

IRF23/2344

Gateway determination report – PP-2023-1736

Tomola Motors Sites – 19 Hope Street, Melrose Park and 69-77 Hughes Avenue, Ermington (161 dwellings and 76 jobs)

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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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Table 1 Reports and plans supporting the proposal

Relevant reports and plans

Attachment A – Planning Proposal

Attachment B - Gateway determination

Attachment C - Letter to Council

Attachment D – Parramatta Employment Lands Strategy 2016 and Review 2020

Attachment E – Melrose Park Transport Management and Accessibility Plan (TMAP)

Attachment E1 – Endorsement Letter on TMAP to Council 22 March 2021

- Attachment F Melrose Park Northern Structure Plan adopted by Council in 2016
- Attachment G Council Minutes and Report 14 June 2022
- Attachment H Local Planning Panel Minutes and Report 17 May 2022
- Appendix 1 Community Engagement Strategy
- Appendix 2 Engineering Services Desktop Due Diligence Report
- Appendix 3 Survey Plan
- Appendix 4 Flora and Fauna Report
- Appendix 5 Preliminary Site Investigation Report
- Appendix 6 Preliminary Geotechnical Assessment Report
- Appendix 7 Preliminary Traffic Impact Assessment
- Appendix 8 Urban Design, Landscaping and Proposed LEP Maps
- Appendix 9a Economic Impact Assessment
- Appendix 9b Economic Impact Assessment Letter
- Appendix 10 Acoustic Advice
- Appendix 11 Social Impact Assessment
- Appendix 12 Concept Stormwater Strategy
- Appendix 13 Hazard Analysis
- Appendix 14 Tomola Site Sustainability Statement
- Appendix 15 Indicative Development Scheme

1 Planning proposal

1.1 Overview

Table 2 Planning proposal details

LGA	Parramatta
РРА	City of Parramatta
NAME	Tomola Motors Site (161 dwellings, 76 jobs)
NUMBER	PP-2023-1736
LEP TO BE AMENDED	Parramatta Local Environmental Plan (LEP) 2023
ADDRESS	19 Hope Street, Melrose Park and 69-77 Hughes Avenue, Ermington
DESCRIPTION	Lot G DP 369480, Lots A and B DP 356298 and Lots D, E and F DP 369480
RECEIVED	11/08/2023
FILE NO.	EF23/12002
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1.2 Objectives of planning proposal

The planning proposal contains objectives and intended outcomes that adequately explain the intent of the proposal. The planning proposal relates to various sites on the south-western corner of the Melrose Park North precinct on the corner of Hope Street and Hughes Avenue (**Figure 1**).

The Melrose Park Precinct is a former industrial area for which strategic planning has commenced to transform the land for mixed use and high density residential. The precinct is split into the northern and southern portions, relating to land ownership and stage of planning, divided by Hope Street.

The planning proposal follows the preparation of the Parramatta Local Strategic Planning Statement and Parramatta Employment Lands Strategy (ELS) and responds to the Transport Management and Accessibility Plan (TMAP) for the Melrose Park Precinct (**Attachment E and E1**) and the Melrose Park Northern Precinct Structure Plan (the structure plan) (**Attachment F**) (discussed in **Section 2**).

Separate structure plans have been prepared for the northern (which includes the subject site) and southern precincts. 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 1: Melrose Park Precinct – subject site outlined in blue. Amendment 59 and Map Amendment 1 (Melrose Park North) identified in yellow and Amendment 67 (Melrose Park South) identified in yellow) (Source: planning proposal edited by DPE)

Following the preparation of the structure plans, 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 providing 5,500 dwellings, with 50,606m² of new public open space zoned RE1 Public Recreation, a new school site zoned SP2 Infrastructure (Educational Establishment) and a new town centre zoned E1 Local Centre providing 30,000m² of commercial and retail floor space supporting approximately 1,923 jobs (**Figure 2**). The provisions for Amendment 59 and Map Amendment 1 will commence on 30 June 2024.

