



IRF22/3676

## Plan finalisation report – PP-2020-4038

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Melrose Park South (1,925 additional dwellings and  
160 jobs) – Parramatta Local Environmental Plan 2011  
(Amendment 67)

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# Acknowledgment of Country

The Department of Planning and Environment acknowledges the Traditional Owners and Custodians of the land on which we live and work and pays respect to Elders past, present and future.

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# 1 Introduction

## 1.1 Parramatta Local Environmental Plan 2011 (Amendment 67)

The planning proposal (**Attachment A**) applies to two sites within the southern portion of the Melrose Park Precinct as shown in **Figure 1**. The proposal seeks to rezone land and amend development standards to allow for a mix of high density residential and small-scale retail and commercial land uses. The new planning controls for Melrose Park South will deliver 1,925 additional dwellings, over 25,700m<sup>2</sup> of new public open space, minimum 1,000m<sup>2</sup> of non-residential floor space which will provide approximately 160 permanent jobs.



**Figure 1 Melrose Park Precinct – subject site outlined in red (identified as Holdmark sites) and Amendment 59 and Map Amendment 1 (Melrose Park North) identified in yellow (Source: planning proposal)**

The planning proposal is part of broader strategic planning for the Melrose Park Precinct in accordance with Council's Parramatta Employment Lands Strategy (ELS). Separate structure plans have been prepared for the northern precinct, generally land north of Hope Street, and for the southern precinct which includes the subject sites. These structure plans seek to guide urban renewal and ensure planning is considerate of the precinct as a whole. An amalgamation of the



structure plans is provided in **Figure 2**. A small portion of the precinct has been redeveloped for residential flat buildings fronting Victoria Road.



**Figure 2 Amalgamation of Structure Plans for Southern and Northern Precincts with subject sites in red (source: planning proposals).**

Melrose Park North (Amendment 59 and Map Amendment 1) was notified on 24 June 2022 which rezoned the site to largely R4 High Density Residential, with areas of new open space zoned RE1 Public Recreation, a new school site zoned SP2 Infrastructure (Educational Establishment) and a town centre zoned B2 Local Centre (**Figure 2**). Amendment 59 and Map Amendment 1 also provided a range of heights between 36m (approx. 8 storeys) and 95m (approx. 26 storeys), with the highest buildings to be at the proposed town centre site. A maximum FSR of 1.85:1 applies across the northern precinct, with a requirement for 30,000m<sup>2</sup> of non-residential floor space to be provided. The provisions for Amendment 59 and Map Amendment 1 will come into effect on 30 June 2023.

## 1.2 Site description

The planning proposal applies to land at 112 Wharf Road, 30 and 33 Waratah Street, Melrose Park and 82 Hughes Avenue, Ermington (**Figure 3**), within the City of Parramatta Local Government Area, and directly adjoining the western boundary of the City of Ryde LGA. The proposal has two distinct areas on the western and eastern sides of the Southern precinct of the Melrose Park Precinct.

The sites are described in **Table 1**.

**Table 1 Land subject to the planning proposal.**

	West Site	East Site
<b>Address</b>	82 Hughes Avenue, Ermington	112 Wharf Road and 30 and 32 Waratah Street, Melrose Park
<b>Lot / DP</b>	Lot 3 DP 602080	Lots 1-3 DP 127049, Lot 7 DP 511531, Lot 100 DP 883170, Lot 1 DP 519737, Lot 6 DP 511531
<b>Size (approx.)</b>	5.16ha	4.26ha
<b>Location</b>	Bound by Hughes Avenue to the east, Parramatta River to the south, Atkins Road to the west and 71 Atkins Road and 80 Hughes Avenue to the north	Bound by Wharf Road to the east, Waratah Road and Parramatta River to the south, 4 Hope Street to the west, and Mary Street and 10 Waratah Street to the north



**Figure 3 Subject sites (highlighted yellow) within Melrose Park Southern precinct (edged blue) and LGA boundaries in red (Source: Planning Proposal)**

The proposal sites are largely developed and occupied by a variety of industrial uses, including pharmaceutical, engineering and plastics manufacturing. Similar uses occupy the remainder of the southern precinct. The surrounding area (**Figure 3**) is generally comprised of low-density residential development to the west and east, industrial uses and the existing Melrose Park Public School to the north and Parramatta River to the south. Playing fields, tennis courts and open space adjoins the site to the south-west in the regional George Kendall Reserve. Further to the east of the site is the Ryde Parramatta Golf Course. Across the Parramatta River is the Newington Nature

Reserve and wetland, with urban renewal occurring at adjacent Wentworth Point with development at various stages.

The ecologically sensitive and local heritage listed Ermington Bay Wetlands (Item 1) are partly located on southern section of both sites along the foreshore of the river. The Parramatta River Cycleway runs to the south of the sites providing cycle and pedestrian access to the Parramatta CBD and Meadowbank.

