

LEADING

ITEM NUMBER	12.2
SUBJECT	Planning Proposal for land at 2 – 6 Hassall Street, Parramatta
REFERENCE	RZ/20/2017 - D06044693
REPORT OF	Project Officer- Land Use Planning

PURPOSE:

The purpose of this report is to seek Council's endorsement on a Planning Proposal for land at 2 – 6 Hassall Street, Parramatta seeking to increase the maximum floor space ratio and to introduce a site specific control to restrict the amount of car parking for the purposes of seeking a Gateway Determination from the Department of Planning and Environment. The report also deals with the preparation of a site-specific Development Control Plan to support this Planning Proposal.

RECOMMENDATION

- (a) **That** Council endorse the Planning Proposal for the land included at 2 – 6 Hassall Street, Parramatta (included as **Attachment 1**) which seeks the following amendments to Parramatta Local Environmental Plan 2011 (PLEP 2011) in relation to the subject site:
- Amend the maximum FSR in the Floor Space Ratio Map from 6:1 to 10:1.
 - Amend the maximum building height in the Height of Buildings Map from 72m to 86m (22 storeys).
 - Add a site- specific control to align with reduced car parking rates under the Parramatta CBD Strategic Transport Study.
 - Add a site specific control relating to high performing buildings and dual water systems in line with the Parramatta CBD PP.
- (b) **That** the Planning Proposal be forwarded to the Department of Planning and Environment for Gateway determination.
- (c) **That** a site-specific development control plan (DCP) be prepared and reported to Council prior to its public exhibition.
- (d) **That** Council advises the Department of Planning and Environment that the CEO will be exercising the plan-making delegations for this Planning Proposal as authorised by Council on 26 November 2012.
- (e) **Further, that** Council grant delegated authority to the Chief Executive Officer to correct any minor anomalies of a non-policy and administrative nature that may arise during the amendment process.

EXECUTIVE SUMMARY

1. The Planning Proposal for land at 2 – 6 Hassall Street, Parramatta seeks amendments to planning controls which are generally consistent with the broader Parramatta CBD Planning Proposal. This report introduces and assesses the Planning Proposal, addressing its relationship to both existing controls and to the endorsed controls contained within the Parramatta CBD Planning Proposal. The report recommends endorsement of the Planning Proposal for the purposes of seeking a Gateway Determination as well as preparation of a site-specific Development Control Plan (DCP).

THE SITE AND ITS SURROUNDS

2. The subject site is located at 2 – 6 Hassall Street, Parramatta. The site comprises three allotments of land with a combined area of 2,647 m². The site is legally described as Lot 22 in DP 608861; Lot 62 in DP 1006215; and Lot 7 in DP128820. The site is currently occupied by two existing buildings separated by a vacant lot in the centre of the site. The site is highlighted below in **Figure 1**.



Figure 1 – Site Location Map

3. Overall, some sites surrounding the subject site are undergoing substantial change with commercial development at the Parramatta Square and sites at 9 – 11 Hassall Street currently undergoing development. To the north of the site is the Lancer Barracks Campus and the Curtis Cheng Centre containing the NSW Police Headquarters. The site's western boundary adjoins the two storey Commercial Hotel. Directly to the south of the site, at the corner of Hassall and Station Streets, is situated a 20 storey commercial building known as 'Eclipse Tower'.

CURRENT PLANNING CONTROLS

4. Pursuant to Parramatta Local Environmental Plan 2011 (PLEP 2011), the current zoning of this site is (B3 Commercial Core), and the key development standards are 72m maximum Height of Buildings (HOB) and 6:1 maximum Floor-Space Ratio (FSR).
5. The site is not listed as a heritage item however, is in close proximity to a number of heritage items as listed below and illustrated at **Figure 2**.
 - 11824: First/15 Royal NSW Lancer Museum collection (State significance)
 - 1751: Lancer Barracks Group (local significance)
 - 1707: Commercial Hotel (local significance)
 - 100696: Parramatta Railway Station (State significance)