Melrose Park South (Amendment 67) was notified on 16 December 2022 which rezoned the site to R4 High Density Residential delivering 1,925 dwellings, over 25,700m² of new public open space zoned RE1 Public Recreation and 1,000m² of small-scale retail and commercial floor space supporting approximately 160 jobs. The provisions for Amendment 67 commenced on 30 June 2023.

The objectives of the planning proposal are to enable the redevelopment of the subject sites from existing industrial uses to mixed use development in line with Council's strategic framework.

The proposal seeks to deliver the following outcomes:

- approximately 161 new dwellings;
- a minimum of 1,400m² of non-residential floor space providing approximately 76 permanent jobs; and
- 2,600m² of new public open space (including pedestrian links).

A site-specific development control plan will be prepared to enhance urban design and public amenity for the site. Council also notes the intent for a Voluntary Planning Agreement (VPA) to be negotiated to increase public benefits and public domain upgrades as part of the planning proposal.

The objectives of this planning proposal are clear and adequate.





1.3 Explanation of provisions

The planning proposal seeks to amend the Parramatta LEP 2023 per the changes below:

Table 3 Current and	d proposed	controls
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Control	Current	Proposed
Zone	E4 General Industrial R2 Low Density Residential	MU1 Mixed Use RE1 Public Recreation
Maximum height of the building	9m and 12m	48m (approximately up to14 storeys), nil for RE1 Public Recreation
Floor space ratio	0.5:1 and 1:1	2.7:1 and nil for RE1 Public Recreation. Council proposes residential GFA is 14066.5m ² . Further discussion is provided at Section 4.1 of this report.
Minimum lot size	550m ²	No changes
Site specific provision	N/A	Amend the Additional Local Provisions map to introduce a site specific provision which mandates a minimum 1,400m ² of non-residential floor space
Number of dwellings	5	161 dwellings
Number of jobs	N/A	76 jobs

The planning proposal contains an explanation of provisions that adequately explains how the objectives of the proposal will be achieved.

1.4 Site description and surrounding area

The subject site encompasses six lots with an approximate area of 8,486m² within the southwestern corner of the Melrose Park North precinct, located on the corner of Hughes Avenue and Hope Street (Figure 3).

The subject site consists of low density residential dwellings along 69-77 Hughes Avenue (Figure 4 and 5). 19 Hope Street is vacant and previously contained an industrial shed (former Tomola Motors building). There is a high-voltage powerline and easement crossing the eastern boundary of 19 Hope Street (Figure 6). Melrose Park North precinct mainly features similar land uses, with low-density residential properties lining the eastern side of Hughes Avenue and light industrial facilities occupying the remaining portion in the north and Melrose Park South precinct.

It is important to note the Melrose Park Precinct **(Figure 7)** is undergoing significant renewal with the North precinct intended to accommodate 5,500 dwellings supported by a future town centre, Parramatta Light Rail (PLR) Stage 2 stop located on Hope Street, public open space and a school site. South of the subject site within the Melrose Park South precinct will deliver 1,925 dwellings located on the east and west of the precinct. The site is also in within 500m to the Victoria Road

Transport Corridor, which is identified as a key strategic transport corridor between Parramatta CBD and Sydney CBD.

The site does not contain a local heritage item nor is located within a heritage conservation area. However, there is a local heritage item **(Figure 8)** located adjacent to the southwest corner of the site at 64 Hughes Avenue, (I64 - 'Bulla Cream Dairy').



Figure 3: Subject site bordered in yellow within Melrose Park North precinct (Source: planning proposal)



Figure 4: 73, 75 and 77 Hughes Avenue (Source: Google Maps)



Figure 5: 69 and 71 Hughes Avenue (Source: Google Maps)



Figure 6: Former Tomola Motors site (now vacant) and high voltage powerline at 19 Hope Street (Source: Google Maps)



Figure 7: Site context in relationship to Melrose Park Precinct and surrounds (Source: planning proposal)



Figure 8: I64 - Bulla Cream Dairy (Source: planning proposal)

1.5 Mapping

The planning proposal includes mapping to show current and proposed controls, however this does not demonstrate the intended outcomes. The mapping below includes the existing and proposed changes to the zoning (Figures 9 and 10), Height of Buildings (HOB) (Figures 11 and 12) and Floor Space Ratio (FSR) (Figures 13 and 14) maps which have been edited by the Department.