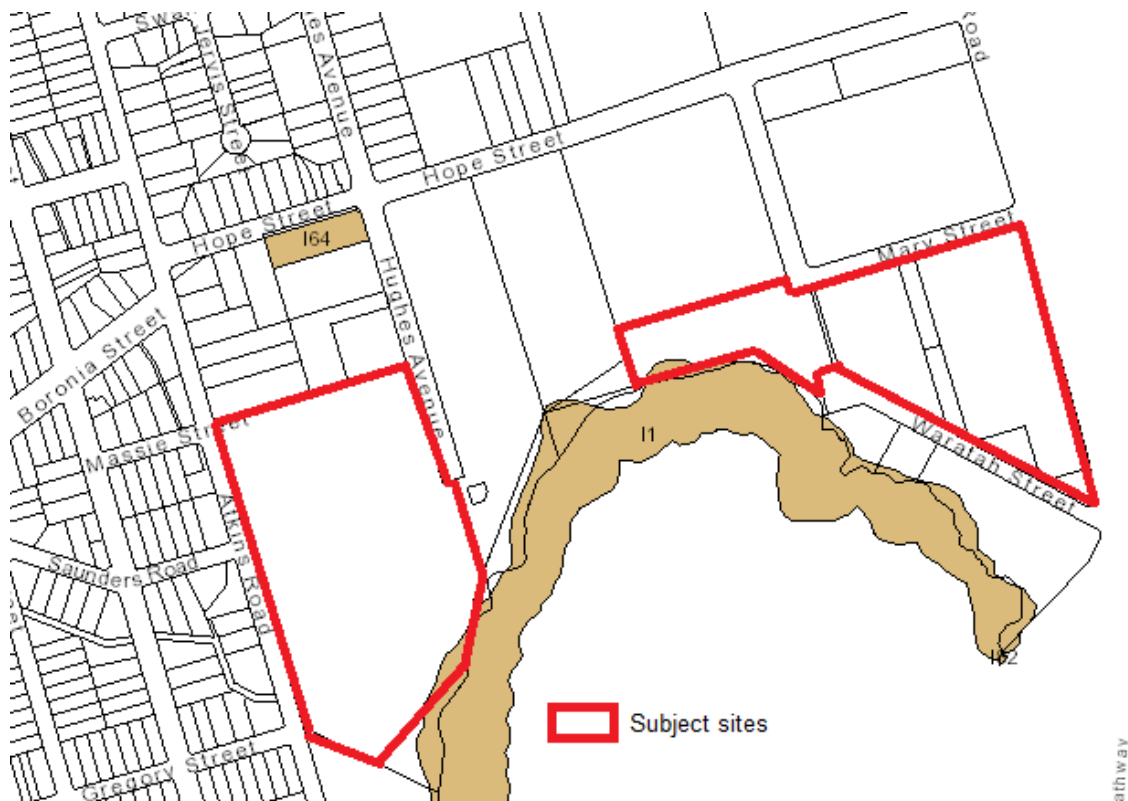


Figure 4 Ermington Bay wetland (Item 1) Heritage item (Source: Planning proposal)

## 1.3 Purpose of plan

The draft LEP amends the Parramatta LEP 2011 controls as follows:

1. identify 'Melrose Park South' under **Part 9** and include provisions as set out in the Transport Management Accessibility Plan (TMAP) as follows:
  - a) identifies 'Melrose Park South' on the **Key Sites Map** to activate existing Clause 9.5 requiring concurrence with the Planning Secretary to consider:
    - a. the impact of development on, and the need for, State public infrastructure;
    - b. where development exceeds the 11,000 dwellings threshold, that it considers the capacity of the existing and proposed road and public transport infrastructure in the area to accommodate the development.
2. apply a deferred commencement of the draft LEP commencing on 30 June 2023.
3. amend the zone in the **Land Zoning Maps** (Sheets LZN\_018) from IN1 General Industrial to part R4 High Density Residential and part RE1 Public Recreation.
4. amend the maximum height in the **Height of Buildings Map** (Sheet HOB\_018) from 12m to various heights ranging from 25m, 31m, 34m, 68m and 77m.
5. amend the maximum floor space ratio on the **Floor Space Ratio Map** (Sheet FSR\_018) from 1:1 to 2.74:1 (East site) and 2.46:1 (West site).
6. amend the **Land Reservation Acquisition Maps** (Sheet LRA\_018) to reflect areas of open space to be dedicated to Council.



7. amend **Schedule 1 Additional Permitted Use** and **Additional Permitted Use Map** to permit 'food and drink premises' in the R4 High Density Residential Zone on the subject site.
8. introduce site-specific provisions for 'Melrose Park South':
  - a) appoint a Design Excellence Panel to provide design advice for all development applications;
  - b) amend the **Additional Local Provisions Map** (Sheet ALP\_018) to identify sites with a height of 55m and above known as Melrose Park South ('MPS' sites) (**Figure 5**) where a Design Excellence Competition is required;
  - c) a minimum of 1,000m<sup>2</sup> of non-residential floor space is provided within the subject site.

Council has prepared a draft site-specific Development Control Plan (DCP) to ensure appropriate development controls are established to support the draft LEP. At its meeting on 12 December 2022, the planning proposal, DCP and draft local voluntary planning agreement (VPA) was endorsed for finalisation by Council.

#### State and Local Voluntary Planning Agreements

A draft local voluntary planning agreement (VPA) has been negotiated between Council and the proponent for the delivery of local infrastructure to support growth in the precinct. Council exhibited the draft local VPA from 25 August 2022 to 21 September 2022, and no post-exhibition changes were made to the draft VPA. Council has requested a deferred commencement as a post-exhibition amendment to allow sufficient time for appropriate local contributions are made. Further discussion is addressed in Section 3.2.1 of this report.

A draft State VPA is currently being considered for Melrose Park South. The draft State VPA will secure monetary contributions towards critical State infrastructure, including road upgrades (as outlined in the TMAP) and the bridge over the Parramatta River. Further discussion is provided in Section 4.1 of this report.

## 1.4 State electorate and local member

The site falls within the Parramatta state electorate. Dr Geoff Lee MP is the State Member.

The site falls within the Bennelong federal electorate. Mr Jerome Laxale MP is the Federal Member.

To the team's knowledge, neither MP has made any written representations regarding the proposal.

There are no donations or gifts to disclose, and a political donation disclosure is not required.

There have been no meetings or communications with registered lobbyists with respect to this proposal.

## 2 Gateway determination and alterations

The Gateway determination issued on 17/08/2021 (**Attachment B**) determined that the proposal should proceed subject to conditions. The Gateway determination was altered on 12 September 2022 (**Attachment B1**). Additional time was granted to allow Council to exhibit the planning proposal, draft site-specific DCP and draft VPA concurrently. Council noted that the proposed incurred delays due to ongoing VPA negotiations with the proponent. The requested extension was for 4 months to be finalised by 24 December 2022.

At Council's meeting on 12 December 2022, the planning proposal was endorsed and submitted to the Department to finalise the LEP (**Attachment E**). Council has met the conditions of the Gateway determination. Council submitted the planning proposal on 12 December 2022 for finalisation.



### 3 Public exhibition and post-exhibition changes


In accordance with the Gateway determination, the proposal was publicly exhibited by Council from 25 August to 21 September 2022.

A total of 85 community submissions were received. In summary, 3% of submissions supported the proposal in full, 77% objected to the proposal in full, 13% stated partial support or no objection and 7% were neutral. **Attachment F** outlines the issues raised and Council's response in their post-exhibition report.

The Department considers Council has adequately addressed the matters raised in the public submissions. A summary of key matters raised and Council's response is included in **Table 2**.