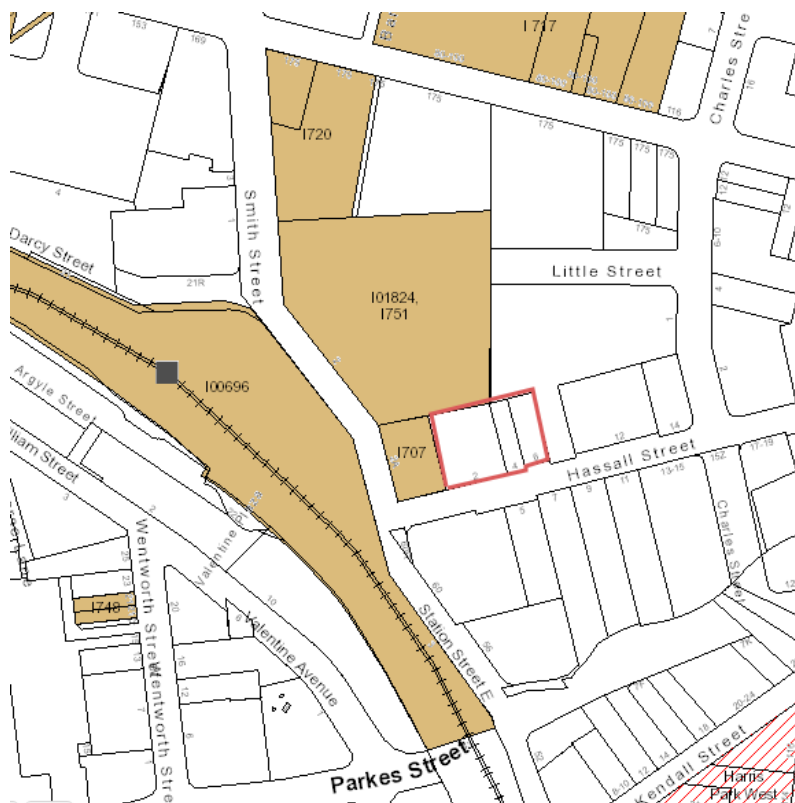


Figure 2 – current heritage map

DESCRIPTION OF PLANNING PROPOSAL

6. On 22 December 2017, City of Parramatta Council received a Planning Proposal from Charter Hall Holdings Pty Ltd seeking to amend the PLEP 2011 by increasing the maximum floor space ratio (FSR) from 6:1 to 10:1 and to include a site specific control for reduced car parking rates in line with commercial car parking rates of the Council endorsed Parramatta CBD Strategic Transport Study. The Planning Proposal was accompanied by an Urban Design Report, Traffic Impact Analysis and Heritage Impact Assessment.
7. The Urban Design Report includes a reference design for a 22 storey (86m) building on the site that will provide a large and flexible floor plate capable of

accommodating high-quality commercial office floorspace that includes the following features:

- a. A three storey podium, with the following setbacks:
 - 2m to Hassall Street
 - 0m to the west boundary
 - 3m to the north boundary
 - 0m to the east boundary
 - b. A 13 storey tower above the podium with the following setbacks:
 - 6m to Hassall Street
 - 6m to the west boundary
 - 6m to the north boundary
 - 4m to the east boundary
 - c. Retail space at ground floor level fronting onto Hassall Street.
 - d. The provision at ground floor level for a future pedestrian connection through the site to the Lancer Barracks site.
 - e. Basement car parking for approximately 22 vehicles. This is discussed further in the report.
8. The drawing at **Figure 3** below illustrates the built form in relation to adjoining development whilst **Figure 4** over shows the proposed setbacks.

