

Planning Proposal

To increase the maximum permissible building height and floor space for development on 33-43 Phillip Street, St Marys

June 2018



Document prepared for submission to the NSW Government's "Gateway Process" for making and amending local environmental plans.

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3	Summary: Consistency with Local Planning Directions
4	Summary: Consistency with State Environmental Planning Policies
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8	Map of properties to be notified

Documents Supporting the Public Exhibition

Department of Planning and Environment's *Guide to Preparing Local Environmental Plans* and *Guide to Preparing Planning Proposals*

Greater Sydney Region Plan - A Metropolis of Three Cities

Western City District Plan

Local Planning Directions

State Environmental Planning Policies

Penrith Local Environmental Plan 2010

Penrith Development Control Plan 2014

Council's Strategic Documents

Community Plan

Community Engagement Strategy

Delivery Program 2017-21

2017-18 Operational Plan

Resourcing Strategy

City Strategy

St Marys Town Centre Strategy

St Marys Town Centre Masterplan

Technical Studies

Urban Design Report – January 2018

Traffic Impact Assessment – September 2016

Economic Impact Assessment – September 2016

Community, Sport and Recreation Facilities, and Open Space Study – September 2016

Introduction

This Planning Proposal recommends an amendment to *Penrith Local Environmental Plan 2010* (LEP 2010) to increase the maximum permissible building height and floor space for development at 33-43 Phillip Street, St Marys – the site of the Station Plaza Shopping Centre. The increased building height and additional floor space is intended to provide an incentive for the redevelopment of the shopping centre into a new mixed-use development including apartments, upgraded shops, and commercial premises. The redevelopment of the site also provides opportunities to activate local streets and improve the pedestrian environment.

The location of the site, also known as Lot 7 DP 734738, is identified in Figure 1.



Figure 1 – Site Location

The site is directly opposite the train and bus station at the northern end of the Town Centre and is located about 120 metres east of Queen Street, the main shopping street in the Town Centre. It is separated from Queen Street by a public car park and a service lane that provides loading access for Queen Street properties. It also has a dual frontage, addressing both Station Street to the north and Phillip Street to the south.

The site is occupied by the Station Plaza Shopping Centre, a single-storey, large box-style, stand-alone shopping centre. The main entry to the centre is on Phillip Street. The Station Street frontage is used to provide car parking and access arrangements for the shopping centre, with a large, blank unattractive wall. The shopping centre currently provides about 6,500m² of floor space including a supermarket (3,460m²), 13 smaller or speciality shops, and 420m² of offices. Street-level parking is also provided.

A Planning Proposal is the key document in the NSW Department of Planning and Environment's process, known as the *Gateway Process*, for making and amending local environmental plans such as LEP 2010. It explains the intended effect of the changes and sets out the justification for the recommended amendments. The Gateway Process has several steps (set out in Table 1) that may require this document to be revised as it progresses through the process.

No.	Step	Explanation	
1	Planning Proposal	Council prepares a document explaining the intended effect of and justification for the making or amending of a local environmental plan.	
2	Gateway Determination	The Minister for Planning, acting as a checkpoint, determines whether a Planning Proposal should proceed.	
3	Community Consultation	The Planning Proposal is publicly exhibited.	
4	Assessment	Council considers the submissions received in response to the public exhibition, varying the Planning Proposal as necessary. can also determine not to proceed with the Planning Proposal.	
5	Drafting	Parliamentary Counsel prepares a draft local environmental plan.	
6	Decision	The Minister for Planning approves the local environmental plan, making it law.	

Table 1 – Gateway Process

The Department's *Guide to Preparing Local Environmental Plans* and *Guide to Preparing Planning Proposals* provide more detailed information on the Gateway Process. These guides are available on the Department's website. The remainder of this document is split into the following parts:

Part Description				
1	The objectives and intended outcomes of the Planning Proposal			
2	An explanation of the provisions to be included in LEP 2010			
3	Justification for the objectives and intended outcomes			
4	Maps identifying the area to which this Planning Proposal applies			
5	Details of the intended community consultation			
6	Projected timeline			

Table 2 – Parts of a Planning Proposal

Council considered and sponsored this Planning Proposal at its 14 May 2018 Policy Review Committee Meeting. A copy of the report to and the minutes of this meeting are provided in Appendix 1.