**Table 2 Summary of Key Issues and Response**

Issue raised	Council response
<p><u>Urban design</u></p> <p>Concerns related to proposed height of buildings being excessive, out of character to the area resulting in poor amenity, overshadowing and loss of privacy. Comments suggested inconsistency with the Structure Plan that was adopted by Council on 16 December 2019.</p>	<p>Council acknowledges that there are differences between the proposed building heights identified in the Southern Structure Plan, however the proposal remains consistent with the envisaged approach to the precinct as there is no increase in the overall gross floor area (GFA). Council notes that further detailed modelling and refinement was undertaken at the planning proposal stage to minimise impacts for existing residents.</p> <p>The urban design study (<b>Attachment G</b>) concentrates the tallest buildings away from the perimeters of the precinct to provide a transition from the existing low density residential development adjacent to the site. A DCP has been prepared which allocates four to six storeys buildings (<b>Figure 5</b>) on the western side of the precinct on Hughes Avenue. Council has tested the buildings and notes that it can achieve solar access in accordance with the Apartment Design Guide (ADG) requirements.</p>  <p><b>Figure 5: Indicative built form on West site (Source: planning proposal)</b></p> <p>The planning proposal also includes an open space buffer strip, approximately 17m wide, on the eastern side of Wharf Road, further increasing the separation</p>

Issue raised	Council response
	<p>between the adjoining landowners. A DCP has been prepared to ensure that matters relating to building separation and distribution, overlooking and loss of privacy will be further addressed at the development application stage.</p>  <p><b>Figure 6: Indicative built form on East site (Source: planning proposal)</b></p> <p>In addition, the Department notes that any future development application for the precinct will need to demonstrate compliance with State Environmental Planning Policy No 65 Design Quality of Residential Apartment Development and its associated Apartment Design Guide in relation to overshadowing and privacy.</p>
<p><u>Traffic</u></p> <p>Concerns related to traffic congestion, car parking and questioned the TMAP's assumptions, methodology and relevancy to the current road and traffic conditions.</p>	<p>Council, in collaboration with TfNSW and the Department completed an endorsed TMAP (<b>Attachments H</b>) for the precinct to support the rezoning. As part of Gateway condition 1(h), the TMAP was exhibited with the planning proposal to address traffic and transport issues resulting from the redevelopment of the precinct. TfNSW provided advice on the methodology, assumptions and inputs in the preparation of the TMAP.</p> <p>The TMAP provides a comprehensive analysis of the potential traffic and parking impacts and identifies required mitigation measures for future redevelopment to ensure that the traffic and transport network can accommodate the proposed increase in density. As such, the TMAP identifies two development scenarios for the precinct:</p> <ul style="list-style-type: none"> <li>• Stage 1 – Prior to the bridge (up to 6,700 dwellings)</li> <li>• Stage 2 – After new bridge (up to 11,000 dwellings)</li> </ul> <p>It also provides a staging plan for the delivery of required road upgrades and public transport infrastructure to service the precinct, including road works on Victoria Road (including bus priority), car parking rates and a public and active transport bridge over Parramatta River.</p>

Issue raised	Council response
	<p>The NSW Government announced funding towards the Parramatta Light Rail (PLR) Stage 2 on 1st June 2022. This announcement committed \$602.4 million to start works and commence a detailed planning process to move ahead with the project. As part of this announcement it was confirmed that the funding will go towards early works, including construction of the bridge connecting Melrose Park to Wentworth Point. An EIS for PLR Stage 2 is on public exhibition until 16 December 2022.</p> <p>In regard to traffic congestion, various intersections, including Victoria Road/ Kissing Point Road and Victoria Road/ Wharf Road are identified to be upgraded to ease congestion. The traffic modelling indicates that the service level of these roads will be acceptable as a result of the proposal, provided that the upgrades are undertaken as identified in the TMAP.</p> <p>Council notes that the TMAP is still considered relevant to the current road and traffic conditions as the overall dwelling yields that have been modelled has not changed. As such, the infrastructure upgrades required to meet the density thresholds will be sufficient to service the incoming community.</p> <p>Furthermore, the DCP has been prepared to include car parking rates for residential flat buildings similar to other high-density areas in the Parramatta LGA and consistent with Melrose Park North. It is noted that further traffic impacts can be addressed at the development application stage.</p>

### 3.1 Advice from agencies

In accordance with condition 3 of the Gateway determination, Council was required to consult with the agencies listed below:

- Transport for NSW (TfNSW);
- Environment and Heritage Group (formerly Environment, Energy and Science Group);
- Department of Education;
- Heritage NSW;
- Fire and Rescue NSW;
- NSW Health – Western Sydney Local Health District (WSLHD);
- Greater Cities Commission (formerly Greater Sydney Commission);
- City of Ryde Council; and
- Relevant utility providers (Sydney Water).

Council received a total of 4 submissions from public authorities and 1 from City of Ryde Council. The submissions are summarised in Council's Parramatta Local Planning Panel Report (**Attachment F**) and Council have appropriately addressed the issues raised in the agency submissions. Heritage NSW, Fire and Rescue NSW, Greater Cities Commission and Sydney Water did not provide a submission to the proposal.

TfNSW raised no objections to the proposal with matters relating to the need for a concurrence clause with the Planning Secretary to ensure that development aligns with State infrastructure. Other comments relate to updates on land dedication for the PLR in the local VPA and DCP required for clarity. TfNSW also highlighted a need for the proponent to deliver a shuttle bus service until Sydney Metro West and future Parramatta Light Rail (PLR) Stage 2 are operational.

Council notes that the matters relating to the concurrence clause with the Planning Secretary and land dedication of the PLR in the local VPA and DCP has been updated accordingly as part of the finalisation process. Regarding the delivery of the shuttle buses provided for the community, this is captured in the local VPA for Amendment 59 which was identified in the Melrose Park TMAP

recommendations. Council notes that it is inefficient for each developer to provide their own respective shuttle bus service given that the shuttle bus is expected to run until PLR and active transport bridge is delivered.

Environment and Heritage Group raised no objection to the proposal, highlighting matters relating to biodiversity value of the Ermington Bay Wetland, and potential shadowing and sedimentation which can also be addressed at the development application stage. Council has also prepared a site-specific DCP with consideration to the design and layout of the buildings to ensure there are minimal overshadowing impacts, soil management controls and protect biodiversity values of the Ermington Bay Wetland.

School Infrastructure NSW (SINSW) and Department of Education (DoE) raised no objections to the proposal. Comments raised in the submission relate to demand for educational facilities within the precinct, overshadowing and privacy impacts on the existing Melrose Park Public School, and the request to exclude SINSW from payment of infrastructure contributions.