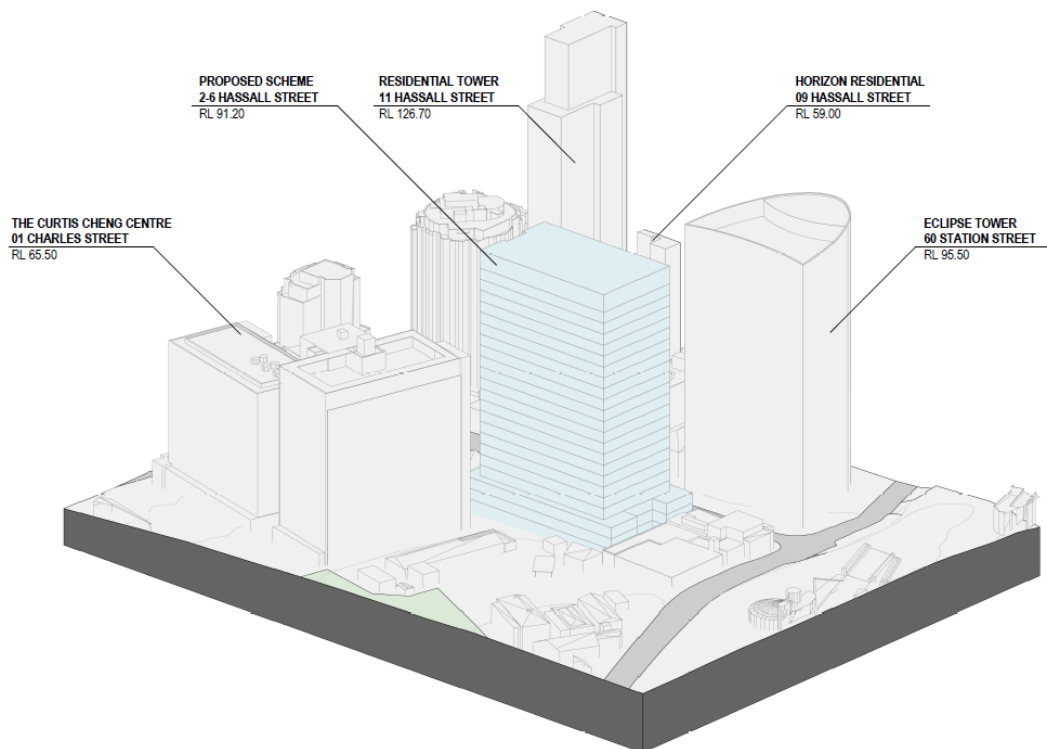


Figure 3: The proposed design concept



Figure 4: Proposed setbacks

CONSISTENCY WITH THE PARRAMATTA CBD PLANNING PROPOSAL (CBD PP)

9. Council adopted the Parramatta CBD PP on 11 April 2016. In general terms, the CBD PP seeks to increase heights and FSRs in the Parramatta CBD, subject to the provision of community infrastructure and other requirements. The CBD PP remains Council's most recently endorsed policy position on density increases in the Parramatta CBD. Council is currently awaiting a Gateway Determination on the CBD PP from the Department of Planning and Environment.
10. Under the Parramatta CBD PP, the following key planning controls are identified for the site at 2 – 6 Hassall Street:
 - a. **Zoning:** The current B3 Commercial Core zoning is retained
 - b. **Height of Buildings:** There is no "Base" or "Incentive" maximum HOB control for this site. This is consistent with the general policy direction of the CBD Planning Proposal, which is that, for most sites in the CBD, there are no maximum incentive height controls, with maximum building heights, instead being effectively controlled by sun access planes and aviation operational parameters.
 - c. **Floor Space Ratio:** The total maximum FSR achievable for this site under the CBD PP is 11.5:1, comprising the following:
 - i. The "Base" and "Incentive" FSR control for this site is 10:1 in the draft CBD PP maps. It is noted that base and incentive FSR are the same for all B3 Commercial Zoning as no community infrastructure is required for this type of development.

- ii. 15% bonus of the Incentive FSR (i.e. 1.5:1 in this case), provided that a Design Excellence process has been undertaken in accordance with the PLEP 2011.

d. High Performing Buildings and Dual Water Systems: Office premises with a GFA greater than 10,000 m² are required to meet certain standards regarding energy and water targets. In addition, the construction of new building requires both potable water pipes and recycled water pipes for the purposes of all available internal and external water uses. Compliance with these provisions will be required and should be reflected in a design competition brief to achieve Design excellence.

11. In summary, the recommended Planning Proposal seeks to amend planning controls in line with the Parramatta CBD PP as described in the following table.

Scenario	Land-Use	FSR	HOB
Current Controls (under PLEP 2011)	B4 Commercial Core zoning	6:1	72m
CBD PP Controls	B4 Commercial Core zoning	10:1	No Incentive HOB control
Controls proposed under applicants site-specific PP	B4 Commercial Core zoning	10:1	Max 63.8m (16 storeys including plant)

ISSUES

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

Land Use Planning

13. The site is appropriate for commercial development, given its location in the existing commercial core and relative close proximity to a wide range of employment, transport, entertainment and amenities within the CBD. The site is ideally located in close proximity (100m) to the Parramatta Rail Station and within 300m of the future Parramatta Light Rail network. The provision of additional commercial floor space on the site will help to strengthen Parramatta as Sydney's Central CBD, in line with NSW Government's metropolitan planning.