As this element is important for community consultation, it is recommended that a condition be included in the Gateway determination to require all mapping be updated prior to community

consultation. This includes the proposed HOB and FSR maps, the zoning maps and labels identifying the current zoning and intended zoning to ensure consistency with the employment zones reform and recent planning decisions, and the proposed changes to the Land Reservation Acquisition (LRA) and Additional Local Provisions (APL).



Figure 10: Proposed zoning map (Source: planning proposal edited by the DPE)



Figure 11: Current height of building map (Source: planning proposal)



Figure 12: Proposed height of building map (Source: planning proposal edited by DPE)



Figure 13: Current floor space ratio map (Source: planning proposal)



Figure 14: Proposed floor space ratio map (Source: planning proposal edited by DPE)

2 Need for the planning proposal

The planning proposal responds to two key strategic documents; the Parramatta Employment Lands Strategy (ELS) and the Melrose Park Transport Management and Accessibility Plan (TMAP). Parramatta Local Strategic Planning Statement was prepared after these documents, but includes the proposed change in zoning and urban renewal outcomes.

Parramatta Employment Lands Strategy & Precinct Structure Plan

The planning proposal responds to the Parramatta ELS (**Attachment D**). The ELS was adopted by Council in 2016 and updated in 2020 and provides recommendations for the future direction of employment lands across the Parramatta LGA.

The Melrose Park 'Employment Land Precinct' is identified as Precinct 11 within the ELS, and notes that it previously contained a significant concentration of large pharmaceutical companies which have relocated their operations overseas. Given the size and significance of the precinct and the changing nature of the pharmaceuticals industry, the study recommended that a structure plan and economic impact study be prepared for the precinct to consider future uses and opportunities for urban renewal including mixed use and residential uses, and retain the existing level of employment.

In accordance with the ELS, separate structure plans have been prepared for the northern and southern precincts of the employment land precinct. In December 2016, Council adopted the Melrose Park Northern Precinct Structure Plan (Figure 15) (Attachment F) allowing for the progression of this planning proposal.



Figure 15: Melrose Park Northern Structure Plan showing the Tomola Motors site outlined in yellow (Source: planning proposal)

The planning proposal aligns with the Melrose Park Northern Structure Plan objectives in emphasising residential development and public open space for the sites. The structure plan envisions low-medium density multi-dwelling housing development by strategically placing the tallest portions of the development closer to the precincts core, distanced by neighbouring lowdensity developments to ensure a gradual transition. It is noted that 69-77 Hughes Avenue is identified as low-density multi-dwelling housing which is inconsistent with the planning proposal. Further discussion is provided in section 4.1 of the report.

A requirement of the ELS is that any redevelopment of the precinct must provide the equivalent number of jobs that could be achieved under the current zoning. At the time, the ELS noted approximately 2,546 jobs were available in the Melrose Park precinct in 2016. However, the ELS also identified that a major restructuring of the pharmaceutical industry had identified the loss of approximately 450 jobs from 2011 to 2016 and job numbers were continuing to decline.

The planning proposal is estimated to provide approximately 76 jobs as part of an overall strategy for employment across the Melrose Park Precinct, with the following figures:

- 1,932 jobs, particularly in the future town centre within Melrose Park North (Amendment 59 and Map Amendment 1);
- 160 jobs in Melrose Park South (Amendment 67);
- 76 jobs for this planning proposal; and
- Approximately 454 848 jobs in the remaining portion of the southern precinct;

In total, the redevelopment of the Melrose Park Precinct is projected to generate between 2,622 – 3016 jobs. The Department notes that this forecast suggests that the redevelopment will result in a higher number of jobs compared to the current zoning, thereby satisfying the ELS requirement to retain existing job levels.

The focus for jobs provision in Melrose Park will be centred in the future local centre and school which is within the northern precinct. The future jobs identified under this planning proposal will be focussed on retail and hospitality to service the incoming population.

Transport Management and Accessibility Plan (TMAP)

To respond to concerns regarding traffic and transport issues resulting from urban renewal of the precinct, TMAP was commissioned and prepared by the proponent for Melrose Park North, and applied across the whole precinct.