Council notes that any concerns relating to overshadowing and privacy impacts on the existing Melrose Park Public School can be addressed at the development application stage. Regarding demand for education facilities within the precinct, SINSW notes its commitment to working with Council to ensure public schools are supporting community needs and be appropriately resourced to respond to student population changes. Council notes that the request for SINSW to be exempt from paying infrastructure contributions is being considered as part of ongoing reviews of Council's infrastructure contribution plans.

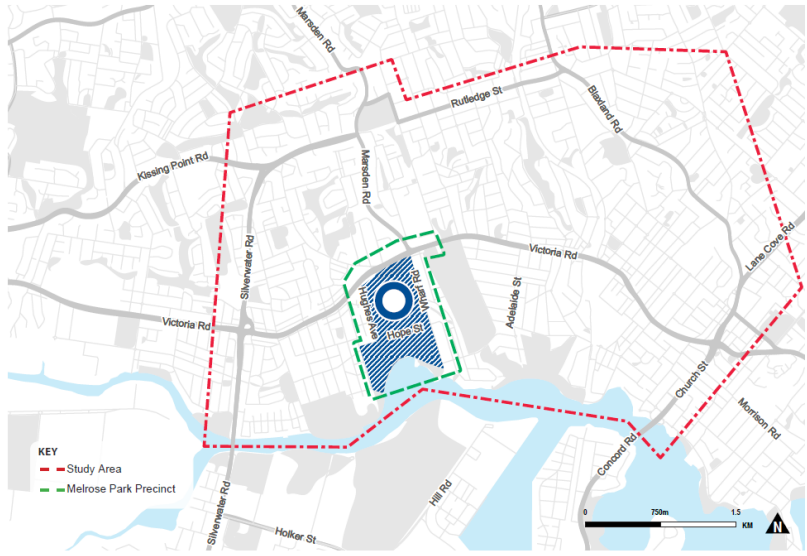
WSLHD raised no objection to the proposal, noting matters related to mosquito management, potential outdoor recreation space use, and river front access after storm events which can be all addressed at development application stage.

Council received an objection on the proposal from City of Ryde Council which is summarised in **Table 4** below. The Department considers Council has adequately addressed matters raised in submissions from public authorities and City of Ryde Council.

**Table 3 Advice from City of Ryde Council and City of Parramatta Council's response**

Issue raised	Council response
<p><u>Traffic Impacts</u></p> <p>Concerns that the TMAP does not consider the local road network (east of the Melrose Park Precinct) and traffic impacts on local residents in Ryde LGA</p>	<p>Traffic modelling undertaken as part of the TMAP indicates that a significant increase in the volume of traffic is not anticipated to impact local roads in Ryde LGA. This is due to the road upgrades planned for Wharf Road to ease congestion and manage traffic appropriately. While the TMAP does not identify specific upgrades to any roads within the Ryde LGA, the TMAP study area (<b>Figure 7</b>) did cover areas located within the Ryde LGA boundary as part of the traffic modelling. Council also notes that traffic management measures can be reviewed at any time and will continue to monitor the functionality of the road network as the development progresses.</p>



Issue raised	Council response
	 <p><b>Figure 7: Melrose Park TMAP study area (Source: Attachment H - TMAP)</b></p>
<p><u>Additional Permitted Use (APU)</u></p> <p>Request for further details on the location of the additional permitted use for 'food and drink premises'. Concerns that the use may also permit 'restaurants, cafes, pubs or small bars' on the site and may impact existing residents along Wharf Road in regard to noise, car parking and servicing docks.</p>	<p>The APU for 'food and drink premises' will be identified on the APU Map within the R4 High Density Residential Zone. The purpose of the APU is to encourage street activation and support the future residents. Should restaurants, cafes, pubs or small bars be proposed on any location within the non-residential floor space on the site, further consideration to noise, car parking and servicing docks and any potential amenity impacts from its operations will be assessed as part of the development application process.</p>
<p><u>Developer Contributions</u></p> <p>Request for the current contribution rates be applied to the proposed development.</p>	<p>Council has responded to this matter, noting that a VPA has been negotiated to provide community benefit.</p>
<p><u>Insufficient Local Open Space Provision</u></p> <p>Structure Plan for Melrose Park South indicated a total of 67,113m<sup>2</sup> local open space. Only 26,033m<sup>2</sup> of local open space (39% of the total 67,113m<sup>2</sup>) is proposed as part of this planning proposal</p> <p>Shortfall of open space may increase additional pressures on the existing open space within the City of Ryde Council.</p>	<p>The planning proposal is part of strategic planning for the Melrose Park Precinct. Separate structure plans were prepared for North and South precinct which provides a framework for urban renewal and ensures planning is considerate of the precinct as a whole. In essence, Council envisages the Melrose Park Precinct to provide all the essential services such as social and recreational infrastructure, local retail and commercial facilities to support the incoming community within close to their homes.</p> <p>Given that the precinct borders the City of Ryde, Council acknowledges that residents in Melrose Park South may access local open space or essential services within the Ryde LGA and residents in Ryde may utilise new infrastructure and services within Melrose Park Precinct. Council notes this planning proposal only covers a portion of the Melrose Park South precinct and future planning proposals for the rest of the Southern Precinct will be undertaken separately. Those sites will need to provide</p>

Issue raised	Council response
City of Ryde Council also requested that contributions be provided towards the upgrading Meadowbank Park within Ryde LGA.	the required local open space in accordance with Council's endorse structure plan for Melrose Park South.
<u>Local VPA</u> City of Ryde Council requested that the local VPA capture contributions towards funding infrastructure upgrades within the Ryde LGA.	The local VPA is an agreement between City of Parramatta Council and that no contributions are proposed to fund specific works within the Ryde LGA. Council notes that the infrastructure such as road upgrades and local open space to be delivered as part the broader Melrose Park Precinct has been identified in the Infrastructure Needs List ( <b>Attachment I</b> ). Any site-specific planning proposals within the precinct will need to provide contributions in accordance with the Infrastructure Needs List.

## 3.2 Post-exhibition changes

### 3.2.1 Council resolved changes

At Council's Ordinary Meeting on 12/12/2022, Council resolved to proceed with the planning proposal with the following post-exhibition changes (**Attachment F**):

1. Include 'Melrose Park South' to Clause 9.5 requiring the concurrence of the Planning Secretary. In issuing concurrence, the Planning Secretary is to consider the provision of State infrastructure in relation to land identified as 'Melrose Park South', and for land identified as 'Melrose Park Precinct' where development proposes to exceed the 11,000-dwelling threshold, consideration is required as to the capacity of the existing and proposed road and public transport infrastructure in the area to accommodate the development.

