPP (Vegetation in Non-Rural Areas)	The aims of this Policy are to protect the biodiversity values of trees and other vegetation in non-rural areas of the State, and to preserve the amenity of non-rural areas of	No	The proposal includes an ecological assessment report (Attachment A1) identifying one native vegetation community and individuals of an endangered population within findings

SEPPs	Requirement	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
	the State through the preservation of trees and other vegetation.		that the site may potentially be used as habitat for Grey-headed Flying-fox or Yellow-bellied Sheathtail-bat. Any future development and rezoning of the site would need to consider the protection of these ecological communities and habitat areas. Further investigations are required.

4 Site-specific assessment

4.1 Environmental

The south-western boundary of the site is identified as ‘biodiversity’ in the Parramatta LEP 2011. The proposal is required to consider impacts on native ecological communities, threatened species, populations or ecological communities, regionally significant species of flora and fauna habitat and habitat elements providing connectivity.

An ecological assessment report was submitted with the proposal (**Attachment A1**), which provides an assessment of the ecological community, riparian corridor and bushfire protection. The site contains one native vegetation community and individuals of an endangered population. There are no threatened fauna species. However, the site may potentially be used as a habitat for Grey-headed Flying-fox or Yellow-bellied Sheathtail-bat.

The report mapped ecological constraints of the site, ranking areas as ‘low’, ‘moderate’ or ‘high’ to outline the permitted boundary of the future building footprint and required setbacks (Figure 14). The proposal states the proposed building envelope will be located within areas of moderate to low constraint and areas of high constraint will be avoided.

The south-western portion of the subject site is identified as ‘riparian land and waterways’ in the Parramatta LEP 2011. The proposed building is set back 10m from the top of the bank of Subiaco Creek to comply with the Department of Primary Industries – Water guidelines for first-order stream.

While it is not recommended that the planning proposal should proceed in its current form, the Department notes there are appropriate mechanisms in Council’s LEP and under relevant State legislation, to ensure that the riparian corridor and biodiversity values are recognised and retained in any future development of the site. Any future rezoning of the site would also consider the need to introduce a W1- Waterways zone and/or an E2 zone within the site to further ensure that the biodiversity and waterways values are given similar protection to the Subiaco Creek Corridor on adjoining land. This would be subject to future studies and investigation. Should the site be considered for alternative land uses in the future, pedestrian and cycle connectivity opportunities along Subiaco Creek should also be considered.



Figure 14. Constraints assessment (source: ecological assessment report).

Heritage

Upjohn House in the north-east of the site is a listed heritage item of local significance. A conservation management strategy (CMS) study was submitted with the proposal (**Attachment A2**) that discussed future potential uses of the item as a community focal point, café/restaurant and offices. The proposal notes the proposed mixed-use building (approximately 2500m² including café/restaurant, shops and offices and sports club) would be located close to Upjohn House.

The CMS states “...redevelopment to the immediate north and west should be carefully considered with an appropriate curtilage to ensure Upjohn House and Garden are viewed as a strong, separate and easily identifiable precinct that portrays the heritage values”.

The appropriate activation and conservation of heritage assets is generally supported, and any future development of the site would need to carefully consider how the CMS objectives and vision would be implemented.

4.2 Social and economic considerations

Social

The proposal states the rezoning would have positive social impacts. It argues the proposal would provide an opportunity to increase active and passive recreation by upgrading the fields of Upjohn Park, increasing open space provisions and reusing Upjohn House as a community focal point through a negotiated VPA outcome. The proposed links within and beyond the site, it argues, would improve pedestrian connections, encourage walkability and enhance access to recreational amenities across the site and Subiaco Creek to the south. The Department does not disagree with this assessment.

However, the proposed development would set a precedent for rezoning further employment lands in the area that could, over time, erode a variety of job opportunities for residents in the greater locality.

Economic

The proposal would deliver housing supply and diversity, which would contribute to housing targets as mandated by the GSC in the Central City District Plan.

102 jobs could be created through the introduction of ‘shops’ as an additional permitted use on part of the site, compared to the 48 jobs currently on-site that may be accommodated under the existing zoning. The proposal states the rezoning has economic merit and would contribute to Parramatta’s local economy. This statement was supported by an economic impact assessment prepared by AEC Group (**Attachment A6**).