The TMAP for the precinct was prepared in consultation with and endorsed for exhibition by Transport for NSW and former Roads and Maritime Services (**Attachment E and E1**). The TMAP considers future development and makes a series of recommendations, outlines infrastructure requirements and provides an implementation plan to support the proposed development on the precincts.

The TMAP identified significant new transport infrastructure is proposed in and around the Melrose Park Precinct which would improve the site's accessibility (**Figure 16**), including:

- the proposed Parramatta Light Rail (Stage 2) along Hope Street,
- the proposed public transport bridge across the Parramatta River to Wentworth Point, and
- the future Sydney Metro West Line, connecting Parramatta to the Sydney CBD, with a stop at Sydney Olympic Park.



Figure 16: Extract from TMAP showing existing and proposed public transport (Source: TMAP)

The TMAP provides an implementation plan that stages the development and density yields against levels of infrastructure provision. This includes both minor triggers such as the widening of Wharf Road, and also key triggers, such as the proposed bridge across Parramatta River providing high frequency public transport through light rail or bus to Sydney Olympic Park and the future metro station. This piece of infrastructure is critical to delivering the full development yield of 11,000 dwellings considered in the TMAP. The TMAP suggests a limit of 6,700 dwellings until the bridge is delivered.

Clause 9.5(4) of the Parramatta LEP 2023 addresses the staging of development outlined in the TMAP recommendations. This clause requires the concurrence with the Planning Secretary for development which exceeds the 11,000 dwellings threshold across the entire precinct. This clause is intended to allow the entire precinct to achieve the full development yield with the opportunity for additional development above 11,000 dwellings only where consideration is given to the capacity of the existing and proposed road and public transport infrastructure in the area to accommodate additional development.

The local VPAs applying to Melrose Park North (Amendment 59 and Map Amendment 1) and Melrose Park South (Amendment 67) have been executed with a value of \$96,745,226 and \$37,246,825 respectively. The local VPAs includes provisions for the delivery of infrastructure related to road works, public open space, affordable rental housing, smart cities and a contribution towards community facilities. The execution of the local VPAs within the Melrose Park Precinct signifies the renewal of the precinct with critical infrastructure to support growth as per the TMAP recommendations.

Furthermore, the State VPA applying to Melrose Park North (Amendment 59 and Map Amendment 1) is on exhibition until 1 October 2023. The State VPA will secure monetary contributions towards critical State and regional infrastructure, including upgrades to traffic infrastructure and bridge outlined in the TMAP recommendations, and education infrastructure to support the community.

The NSW Government has announced funding of \$200 million towards the Parramatta Light Rail (PLR) Stage 2 as part of the 2023-24 NSW Budget, which will provide an important future connection via the bridge between Melrose Park to Wentworth Point.

Is a planning proposal the best means of achieving the objectives or intended outcomes?

The planning proposal is the best means for achieving the objectives and intended outcomes. Amendment of the zoning, height, FSR and associated controls of the LEP is the most effective means of achieving the proposed development outcomes.

3 Strategic assessment

3.1 District Plan

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

The plans are structured under four themes: Infrastructure and Collaboration, Liveability, Productivity and Sustainability. The planning proposal is generally consistent with the planning priorities of the District Plan, except Planning Priority C11 as discussed below.

The Department is satisfied the planning proposal gives to the District Plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*. The following table includes an assessment of the planning proposal against relevant directions and actions.

District Plan: Planning Priorities	Justification	
Planning Priority C1 – Planning for a city supported by infrastructure	The TMAP developed to support growth in the Melrose Park precinct demonstrates how growth envisaged through the planning proposal can be suitably supported by existing and planned transport infrastructure.	
	The TMAP demonstrates how with appropriate infrastructure, development could unlock a 30 minute city, providing the site with access to major centres and employment opportunities at Parramatta and Sydney Olympic Park within 30 minutes.	
	The proposal provides opportunities for increased active transport including walking and cycling through new open spaces and improving connectivity to Melrose Park Town Centre and the wider Melrose Park Precinct.	
	The Department notes that the Housing and Productivity Contribution will commence on 1 October 2023 to secure funding towards essential state infrastructure.	
Planning Priority C5: Providing housing supply, choice, and affordability with access to jobs, services and public transport	 The proposal will support liveability objectives by: delivery of approximately 161 new dwellings with a mixture of unit sizes in proximity to the future Melrose Park North town centre and transport connections, and public open space and pedestrian links provided by land dedication. 	