Part 1 – Objectives and Intended Outcomes

The objective of this Planning Proposal is to provide an incentive for the redevelopment of the site, subject to Council's development consent, with a new mixed-use building or buildings. The redevelopment of the site will:

- Contribute to the Town Centre's role as a strategic centre.
- Provide a range of housing with good access to:
 - \circ $\,$ the Town Centre and the jobs, shops and services it provides, and
 - existing and proposed public transport, including the Main Western Rail
 Line and the proposed rail line to the Western Sydney Airport.
- Stimulate the northern part of the Town Centre, including the night-time economy.
- Generate new jobs.
- Enhance the Town Centre's appearance, especially when arriving by train.
- Improve pedestrian connectivity and encourage greater street-level activity.
- Serve as a catalyst for further investment and development in the Town Centre.

The objective, or incentive for redevelopment of the site, can be achieved by increasing the maximum permissible building height and floor space for new development. The planning controls limit the height of buildings to 32 metres, or about 10-11 storeys. The site has an area of 11,740m² and the current planning controls permit a gross floor space of about 41,000m², or 3.5 times the size of the site.

The intended outcome of this proposal is to increase the height limit to 61 metres (or 19-20 storeys) and the gross floor area to about 64,500m² (or 5.5 times the size of the site) by amending relevant planning controls.

Part 2 – Explanation of Provisions

The intended outcome can be delivered by changing the planning controls that set the maximum height of buildings and permissible floor area of development on the site. LEP 2010 contains two controls that do this:

- 4.3 Height of buildings, and the Height of Buildings Map.
- 4.4 Floor space ratio, and the Floor Space Ratio Map, and

4.3 Height of buildings, and the associated map function by setting a limit, or development standard, for the height (in metres) of new buildings for each property in the Town Centre. The current development standard is set at 32 metres or about 10-11 storeys.

4.4 Floor space ratio, and the associated map function in the same way, by setting a development standard for the total (or gross) floor area of new buildings for each property in the Town Centre. This is known as the floor space ratio, or the ratio of the building relative to the size of the piece of land upon which it is built. In this instance, the site has an area of 11,740m² and the current controls set a floor space ratio of 3.5:1, permitting a gross floor area of about 41,000m².

To achieve the intended outcome, this Planning Proposal recommends amending both development standards to increase:

- The height of buildings from 32 (10-11 storeys) to 61 metres (19-20 storeys), and
- The maximum permissible floor space to 64,500m², or about 5.5 times the size of the site.

All other planning controls applying to the site will remain unchanged.

Part 3 – Justification

This part of the Planning Proposal is split into the following sections:

Title
Need for the Planning Proposal
Consistency with the Strategic Planning Framework
Environmental, Social and Economic Impacts
State and Commonwealth Interests

Table 3 – Sections in Part 3 of the Planning Proposal

Section A – Need for the Planning Proposal

The Planning Proposal is not the result of a strategic study or report prepared by Council. It has been prepared in response to a request from the landowner (via a rezoning application). The owner wishes to take advantage of the opportunities of the planned growth in Penrith and Western Sydney more generally and redevelop the site with a mixed-use building or buildings up to 19-20-storeys in height and containing:

- between 580 and 600 apartments,
- a 4,500m² supermarket on the ground floor,
- 1,600m² of speciality retail, café and restaurant uses addressing the street,
- 2,200m² of commercial floor space on the first floor, and
- Car parking (including a basement car park) to service the development.

The site is zoned B4 Mixed Use in LEP 2010 and the potential uses are all permitted with Council's development consent. The supporting planning controls include a maximum building height of 32 metres (10-11 storeys) and a floor space ratio of 3.5:1. The proposed development is not consistent with the current controls because the proposed building heights and the amount of floor space is greater than what the current planning controls permit.