Council's exhibited planning proposal included the TMAP document which sets out the residential yields achievable with and without the bridge over the Parramatta River. This post-exhibition change is consistent with the Melrose Park North framework when the Department finalised Amendment 59 and Map Amendment 1. Further discussion is provided in section 4.1 of this report (under Transport Management Accessibility Plan and State infrastructure).

2. Inclusion of a deferred commencement provision to ensure that redevelopment of the sites included in this proposal cannot progress until a Planning Agreement securing the required local infrastructure is finalised. This is discussed further in section 4.1 of this report (under Local Infrastructure Provision).

Council has not re-exhibited the amended planning proposal as the nature of the amendments are minor. It is considered that the amendments are either technical or reduce environmental impact compared to the exhibited planning proposal.

### 3.2.2 The Department's recommended changes

Following the receipt of the revised planning proposal from Council, the Department has made further changes to the draft LEP. These changes principally relate to the alignment of growth and infrastructure and consequential amendments required to facilitate the drafting approach. The changes are as follows:

1. Identify 'Melrose Park South' on the Key Sites Map.

The mapping amendment is necessary in activating Clause 9.5 requiring concurrence with the Planning Secretary in the draft LEP. The Department considers that the proposed post-exhibition amendment is appropriate and minor as it is not changing the intent of the planning proposal.

2. Amendment to the Additional Permitted Use Map to identify the site as '4'.

The exhibited planning proposal indicated suggested that there would be an amendment to Schedule 1 to permit 'food and drink premises' in the R4 High Density Residential Zone. The Department considers the mapping of the R4 zone sites appropriate to identify the sites to permit 'food and drink premises, due to the provisions applying to the site. The post-exhibition amendment is considered administrative and will not change the intent of the planning proposal. The proposed map amendment is considered minor and appropriate.

3. Design excellence sites be identified as 'MPS' on the Design Excellence Map.

During the public exhibition, the planning proposal indicated that the design excellence sites would be identified on the Additional Local Provisions Map. Council notes that the PLEP2011 currently has a Design Excellence Map that identifies particular sites that are subject to particular design excellence clauses. The Department notes that Amendment 59 identifies design excellence sites on the Additional Local Provisions map which is inconsistent with the post-exhibition amendment. Council notes that it is inconsistent with the established practice to identify land subject to design excellence controls on the Design Excellence Map. Council notes that there are no policy implications with this post-exhibition amendment other than an updated reference to a different map.

The Department considers the proposed amendment to identify 'MPS' on the Design Excellence Map is minor and appropriate in this instance.

## 4 Department's assessment

The proposal has been subject to detailed review and assessment through the Department's Gateway determination (**Attachment B**), Gateway alteration and subsequent planning proposal processes. It has also been subject to public consultation and engagement.

The following reassesses the proposal against relevant Section 9.1 Directions, SEPPs, Regional and District Plans and Council's Local Strategic Planning Statement. It also reassesses any potential key impacts associated with the proposal (as modified).

The planning proposal submitted to the Department for finalisation:

- is generally consistent with the relevant objectives and Planning Priorities of the Central City District Plan, noting that further discussion is provided to address Condition 5(c) in response to Planning Priority C11 in Section 4.1 below;
- is generally consistent with Council's Local Strategic Planning Statement (LSPS). Further consideration is not required;
- is generally consistent with all relevant Section 9.1 Directions, noting that Directions 7.1 Business and Industrial Zones was left unresolved at Gateway due to its inconsistency, addressed below in Section 4.1; and
- is generally consistent with all relevant SEPPs. Further consideration of the consistency with any relevant SEPP can be considered as part of any development assessment process.

The following tables identify whether the proposal is consistent with the assessment undertaken at the Gateway determination stage. Where the proposal is inconsistent with this assessment, requires further analysis or requires reconsideration of any unresolved matters these are addressed in Section 4.1.

**Table 4 Summary of strategic assessment**

	Consistent with Gateway determination report Assessment	
District Plan	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No, refer to section 4.1
Local Strategic Planning Statement	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No, refer to section 4.1
Local Planning Panel (LPP) recommendation	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No, refer to section 4.1
Section 9.1 Ministerial Directions	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No, refer to section 4.1
State Environmental Planning Policies (SEPPs)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No, refer to section 4.1

**Table 5 Summary of site-specific assessment**

Site-specific assessment	Consistent with Gateway determination report Assessment	
Social and economic impacts	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No, refer to section 4.1
Environmental impacts	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No, refer to section 4.1
Infrastructure	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No, refer to section 4.1

## 4.1 Detailed assessment

The following section provides details of the Department's assessment of key matters and any recommended revisions to the planning proposal to make it suitable.

### Central City District Plan

The Greater Cities Commission (GCC) released the Central City District Plan on 18 March 2018. The District Plan provides a 20-year plan to manage growth in the context of economic, social and environmental matters to achieve the 40-year vision of Greater Sydney. The draft LEP is consistent with the planning priorities of the District Plan, except Planning Priority C11.

As part of Condition 5(c) of the Gateway determination, Council was required to update the planning proposal to address consistency with Planning Priority C11, prior to finalisation. Planning Priority C11 seeks to protect industrial land and is generally not supportive of losses of industrial land uses. The District Plan identifies all of the Parramatta LGA as an area for 'review and manage' for managing industrial and urban services land. The 'review and manage' principles aim to review all industrial and urban services land to confirm their retention or transition to higher order uses (such as business parks) and prepare appropriate controls to maximise business and employment outcomes, considering the changing nature of industries in the area. Therefore, the draft LEP is inconsistent with this approach.

While the District Plan does not envisage the transfer of industrial land to residential uses, planning for Melrose Park Precinct predates the release of the District Plan and part of the precinct has been rezoned for mixed use residential under Amendment 59 and Map Amendment 1 for Melrose Park North. The Department also notes that the Parramatta LGA is not subject to a 'retain and manage' approach to employment lands the District Plan.



The 'review and manage' principles also note that in limited cases, conversion to other uses may be appropriate. Council's planning proposal submitted for finalisation seeks to justify the inconsistency through the Parramatta Employment Lands Strategy (ELS) and Council's endorsed structure plan for Melrose Park South. The Parramatta ELS was adopted by Council in 2016 and provides recommendations for the future direction of employment lands across the Parramatta LGA. The ELS was reviewed and updated in 2020. The Parramatta ELS responds to the 'review and manage' principle and recommended that a structure plan for Melrose Park be prepared to consider future uses in the precinct and opportunities for urban renewal.