14. The proposed land uses, of commercial office space, are permissible with consent in the B3 zone.

15. The Planning Proposal is consistent with the Base and Incentive FSR for this site under the CBD PP, which is 10:1. The Planning Proposal responds to Design Excellence provisions, which under the CBD PP, is 15% of the incentive FSR (5.2:1 in this case). This means an additional 1.5:1 FSR beyond the incentive FSR could be achieved through the Design Excellence bonus. (It is noted that the Community Infrastructure (i.e. value sharing) provisions of the draft Parramatta

CBD do not apply to the increase of commercial floor space for the subject site. This is because there is no increase in FSR between the “Base” and “Incentive” FSR for the site).

16. The reference design features an indicative height of 86m (22 storeys). While the CBD PP removes maximum HOB for most sites in the CBD (including this site), previous Gateway determinations received for site-specific CBD planning proposals required insertion of a numeric HOB control. It is proposed to be consistent with that approach. Therefore, Council officers recommend a numeric HOB control that corresponds to the indicative height of 86m for the site in the reference design be included in this Planning Proposal.

Built Form and Urban Design

17. Since the lodging of the Planning Proposal in December 2017, the reference design has been revised in response to feedback provided by Council officers. The latest revised reference design which has been lodged to demonstrate what built form can be achieved given Council officer recommendations on setbacks. Council officers have suggested this built form and setbacks for the following reasons:

- Although recognising the need for office development to cater for large floorplates the building envelope has been designed to reduce the perceived bulk and scale of the proposed development by providing a podium with the tower set back from the podium edge. In addition, the future design competition for the site will allow additional design and architecture treatments to introduce fenestration and fine grain architectural treatments.
- The tower setback of 6m to Hassall Street will help to minimise visual impact from the street level and make the street wall more legible. This will also contribute to limit downdraughts to the street without the necessity of wind mitigation measures.
- The tower setback of 6m to the west boundary will ensure an appropriate transition to the heritage listed Commercial Hotel.
- The podium setback of 3m to the rear boundary and the tower setback 3m from the podium edge will ensure an appropriate transition to the Lancer Barracks heritage site, resolve boundary privacy and fire egress issues and provide an adequate inter-tower separation with the NSW Police Headquarters tower (north-east corner).
- The 3m tower setback to the east boundary will help to reduce the bulk of the building at street level and ensure an appropriate transition to neighbouring properties.
- The proposed ground floor retail uses allows for the activation of Hassall Street and will increase permeability into the site.
- The provision for a future connection to the Lancer Barracks site will allow for the opportunity to substantially improve the interpretation and appreciation of this heritage site.

18. A site-specific DCP is proposed, dealing with built form and massing, that will ensure adequate setbacks to neighbouring properties and an appropriate transition to heritage items. It is expected that the site-specific DCP will inform the building parameters for a future design competition for the site.

19. Whilst the applicant has submitted a reference design as a baseline proof of concept that the FSR and height controls are achievable the applicant considers that there are other building form options (particularly setbacks) that should be considered as part of the draft DCP process. The applicant's position is documented in a letter included at **Attachment 2**.
20. The applicant states that whilst it has generally accepted Council's recommended podium setbacks, it is noted that Council's feedback with regard to tower setbacks in particular results in a building envelope with greater tower setbacks than preferred by the applicant or its pre-commitment tenant, and would result in a smaller floor plate than optimal for either group, or the majority of tenants seeking office accommodation space in the Parramatta market.
21. The applicant is of the view that the baseline concept constitutes only one possible building option for the site, and that solutions other than tower setbacks shown in the reference scheme can still achieve Council's objectives for Hassall Street and the relationship of the development to heritage items such as the Commercial Hotel and the Lancer Barracks. Accordingly, the applicant requests that the issue of tower setbacks be further explored as part of the future design competition and draft DCP process.
22. Council officers accept that it may be possible to vary the setbacks of the reference scheme and still obtain satisfactory urban design and heritage outcomes. Therefore, Council officers are willing to continue to discuss setback alternatives to those shown in the reference design, as part of the Draft DCP preparation process.