Table 5 District Plan assessment

District Plan: Planning Priorities	Justification
Planning Priority C9: Delivering integrated land use and transport planning and a 30-minute city	The proposal supports the 30 minute city principle and the continued economic development and diversity of Greater Parramatta. The proposal will permit additional housing within 30 minutes public transport travel of the Parramatta CBD, by various methods including the proposed PLR Stage 2, existing buses along Victoria Road and local cycleways and walking routes.
Planning Priority C11: Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land	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.
	While the District Plan does not envisage the transfer of industrial land to residential uses, planning for the Melrose Park precinct predates the commencement of the Plan. The Department notes that parts of the wider precinct have been rezoned for high density mixed use development under Melrose Park North (Amendment 59 and Map Amendment 1) and Melrose Park South (Amendment 67) setting a precedent for the remainder of the precinct.
	As urban renewal is now underway, it is unlikely and undesirable for the subject site to redevelop for industrial uses which could then cause land use conflict with the proposed residential and town centre land uses.
	The 'review and manage' principles also note that in limited cases, conversion to other uses may be appropriate. Council's planning proposal submitted seeks to justify the inconsistency through the ELS and Council's endorsed structure plan for Melrose Park North. The proposal seeks to deliver the outcomes of the structure plan and urban renewal of existing industrial and urban services land to a mixed use precinct.
	The Department considers that the planning for Melrose Park has been subject to place-based consideration and notes Council has developed a strategy to ensure that any job loss is minimised through the provision of new jobs. Land use has been planned across the structure plans for the precinct and clusters commercial and retail uses in the future town centre and additional commercial floor space in the southern precinct.
	The Department is satisfied that the proposed 1,400m ² non-residential floor space provides an opportunity for ground floor retail/commercial land uses, active street frontages to the new open space and supports the function of the future nearby town centre.
Planning Priority C16: Increasing urban tree canopy cover and delivering Green	The proposal supports sustainability principles of lowering carbon output by permitting a dense mixed use urban form that reduces the need for travel and car transport.
grid connections	The proposal provides significant areas of new open space, with opportunities for landscaping and provision of urban vegetation including street tree planting which will minimise the impact of urban and natural

District Plan: Planning Priorities	Justification
Planning Priority C17: Delivering high quality open space.	hazards, such as flooding from excessive stormwater run-off, and urban heat island effect.

3.2 Local

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

- Parramatta Local Strategic Planning Statement City Plan 2036 (LSPS)
- Parramatta Employment Lands Strategy 2016 and 2020 (ELS)
- Parramatta Local Housing Strategy (LHS)
- Parramatta 2038 Community Strategic Plan (2038)

Table 6 Local strategic planning assessment

Local Strategies	Justification	
Parramatta Local Strategic Planning Statement City Plan 2036 (LSPS)	The LSPS was published on 31 March 2020 and sets a 20-year land use planning vision for the City of Parramatta. It balances the needs and priorities for jobs, housing, infrastructure, the environment, heritage and local character. The LSPS identifies the Melrose Park northern and southern precincts as a combined growth precinct for rezoning to permit mixed use (commercial/residential) development with a forecast of 6,300 dwellings and maintenance of 2,600 jobs. A future town is located within proximity of the subject site in the northern precinct. The planning proposal will provide a minimum of 1,400m ² of non-residential floor space or 76 jobs contributing to the LSPS forecast.	
	The planning proposal will give effect to the following priorities and actions of the LSPS:	
	 facilitate the growth of commercial and housing opportunities in the GPOP area (Priority 4); 	
	• provide for community infrastructure and recreation opportunities (Priority 6);	
	 deliver a mix of housing to support the diverse needs of the community (Priority 7); and 	
	• enhance trees and green infrastructure to improve liveability and ecological health (Priority 14).	
	•	