In addition, prior to issuing the Gateway determination, the Department also sought advice from the Greater Cities Commission (GCC) on the planning proposal. The GCC identified that Council's Local Strategic Planning Statement (LSPS) has been endorsed by GCC and that this document recognises the changing nature of the industrial uses in the area and supported a change in zoning to permit residential uses with a new town centre.

In endorsing LSPS, the GCC identified that the key issue for the precinct in facilitating this change from industrial to mixed use residential was the provision of infrastructure and in particular, resolution of traffic and transport issues and the provision of a bridge river crossing to Sydney Olympic Park to support mass transit.

The GCC suggested that the planning proposal had no strategic merit, and the proposal should not progress until supporting infrastructure, including Parramatta Light Rail (PLR) Stage Two is committed. It is noted that the GCC did not specifically identify that there was an inconsistency with the Planning Priority C11 in relation to the review and manage principles, rather identified a need to ensure infrastructure is required to support growth. As such, Condition 5(d) of the Gateway determination was recommended to ensure there is a mechanism in place for the delivery of local and State infrastructure required to support the anticipated growth.

In response to GCC concerns relating to strategic merit, the Department notes the planning framework established in finalising Melrose Park North which requires the Planning Secretary's concurrence prior to development consent being granted. Amendment 59 and Map Amendment 1 (Melrose Park North) were notified on 24 June 2022, with the planning controls coming into effect on 30 June 2023.

In making Melrose Park North, the Department was satisfied that the future development would be supported by suitable infrastructure following the NSW Government announcement on 1<sup>st</sup> June 2022 for funding towards the PLR Stage Two. This included funding towards the construction of the bridge connecting Melrose Park to Wentworth. This announcement on supporting infrastructure enabled the entire Melrose Park Precinct to achieve the full development yield of 11,000 dwellings and future proposed population as per the TMAP recommendations.

Amendment 59 and Map Amendment 1 introduced requirements for development in the northern precinct to obtain concurrence, which when issued must consider the impact, both direct and cumulative, of the development on the need for additional infrastructure and the steps taken to address the impacts. This may be addressed through entering into a planning agreement to contribute towards State public infrastructure. The draft LEP requires development in Melrose Park South to similarly obtain concurrence to ensure new development contributes towards designated State and regional infrastructure.

The Department also notes that Council has adopted a local contribution framework and planning agreement to ensure local infrastructure, including open space, is delivered to support the precinct. A similar approach has also been taken to Melrose Park North ensuring precinct-wide provision of social infrastructure.

It is noted that GCC did not provide any additional comments during the exhibition period for the planning proposal. As such, the Department considers that Condition 5(d) has been satisfied and addresses the GCC concerns in relation to strategic merit.

The Department is satisfied that the proposal gives effect to the district plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*.

### Direction 7.1 Business and Industrial Zones

The Gateway determination report identified the original planning proposal was inconsistent with Direction 1.1 Business and Industrial Zones and left the Direction unresolved, the Direction has since been renumbered to 7.1.

The planning proposal is inconsistent with this direction in that it:

- does not retain the areas and locations of existing business and industrial zones;
- reduces the total potential floor space area for industrial uses in industrial zones; and
- the proposed new employment areas that are not adopted by a strategy approved by the Department.

Condition 5(a) required Councils ELS be endorsed by the Department prior to finalisation to satisfy the inconsistency with this Direction. During the time of writing this report, Council and the Department is working on updating the ELS following the making of a future District Plan. Although the ELS is not endorsed by the Department, the draft LEP gives consideration to the objectives of the direction in that:

- it encourages the retention of jobs with the provision of a minimum 1,000sqm non-residential floor space;
- supports the viability of the new local centre in Melrose Park North; and
- contributes to the broader vision and employment uses for Melrose Park Precinct.

The proposal is supported by an Economic Impact Study (**Attachment J**), indicating that Melrose Park Precinct was previously characterised by large-scale pharmaceutical manufacturing companies, warehousing and distribution centres. The study finds that the Melrose Park Precinct has undergone significant change due to the restructure of some of these businesses which has affected the viability of the precinct to continue operating for the purposes of industrial uses.

The study notes that the two major tenants on the sites – one vacated in June 2022 and the other will soon vacate their premises in March 2023. Council advises that due to the existing fit out of the buildings being specialised to pharmaceutical manufacturing, it is likely that they will remain vacant. The type of industrial activities that could be developed on the site would be limited given the land use conflicts and poor amenity outcomes for the adjoining low density residential zone.

The study identifies that the sites under the current zoning would provide approximately 1170 jobs. The draft LEP will facilitate approximately 160 permanent jobs which is shortfall of 1010 jobs for the sites. While there will a net loss of jobs for the site, the Department acknowledges that the future development is part of the broader vision for Melrose Park Precinct.

It is not practical to match the total employment floor space or jobs as identified under the Direction or in the ELS, but rather focus on providing sufficient retail and commercial uses to service the incoming population for Melrose Park Precinct and supporting the viability of the future nearby B2 Local Centre in Melrose Park North. It is noted that any additional commercial floor space for the southern precinct may undermine the local centre function in Melrose Park North.

New employment floor space is being provided in alternative locations within the Parramatta and Ryde LGAs, through planning for Parramatta CBD, Camellia-Rosehill, Macquarie Park and Westmead. It is considered that these areas are more appropriate locations for new employment floor space due to their public transport and amenity offerings to support workers and visitors.

As such, the Department considers the lower job number provision is acceptable in this circumstance. It is noted that employment uses have been planned holistically and are principally located wider precinct is located in Melrose Park North (Amendment 59 and Map Amendment 1), which contributes towards the provision of employment generating uses in accordance with this Direction. The Department is satisfied that the inconsistency with section 9.1 Direction 7.1

Business and Industrial Zones is justified, and that Council has addressed condition 5(a) and 5(c) of the Gateway determination.

### **SEPP (Transport and Infrastructure) 2021**

The Transport and Infrastructure SEPP is the key planning instrument in NSW for the facilitation and delivery of infrastructure. The SEPP contains planning provisions for various types of infrastructure, including development near pipelines. It also includes notification requirements and requirements to consider potential safety risks related to development near high pressure pipelines.