Overshadowing

23. A shadow analysis of the site shows that proposed development will not cast a shadow over the protected areas of Lancer Barracks or Jubilee Park. The proposed building will overshadow the adjoining Commercial Hotel in the morning hours, however, the hotel is largely free of overshadowing by midday.
24. The proposed built form will cast a shadow over the lower proportion of the southern "Eclipse Tower throughout the day. The proposal maintains solar access from 9am to approximately 2pm to the new primarily residential developments under construction at 9 and 11 Hassall Street thereby not affecting ADG compliance. The proposal is considered acceptable from an overshadowing perspective considering the site's CBD context and the absence of additional overshadowing to significant public places.

Heritage

25. Council's Heritage Advisor has reviewed the proposal and notes that whilst the site is not heritage listed, it is in the vicinity of several heritage items in Parramatta LEP 2011. The proposal would inevitably imply changes on the horizon in numerous views of the items and changes to the light and shade affecting the items. These factors are considered significant in impacting the setting of heritage items. The Heritage Advisor advises that the setbacks (which are discussed in a previous section) will be critical to mitigate the heritage

impacts and should be given special consideration in preparing any site specific DCP amendment.

Traffic and Transport

26. Council's Service Manager Traffic and Transport has reviewed the planning proposal and advised that there are no objections to the proposal. Attention has been drawn to traffic improvement works for Hassall Street that are proposed to be undertaken by Council in 2018. The footpath on the north side of Hassall Street, adjacent to the Commercial Hotel, is to be widened to accommodate pedestrian volumes. Traffic is proposed to be one-way westbound between Station Street and No. 6 Hassall Street and with traffic signal changes at the intersection.
27. Council endorsed (on 10 April 2017) a Strategic Transport Study for the Parramatta CBD and resolved to include reduced parking rates in the CBD PP, pending results of the forthcoming mesoscopic study. This resolution was in part to allow site-specific planning proposals to proceed ahead of the mesoscopic modelling. The rates resolved on 10 April 2017 are summarised as follows:

a. Commercial parking rates

If the FSR > 3.5:1

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

where:

M = maximum number of parking spaces;

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

A = Site Area (m²);

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

28. The current reference design indicates 30,440m² of commercial floor space. Applying the above formula to the current reference design yields a maximum of 53 car parking spaces.
29. The total number of 53 car parking spaces indicated above is well above the number (22) indicated on the detailed area schedule for the reference design. Nevertheless, it is proposed that a site-specific clause be applied to the site that will ensure compliance with the above maximum parking rates, as previously resolved by Council, as shown in the draft clause included as part of the Planning Proposal.

High performing buildings and dual water systems

30. In order to ensure compliance with the provisions of the Parramatta CBD PP relating to high performing buildings and dual water systems a site-specific control is recommended to be included as part of the Planning Proposal.

Summary of Assessment

31. Based on the issues discussed in the preceding section this Planning Proposal is, subject to the recommendations of this report, able to be supported. The Planning Proposal and reference design demonstrate that the proposed controls

would allow for a built form that appropriately responds to the context of the site, and is aligned with the CBD Planning Proposal.

VOLUNTARY PLANNING AGREEMENT

32. As noted in paragraph 15 of this report, the Community Infrastructure (i.e. value sharing) provisions of the draft Parramatta CBD do not apply to the increase of commercial floor space for the subject site. Therefore, a VPA will not be negotiated as part of this Planning Proposal process.

NEXT STEPS

33. Council officers recommend that Council:

- progress the Planning Proposal described in this report, and included at Attachment 1.
- prepare a site-specific DCP.
- undertake simultaneous exhibition of the Planning Proposal/DCP, and other administrative matters as outlined in the recommendation.

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

Paul Kennedy

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Sue Weatherley

Director Strategic Outcomes and Development

Jim Stefan

Acting Director City Services

ATTACHMENTS:

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|---|--|----------|
| 1 | Planning proposal 2 – 6 Hassall Street, Parramatta | 33 Pages |
| 2 | Letter from applicant | 8 Pages |

REFERENCE MATERIAL