Parramatta Employment Lands Strategy 2016 and 2020 (ELS)	The planning proposal is a result of, and is consistent with the ELS. The Melrose Park Employment Land Precinct is identified as Precinct 11 in the ELS. The ELS recommends that a structure plan be prepared for Melrose Park to consider future uses in the precinct and opportunities for urban renewal, including space for smaller biotech firms and also specialised research infrastructure.			
	The Parramatta Employment Lands Strategy (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 ELS responds to the District Plan's '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. It is noted the Department has not endorsed the ELS.			
Parramatta Local Housing Strategy (LHS)	The LHS provides direction at the local level about the location and timing of future housing growth in alignment with broader NSW-government strategic planning framework. The LHS identifies Melrose Park (northern and southern precincts) as a Growth Precinct with a forecast of approximately 6,330 new dwellings by 2036. The LHS also highlights the importance of aligning housing growth with State-driven transport delivery and targeted local infrastructure programs.			
	The planning proposal is consistent with the LHS in that it is located within the identified Melrose Park Growth Precinct. The planning proposal is aligned to the TMAP for the wider Melrose Park precinct to support the transport needs of the future population and incorporates a staging plan for the delivery of the necessary road upgrades and public transport, including the potential Parramatta Light Rail (PLR) Stage 2 corridor. It is noted that the Melrose Park precinct has been identified as having the capacity for up to 11,000 dwellings with consideration to urban design and transport and traffic outcomes.			
Parramatta 2038 Community Strategic Plan	Parramatta 2038 is a long-term Community Strategic Plan for the City of Parramatta and it links to the long-term future of Sydney. The plan formalises several big and transformational ideas for the City and the region.			
(2038)	The planning proposal is considered to meet the strategies and key objectives identified in the plan including providing a range of housing and dwelling mix, new open space and infrastructure upgrades to support the incoming population.			

3.3 Local planning panel (LPP) recommendation

On 17 May 2022, the planning proposal was considered by the Parramatta Local Planning Panel (LPP) (**Attachment H**) in accordance with requirements of Section 2.19 of the *Environmental Planning and Assessment Act 1979*. The LPP considered a report on the planning proposal and recommended to Council that it be submitted to the Department for a Gateway determination.

3.4 Section 9.1 Ministerial Directions

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

Table 7 9.1 Ministerial Direction assessment

Directions	Consistent/ Not	Reasons for Consistency or Inconsistency
	Applicable	

Focus Area 1: Planning Systems

Direction 1.4 Site Specific Provisions The objective of this	No	The proposal is inconsistent with this Direction as the proposal seeks to introduce a site specific provision to mandate a minimum 1,400m ² of non-residential floor space.
direction is to discourage unnecessarily restrictive site specific planning controls		The proposed minimum 1,400m ² non-residential floor space provisions is considered justified, as this will ensure that development will serve the local retail and commercial needs of the incoming population. The proposed site specific provision will achieve strategic alignment with the objective set by the ELS for the precinct, in ensuring that redevelopment can still achieve the equivalent number of jobs under the current zoning. The proposed site specific provision will support the viability of the future nearby Local Centre.
		The inconsistency with this Direction is considered to be of minor significance and will result in positive development outcomes. It is recommended that the proposal's inconsistency with this Direction is justified.

Focus Area 4: Resilience and Hazards

Direction 4.4 Remediation of Contaminated Land The objective of this direction is to reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered by planning proposal authorities.	Yes	The planning proposal is supported by a Preliminary Site Investigation (PSI) (Appendix 5). The study confirms the potential for contamination on the site, in particular 18 Hope Street, given its previous use and concludes that remediation is viable for the intended use of the site. Further detailed contamination studies in line with SEPP (Resilience and Hazards) 2021 will be conducted at the development application process. The proposal is considered to be consistent with the Direction, noting further investigations are required to support any future development application.
Direction 4.5 Acid Sulfate Soils The objective of this direction is to avoid significant adverse environmental impacts	No	This Direction applies as the site is identified as primarily Class 5 under Parramatta LEP 2023. The proposal is inconsistent with this direction as no assessment has been undertaken to establish if an acid sulfate soils management plan would be required to support the proposed future redevelopment of the site. The