The current controls have been in place for about 8 years and implement Council's adopted *St Marys Town Centre Strategy 2006* and associated 2007 *Masterplan.*

Although the vision set by these documents has been tested and re-examined with development proposals, it remains largely unchanged, as are many sites and precincts within the Town Centre. A recent examination of the feasibility of the current controls found that they are unlikely to stimulate redevelopment and that there is a need for a limited increase in building height and floor space across the Town Centre.

More recently, the NSW Government's Western City District Plan has identified the importance of the Town Centre to contribute to the growth of Western Sydney. There are also significant opportunities associated with the Western Sydney Airport, associated Growth Area, and infrastructure delivery, including the recently announced rail link with the airport. In recognition of these opportunities, a comprehensive, strategic exercise, to understand what these and future opportunities mean for the future growth of the Town Centre has commenced.

Although this proposal pre-empts this body of work, it still aligns with the vision for the Town Centre and will help reinforce the Town Centre's role as a strategic centre by:

- Delivering new homes, including more affordable options such as one and two bed apartments, close to jobs, shops and services.
- Supporting and promoting the use of existing and proposed public transport by locating new homes and businesses next to an existing train and bus station.
- Creating new jobs, including upwards of 835 construction jobs and 583 jobs in the shopping centre, about 320 more jobs than currently provided.
- Increasing activity, spending and the demand for new shops and services across the Town Centre (because of the increased workforce and new residents).
- Delivering a better designed development than the current shopping centre, that addresses and activates local streets and improves the public domain. It would also signal arrival in the Town Centre when travelling by train.

Considering the potential benefits of the proposed development and the recent examination of the feasibility of the current controls which supports a limited increase in building height and floor space across the Town Centre, this proposal recommends increasing:

- The height of buildings from 32 (10-11 storeys) to 61 metres (19-20 storeys), and
- The maximum permissible floor space to 64,500m², or about 5.5 times the size of the site.

The scale of the proposed increase in building height and floor space means that it could not be considered an acceptable exception to the current planning controls (if a development application were lodged without the proposed amendments set out in this document).

Section B – Relationship to Strategic Planning Framework

The Greater Sydney Region Plan and Western City District Plan

This Planning Proposal is consistent with the Greater Sydney Commission's Greater Sydney Region Plan *A Metropolis of Three Cities* and the Western City District Plan.

The Greater Sydney Region Plan is "[...] built on a vision of three cities where most residents live within 30 minutes of their jobs, education and health facilities, services and great places". One of these cities is the Western Parkland City, a polycentric city containing a number of "Metropolitan Clusters", such as the Greater Penrith area, which in turn contain a number of "Strategic Centres" including the St Marys Town Centre.

The Greater Sydney Region Plan identifies that Greater Penrith is a critical location *"for commercial and retail businesses and health, education and other services as the city grows"* and that it will need to *"contribute to a connected, vibrant Western Parkland City with more homes, jobs, services and open space"*.

The Western City District Plan implements the Greater Sydney Region Plan by setting planning priorities to ensure that the Western Parkland City meets infrastructure, liveability, productivity, and sustainability objectives. It identifies that the expansion of strategic centres will need to be considered, either through increased building heights or through outward growth. It also states that these centres will be the focus of public transport investments that seek to deliver a 30-minute city.

The Western City District Plan sets the following actions to strengthen St Marys:

- a) Review and maximise opportunities from its location at the intersection of the north-south and east-west corridors,
- b) Support the role of St Marys as a centre by enabling a mix of land uses to encourage a diverse and active night-time economy.
- c) Facilitate the attraction of a range of uses that contribute to an active and vibrant place.
- d) Improve transport connectivity and walkability within and to St Marys.
- e) Support greater housing diversity and densities.
- Activate primary and secondary streets and deliver contemporary urban public spaces.
- g) Support and demonstrate innovation.