The assessment concluded the proposed development would provide a positive economic impact through the provision of housing supply and additional job opportunities. However, the jobs proposed to be created under the planning proposal (small-scale retail and community uses and childcare) differ from the type of current industrial activities on the site. Therefore, the proposal targets a different consumer market and would more likely serve only the immediate locality.

The Department is unconvinced of the economic benefits of the proposal and instead argues reduction of urban services land could have a detrimental effect on the local economy. Specifically, the proposal would erode the ability of service providers to locate in proximity to customers and vice versa.

4.3 Infrastructure

The following table provides an assessment of the adequacy of infrastructure to service the site and the development resulting from the planning proposal and what infrastructure is proposed in support of the proposal.

Table 11 Infrastructure assessment

Infrastructure	Assessment
Community infrastructure	The site is not within 800m of a major transport node. It is approximately 30 minutes’ walk from Telopea and Dundas Stations. However, it is within a walkable distance of the Ermington shops and is close to Upjohn Park. The closest bus stop is along Victoria Road and provides regular services to major retail/business, community services and recreational activities. The Parramatta shopping centre is within 30 minutes of the site by public transport.
Utilities and services	The site is serviced by infrastructure and services including water, wastewater, telecommunications and energy. No further investigation is required as the proposed development is not supported. Should it progress, consultation with relevant service providers would be required.
Traffic	Consultation with Roads and Maritime Services and Transport for NSW has been undertaken regarding potential impacts on the surrounding network. The proposal includes a traffic impact assessment report (Attachment A4). The report advises that the proposed development is supportable on traffic planning grounds with an upgrade to the Kirby Street and Victoria Road intersection to support the expected future traffic volumes of the proposal.

5 Assessment Summary

The planning proposal in its current form should not proceed, as there is insufficient strategic or site-specific merit and evidence to demonstrate the proposed amendments to the Parramatta LEP 2011 are appropriate. The deficiencies of the proposal are:

- the strategic framework has matured and evolved since the submission of the planning proposal and the initial assessment within the proposal requires updating;
- there is no strategic justification to transition the site from employment lands to a mixed-use retail/commercial and residential development;
- it is inconsistent with several 9.1 directions but specifically, Business and Industrial Zones, and Integrated Land Use and Transport;
- the proposed development would increase the number of jobs, but the proposed jobs differ from the current industrial activities on the site and do not enable a transition to higher-order industrial land uses as outlined in the District Plan;
- the proposal relies on the Parramatta ELS (2016) and ELS- Review and Update (2020), which are not endorsed by the Department;
- the proposal does not give effect to the District Plan as the site is identified in the plan as employment land to be reviewed and managed;
- the planning proposal was submitted to the Department for Gateway determination on 18 April 2019, and therefore the transitional provisions identified by the GSC transitional note do not apply;
- the rezoning could set an undesirable expectation for converting industrial and urban services lands (as identified in the District Plan) to residential and retail/commercial uses; and
- There is a need to consider the broader strategic planning outcomes of the rezoning having regard to: the future demand and supply of non-residential floor space, the need for housing delivery and diversity, urban design and place outcomes. Should the planning proposal be resubmitted it should be supported by strong evidence base to identify appropriate built form and transition in zoning and a Department endorsed ELS.

6 Recommendation

It is recommended the delegate of the Minister determines the planning proposal should not proceed because:

- The proposal is inconsistent with the following Section 9.1 directions:
 - 1.1 Business and Industrial Zones;
 - 2.3 Heritage Conservation;
 - 2.6 Remediation of Contaminated Land;
 - 3.4 Integrated Land Use and Transport Planning; and
 - 7.5 Greater Parramatta to Olympic Peninsula Land Use and Infrastructure Implementation Plan.
- The proposal does not give effect to the Central City District Plan and is inconsistent with Action 49 of the Plan.
- The proposal does not have strategic or site-specific merit as there is no strategic justification to transition the site from employment lands to predominantly residential and a small amount of commercial uses.



7 March 2021

Christine Gough
Director, Central GPOP

Assessment officer

Louise McMahon
Manager, Agile Planning and Programs