In accordance with condition 5(e), the Gateway determination required Council to ensure that the land is suitable for the intended outcomes having regard to the underground high-pressure pipeline safety risk following an assessment against relevant legislation and policies. Council has prepared a hazard analysis report (**Attachment K**) to determine the appropriateness of the proposed land uses in the vicinity of the pipeline. The analysis concludes that the proposal satisfies the individual fatality risk criteria. The Department notes that further analysis will be undertaken at the development application stage to determine the level of risk and the SEPP provides matters to be addressed.

### **Urban design, Design Excellence Panel and Design Competition**

Condition 1(c) of the Gateway determination required Council to update the planning proposal with built form modelling including a 3D visualisation of the proposed development concept, its surrounding built form context and overshadowing analysis. An urban design report (**Attachment G**) has been submitted and exhibited to support the design rationale for the proposed built form in Melrose Park South. This includes a master plan providing the proposed land use zoning, building heights, floor areas, road layout and areas of open space.

The urban design study provides the rationale for the proposal; including a site constraints and opportunities analysis, urban design principles to drive the proposal, open space concepts, sustainability initiatives and an assessment of the proposed master plan against the principles and objectives of State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development.

Council has prepared a draft site-specific Development Control Plan (DCP) to ensure appropriate development controls are established to support the draft LEP. The purpose of the DCP is ensure amenity impacts are minimised for the existing community and new development has consideration to high quality architectural built form, its relationship of buildings to street, building typologies, future character and improved public domain. In accordance with Condition 1(d) of the Gateway determination, Council has included provisions in the DCP ensuring future *'apartment design consider suitable spaces that can utilised as a work from home space'*. The Department is satisfied that this condition is addressed.

The indicative built form is provided in **Figures 8- 11**. A floor space ratio of 2.74:1 (East site) and 2.46:1 (West site) are proposed, with heights comprising of 25 metres (6 storeys), 31 metres and 34 metres (8 storeys), 68 metres (20 storeys) and 77 metres (22 storeys). The tallest buildings are located towards the town centre with 4 to 8 storey buildings proposed at the edges of the precinct to provide a transition to surrounding low rise residential areas. In addition, the draft LEP includes RE1 zoned land, approximately 17m wide on the eastern side of Wharf Road, which acts as a buffer further increasing the separation from adjoining landowners outside the precinct.





**Figure 8: Indicative built forms on the East and West sites from the south-east view (Source: planning proposal)**



**Figure 9: Indicative built form on the East West sites from the south-west view (Source: planning proposal)**





**Figure 10: Indicative built forms on the East and West sites from the north-west view (Source: planning proposal)**



**Figure 11: Indicative built forms on the East and West sites from the north-east view (Source: planning proposal)**

The draft LEP also includes a requirement for all development applications in the Melrose Park South precinct to be reviewed by the Design Excellence Panel. This will ensure consistent and high quality in architectural, urban and landscape design is achieved. The requirement for all development application to be reviewed by the Design Excellence Panel is a consistent approach undertaken as part of Amendment 59 and Map Amendment 1 (Melrose Park North). In addition,



sites identified as 'MPS' on the Design Excellence Map will be subject to the Design Excellence Competition process for further design assessment where development exceeds 55m or above. No additional height or FSR is provided within the Melrose Park Precinct.

### Transport Management and Accessibility Plan (TMAP)

In accordance with condition 1(h) of the Gateway determination, the endorsed TMAP (**Attachment H**) was exhibited for the Melrose Park Precinct to address traffic and transport issues resulting from redevelopment of the precinct. TfNSW provided advice on the methodology, assumptions and inputs in the preparation of the TMAP. In summary, the TMAP finds that the additional traffic demand as a result of the proposed Melrose Park development on the surrounding local road network falls within acceptable capacity thresholds and can be supported by the identified upgrades to transport infrastructure and services for both the road and public transport network.

The implementation plan for the TMAP identifies that providing an acceptable level of public transport to more than 6,700 dwellings and up to the full development yield of 11,000 dwellings is dependent on the provision of a bridge crossing of the Parramatta River to Wentworth Point, providing active and public transport, being via the Parramatta Light Rail 2 or high frequency buses that will utilise the bridge to access the future Metro Station at Sydney Olympic Park (**Figure 13**). The planning proposal suggested a two-stage implementation plan to align growth with the level of infrastructure available, based on the TMAP.