These strategic planning documents and the actions they set have elevated the importance of the Town Centre. The proposed development and the benefits it will bring to the Town Centre are considered to help the Town Centre respond to its new role. These benefits include:

- Significant investment in a site close to existing and proposed rail infrastructure.
- Commercial and retail floor space to help meet job targets and contribute to increasing street-level activity.
- Residential development that assists in meeting the current demand for dwellings and provides increased housing diversity with apartments.
- Housing close to existing services and jobs helping to reduce travel times and car dependency, whilst enabling more walking and cycling.
- Improved pedestrian amenity and connectivity within a precinct around the train station, including the activation of Station and Phillip Streets.

The proposed increase in floor space also aligns the site with comparable sites in other established centres within the Western City.

An assessment of consistency of the Planning Proposal against the objectives and planning priorities set by the Western City District Plan is provided in Appendix 2.

Local Planning Directions and State Environmental Planning Policies

This Planning Proposal is consistent with all applicable Local Planning Directions and State Environmental Planning Policies.

The Minister for Planning has issued *Local Planning Directions* that Council must follow when preparing a Planning Proposal. These directions cover:

- Employment and resources.
- Environment and heritage.
- Housing. Infrastructure and urban development.
- Hazard and risk.
- Regional planning.
- Local plan making.

An assessment of the consistency of this Planning Proposal with these Local Planning Directions is provided in Appendix 3.

The NSW Government also publishes State Environmental Planning Policies (SEPPs) and Sydney Regional Environmental Plans (SREPs or Deemed SEPPs). These documents deal with matters of State or Regional planning significance. An assessment of the consistency of this Planning Proposal with SEPPs is provided in Appendix 4.

Council's Framework – Strategic Planning

This Planning Proposal is consistent with Council's strategic planning framework. This framework consists of the following documents:

- Community Plan.
- Community Engagement Strategy.
- Delivery Program 2017-21.

- 2017-18 Operational Plan.
- Resourcing Strategy.
- City Strategy (incorporating the 2006 St Marys Strategy and supporting 2007 *Masterplan*).

The two key documents that this planning proposal need to consider are Council's Community Plan and City Strategy.

Council's Community Plan is a "big picture" plan based around the communities' long-term aspirations to improve Penrith as a place to live, work and visit. These aspirations have been themed into seven outcomes (identified in Table 4), each with a subsequent set of strategies identifying the ways in which Council can deliver the outcomes.

Сс	Community Plan Outcomes			
1.	We can work close to home			
2.	We plan for our future growth			
3.	We can get around the City			
4.	We have safe, vibrant places			
5.	We care about our environment			
6.	We are healthy and share strong community spirit			
7.	We have confidence in our Council.			

Table 4 – Outcomes set by Council's Community Plan

The changes to the planning controls recommended by the Planning Proposal will principally assist in achieving the outcomes of providing work closer to home, planning for our future growth, and creating safe, vibrant places.

The recommended changes will encourage investment and create new jobs in the Town Centre, primarily with the development of the site with new mixed-use development. New residents will also support existing shops and services and create demand for new shops and services. New residential development will assist in meeting the current demand for dwellings and the form of the housing, apartments, will provide increased housing diversity. Any new homes will also be close to existing services and jobs helping to reduce travel times and car dependency, whilst enabling more walking and cycling. The future built form outcome on the site will be settled through the development consent process and will ensure it responds to the site's significant location and enhances the Town Centre's appearance. New development will also stimulate the northern part of the Town Centre, including the night-time economy, with new residents and the activity generated by the commercial uses.

An assessment of the consistency of this Planning Proposal with Council's Community Plan is provided in Appendix 5.

The City Strategy helps build a sustainable future for Penrith and its communities by examining the key issues facing us over the next 10-20 years and outlining how Council will respond. The City Strategy incorporates an earlier body of work planning the future of the Town Centre – the *St Marys Town Centre Strategy* (adopted in 2006) and supporting *Masterplan* (published in 2007).

The Strategy contains a number of policy responses concerning, amongst other things, housing, jobs and the City's economy. The recommended changes to the planning controls are consistent with the following policy responses:

- Plan for housing that meets community needs with regard to supply, choice, design quality, sustainability and affordability.
- Attract strategic investment, facilitate employment diversity and growth, promote job clusters and encourage local workforce skills and training.
- Revitalise our major centres to create vibrant places and offer quality living, working and leisure experiences.

The St Marys Town Centre Strategy identifies the key steps to achieve the long-term vision of a sustainable and vital town centre. It provides a statement of the policies and a list of actions to create friendly and attractive places to encourage new development, which in turn, will help create activity in the Town Centre, attract new businesses and generate jobs. This Strategy also identifies the need to improve cultural and entertainment facilities in the Town Centre, as well as the cycling and pedestrian network. The supporting Masterplan (2007) supports the Strategy, making recommendations to implement it. These recommendations include a central town square, a new east west street, and the integration of the existing shopping centres into the Town Centre.

The application responds to Council's aim to encourage new-mixed use and highdensity residential development in the Town Centre, especially on sites close to the train and bus station. It also responds to the changing role of the Town Centre and Western Sydney as new infrastructure is delivered and the anticipated growth occurs. The application will also facilitate the redevelopment of an ageing shopping centre into a well-designed development helping to create attractive, inviting, and safe public places.

Council's Framework – Local Planning Documents

Penrith Local Environmental Plan 2010 (LEP 2010) implements Council's strategic plans and policies by setting the land use zone for the site (B4 Mixed Use), and applying a number of other planning controls such as height of building and floor space ratio. The potential uses – residential development, and retail and commercial premises – are all permitted with Council's development consent.

An extract of applicable parts of LEP 2010 are provided in Appendix 6.

Penrith Development Control Plan 2014 (DCP 2014) also applies to the site, with *Chapter E15 St Marys/North St Marys*, setting detailed development controls for:

- The bulk, scale, and design of new buildings,
- Pedestrian amenity,
- Access, parking and services, and
- Sustainable development.

No changes are proposed to DCP 2014.

Section C – Environmental, Social and Economic Impacts

Note: This part of the planning proposal may be revised to reflect any updated technical studies provided by the applicants of the rezoning application or required by the Gateway Determination.

This section reviews the challenges and opportunities presented by the site and how any impacts of the proposed development might be managed.

Bulk and scale of development and overshadowing

The Urban Design Report identifies that the bulk and scale of the proposed development can be designed and arranged to:

- minimise overshadowing of neighbouring residential areas to the east and south,
- avoid the deflection of winds towards the street and public areas (something that can occur with taller buildings), and
- deliver satisfactory residential amenity in relation to noise, access to light, natural ventilation etc.

Any future development application(s) will have to address these matters in more detail and will need to examine ways to manage potential impacts.

Traffic and transport

The site is opposite St Marys Train and Bus Station and is serviced by the main Western Rail Line (connecting the Blue Mountains to Parramatta and the Sydney CBD) and numerous bus services to other centres, including, Castle Hill, Mt Druitt, and Penrith.

The Traffic Study (including the Addendum) identifies that the existing road network has the ability to accommodate the traffic generated by the proposal and that sufficient car parking can be provided on-site to service the proposed development. However, the Traffic Study will need to be revisited prior to the public exhibition to ensure it fully considers the recommendations of the Western City District Plan, including the planned growth, and reviews the influence of the north-south rail-line and other infrastructure corridors.

Council will be guided by:

- any Gateway Determination, which may require further traffic modelling prior to the finalisation of the planning proposal, and
- the proposed consultation with the public authority Roads and Maritime Services.

Detailed traffic modelling will also be required to support any future development application(s).

Economics

The Economic Impact Assessment identifies that the residential, retail and employment uses would all contribute to the growth of the Town Centre and provide impetus for further investment. It found that the additional population living in the proposed development would increase employment opportunities for local residents and increase retail expenditure, with some of this expenditure captured within the Town Centre and Penrith City Centre. The Assessment also demonstrates that the undersupply of retail floor space in the Town Centre, which will only increase as a result of population and expenditure growth, and the minor increase in retail floor space, that the proposal will not redirect expenditure away from existing shops and businesses.