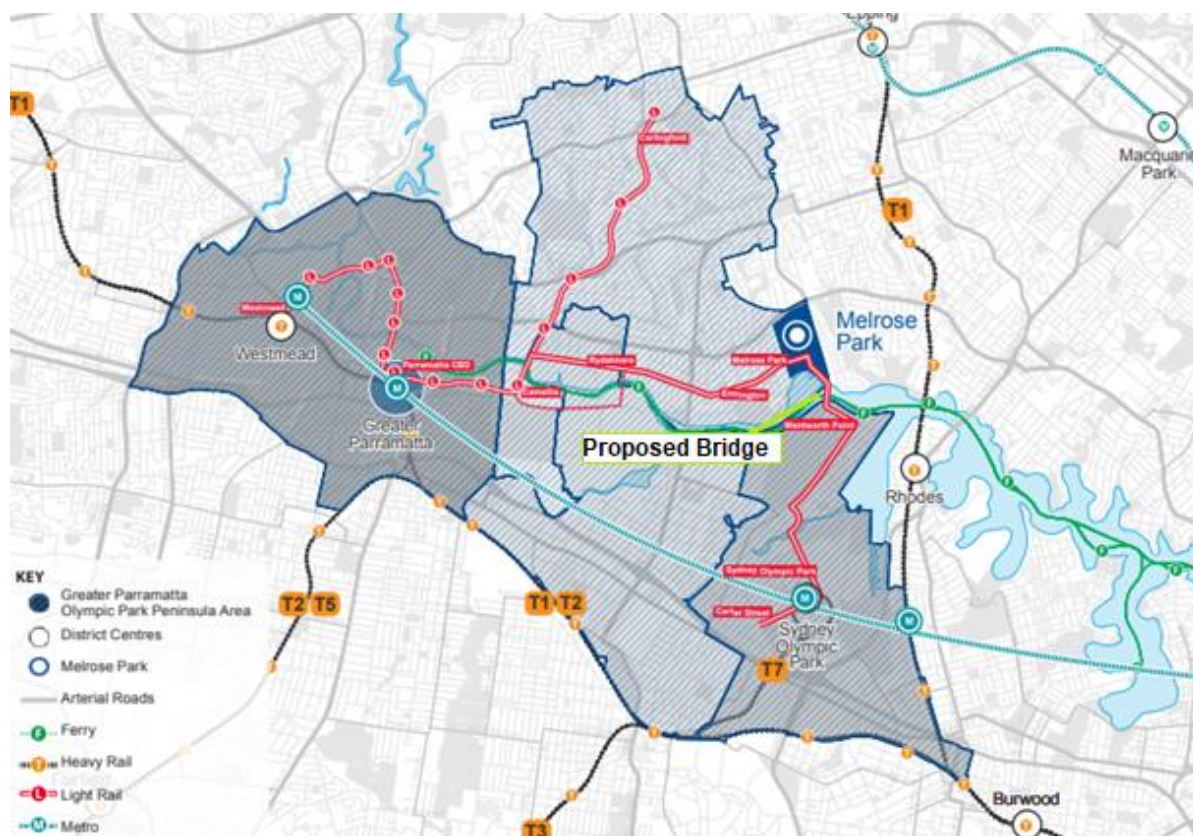


Figure 12 Map showing existing and proposed public transport (source: TMAP)

On 1<sup>st</sup> June 2022, the NSW Government announced funding towards the Parramatta Light Rail Stage Two on 1<sup>st</sup> June 2022. This announcement committed \$602.4 million to start works and commence a detailed planning process to move ahead with the project. As part of this announcement, it was confirmed that the funding will go towards early works, including construction of the bridge connecting Melrose Park to Wentworth Point. An EIS for PLR Stage 2 is on public exhibition until 16 December 2022. This announcement gives the Department sufficient comfort that the bridge can be delivered as part of the Parramatta Light Rail project and enables Stage 2 (as per TMAP) to be considered as part of this planning proposal.

In regard to the dwelling thresholds outlined in the TMAP, the draft LEP includes 'Melrose Park South' to the existing Clause 9.5 requiring concurrence with the Planning Secretary to ensure new residential and commercial development in Melrose Park Precinct contributes towards designated State and regional infrastructure. The existing Clause 9.5 also identifies the maximum 11,000 dwelling threshold across the entire Melrose Park Precinct.

To enable the application of the concurrence clause with the Planning Secretary, the Department has included 'Melrose Park South' on the Key Sites Map as a post-exhibition amendment. This is a consistent approach undertaken for Amendment 59 and Map Amendment 1 (Melrose Park North). It is noted that the draft State VPA is currently under preparation for Melrose Park South. The Department notes the use of the existing concurrence clause with the Planning Secretary within the LEP is an interim measure until the draft State VPA is exhibited and executed. Therefore, it is considered an appropriate mechanism to align the proposed development with infrastructure delivery and responds to traffic and transport constraints.

### Local Infrastructure Provision

In responding to Gateway condition 1(e), Council has prepared an Infrastructure Needs List (**Attachment I**) to identify the infrastructure required to service the future needs of the future population and the approximate cost of the infrastructure.

A local VPA is currently being finalised between Council and proponent which has a value of \$37,246,825 and includes delivery of local infrastructure related to road works, public open space, affordable rental housing, smart cities and a contribution towards community facilities. Council notes that negotiations to secure adequate infrastructure to support the community are ongoing. Council officers requested that the LEP include a provision that prevents the planning proposal sites from utilising the amended planning controls until such time that a planning agreement has been executed and registered on the respective Title. As such, the Department proposes a deferred commencement applying to Melrose Park South commencing on 30 June 2023. The Department considers the proposed deferred commencement provisions are minor and appropriate to facilitate the envisaged outcomes for the proposal.

## 5 Post-assessment consultation

The Department consulted with the following stakeholders after the assessment.

**Table 6 Consultation following the Department's assessment**

Stakeholder	Consultation	The Department is satisfied with the draft LEP
Mapping	Seven (7) maps have been prepared by Council. The Department's ePlanning team have checked the maps in accordance with the technical requirements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, see below for details

Council	<p>Council was consulted on the terms of the draft instrument under clause 3.36(1) of the <i>Environmental Planning and Assessment Act 1979</i> (<b>Attachment C</b>)</p> <p>Council provided comments on 28/11/2022 noting some matters for clarification (<b>Attachment D</b>).</p> <p>The Department is satisfied that Council's comments have been considered and the Draft LEP is appropriate to achieve the purpose of the Planning Proposal.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, see below for details
Parliamentary Counsel Opinion	<p>On 5/12/2022, Parliamentary Counsel provided the final Opinion that the draft LEP could legally be made. This Opinion is provided at <b>Attachment PC</b></p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, see below for details

## 6 Recommendation

It is recommended that the Secretary's delegate determine that:

- the draft LEP's inconsistency with section 9.1 Direction 7.1 Business and Industrial Zones, is justified in accordance with the terms of the Direction.

It is recommended that the Minister's delegate as the local plan-making authority determine to make the draft LEP under clause 3.36(2)(a) of the Act because the plan:

- is consistent with the relevant objectives and Planning Priorities of the Central City District Plan;
- aligns with the strategic vision of the Parramatta Local Strategic Planning Statement 2036;
- will facilitate approximately 1,925 additional dwellings in proximity to the future Parramatta Light Rail Stage 2, future new town centre and future school in Melrose Park North;
- will deliver over 25,700m<sup>2</sup> of new public open space providing benefit to the future residents and community; and
- will facilitate a minimum 1,000m<sup>2</sup> of non-residential floor space which will provide approximately 160 permanent jobs.



13 December 2022

Jazmin van Veen

Director, Central (GPOP)

Assessment officer

Peter Pham

Acting Manager, Metro Central



## Attachments

Attachment	Document
A	Planning Proposal
B	Gateway determination dated 17 August 2021
B1	Alteration of Gateway determination dated 12 September 2022
C	Section 3.36(1) consultation with Council
D	Council comments on draft LEP
E	Council report and Minutes – 12 December 2022
F	Local Planning Panel – Council report and minutes – 15 November 2022
G	Urban Design Report
H	Transport Management and Accessibility Plan (TMAP)
H1	Transport Assessment
I	Infrastructure Needs List
J	Economic Impact Assessment
K	Hazard Analysis Report
L	Civil Engineering Infrastructure Assessment Report
M	Community and Public Benefit Analysis
N	Ecological Assessment
O	Heritage Impact Assessment
P	Preliminary Site Investigation