Contamination

The site is already zoned B4 Mixed Use and the planning proposal does not seek to introduce any more sensitive land uses than currently permitted. Detailed investigations would need to occur in support of any future development application(s).

Biodiversity

The site does not contain any existing vegetation and so there is no likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal.

Community, Sport and Recreation and Open Space

The supporting study identifies that the proposal and the anticipated residential population is not large enough to generate the need for a new community facility, such as a community centre, library, or sporting facility. However, the proposal, while not generating the need for new facilities, will place additional pressure on existing facilities. Therefore any future development will need to make development

contributions towards existing and planned facilities in accordance with Council's existing Development Contributions Plans.

Urban renewal opportunities in the Town Centre can create considerable social and economic benefits. The future development of the site with a mix of different uses will contribute to the overall liveability and productivity of the Town Centre. The introduction of a greater mix of uses, including residential, will:

- support the Town Centre's existing functions,
- deliver alternative housing options in proximity to existing services, jobs and transport,
- increase and diversify the range of businesses and employment opportunities in the Town Centre, and
- increase the activity and vibrancy of the site and the northern end of the Town Centre, including its night time economy.

Section D – State and Commonwealth Interests

Note: This part of the planning proposal will be updated following consultation with Public Authorities.

Infrastructure Provision

The site is within an urban area and should be adequately serviced by all required infrastructure and utilities, including public transport. This section will be developed following any Gateway Determination and consultation with the public authorities responsible for the provision of that infrastructure. This work will confirm if the existing infrastructure has the capacity to accommodate the proposed development. If it identifies that there may be an expected shortfall in service provision, extra studies will be undertaken to identify the extent of the shortfall and potential mechanisms to address that shortfall.

State and Commonwealth Public Authorities

Consultation has not yet occurred with relevant State and Commonwealth public authorities, but will be undertaken in accordance with the requirements of any Gateway Determination. However, it is proposed that the following authorities are consulted:

- Transport for NSW Roads and Maritime Services
- Sydney Water
- Essential Energy
- Telstra
- RailCorp
- Ausgrid

Part 4 – Mapping

To achieve the intended outcome, this Planning Proposal recommends amending both development standards to increase:

- The height of buildings from 32 (10-11 storeys) to 61 metres (19-20 storeys), and
- The maximum permissible floor space to 64,500m², or about 5.5 times the size of the site.

These changes are identified in Figures 2 and 3.



Figure 2 - Current height of buildings



Figure 2 - Proposed changes to height of buildings



Figure 3 - Current floor space ratio



Figure 3 - Proposed changes to floor space ratio

This recommendation requires the amendment of the following map tiles in LEP 2010 (current and draft maps provided in Appendix 7):

- Height of buildings map Tile No. 19, and
- Floor space ratio map Tile No. 19.

Part 5 – Community Consultation

Note: This part of the Planning Proposal may be revised to reflect the community consultation requirements set out in any Gateway Determination.

The Gateway Determination will outline the community consultation that should be undertaken if the proposal proceeds. However, it is proposed to publicly exhibit this Planning Proposal for a minimum of 28 days. The exhibition venues will be Council's Queen Street Office and Library, St Marys, and the Civic Centre and Library in Penrith.

All exhibition material will also be available on Council's website.

Notice of the public exhibition will be given in local papers and on Council's website and social media pages. A notification letter will also be sent to the owners and occupiers of the properties identified on the map in Appendix 8.

Part 6 Project Timeline

Note: The project timeline will be reviewed by NSW Planning and Environment and may be updated as the Planning Proposal progresses through the Gateway Process.

No	Action	Anticipated Date
1	Council sponsors the Planning Proposal	May 2018
2	Submission to NSW Planning & Environment	June 2018
3	Gateway Determination Issued	August 2018
4	Consultation with public authorities	September 2018
5	Public Exhibition	October 2018
5	Consideration of Submissions	November 2018
6	Resubmission to NSW Planning & Environment	December 2018
7	Publication of Amendments to LEP 2010	February 2019

Table 4: Indicative Project Timeline