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
from the use of land that has a probability		inconsistency with this direction is considered to be of minor significance as:
of containing acid sulfate soils.		• the majority of the sites are identified as Class 5 (the class with the lowest probability of containing acid sulfate soils),
		 Parramatta LEP 2023 includes provisions requiring consideration for the likelihood of acid sulfate soils prior to development; and
		• a management plan can be prepared at the DA stage.
		It is recommended that the Secretary's delegate agree that the proposal's inconsistency with this Direction is justified.

Direction 5.1 Integrating Land Use and Transport	Yes	The proposal has been prepared in accordance with the TMAP. The proposed construction of the public transport, walking and cycling bridge over the Parramatta River will increase accessibility of the sites to the proposed new metro station at Sydney Olympic Park. The TMAP also recommends upgrades to the existing transport network to reduce travel demand by car and encourage active transport options.
		The proposal is also supported by a Transport Assessment (Appendix 7). The assessment has been prepared in accordance with the TMAP structure with respect to access, traffic, parking, road network, and public and active transport.
		The study notes that the proposal is projected to generate a net increase of up to 75 and 89 vehicle trips in the AM and PM peak hours respectively against present conditions. The assessment confirms that the proposed increase is considered minor and concludes that the proposed traffic and parking provision should be implemented in accordance with the recommendations of the TMAP.
		Council intends to apply the parking rates detailed in Parramatta DCP 20112023 for residential flat buildings to the sites, consistent with the parking rates applied to the northern precinct. The matter will be addressed as part of the site- specific DCP for the southern precinct.
		The planning proposal is consistent with this direction, in that it will enable high density mixed use development in close proximity to existing and future jobs and services encouraging walking, cycling and use of public transport. It is recommended that the proposal be forwarded Transport for NSW for comment.
Direction 5.2 Reserving Land for Public Purposes	Yes	This Direction applies as the proposal seeks to rezone existing privately owned land to RE1 Public Recreation. This land is proposed to be identified on the relevant Land Reservation

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
 The objectives of this direction are to: to facilitate the provision of public services and facilities by reserving land for public purposes, and to facilitate the removal of reservations of land for public purposes where the land is no longer required for acquisition. 		Acquisition maps, ensuring an appropriate mechanism to secure the land. Council has indicated through the planning proposal the intent to negotiate a planning agreement which will include dedication of open space. As land is being rezoned in the electrical easement, it is recommended that Transgrid is consulted during public exhibition. A condition has been included in the Gateway determination. The proposal is consistent with the Direction in facilitating the provision of public open space to serve the recreation needs of the community.

Focus Area 6: Housing

Direction 6.1 Residential Zones	Yes	The planning proposal will enable development of up to 162 dwellings of various sizes in a planned mixed use precinct. The proposal also demonstrates an appropriate built form with minimal impact on the environment.
		The planning proposal is consistent with this direction, in that it encourages a variety and choice of housing types to provide for existing and future housing needs and new supporting infrastructure such as roads and open space.

Direction 7.1 Employment Zones	No	The planning proposal is inconsistent with this direction in that it:
The objectives of this direction are to:		 does not retain the areas and locations of existing Employment zones;
 Encourage employment 		• reduces the total potential floor space area for industrial uses in E4, E5 and W4 zones, and
growth in suitable locations,		• the proposed new employment areas are not adopted by a strategy approved by the Department.
 Protect employment land in employment zones, and Support the viability of identified centres. 		The proposal seeks to justify the inconsistency by the ELS and the Council endorsed structure plans for the northern and southern precincts. It is important to note that employment uses have been planned holistically for Melrose Park Precinct and the Department was satisfied in making Amendment 59 Melrose Park North (Amendment 59 and Map Amendment 1) and Melrose Park South (Amendment 67), thus setting a

Focus Area 7: Industry and Employment

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
		Although the ELS is not endorsed by the Department, the proposal is generally consistent with the ELS recommendations for the Melrose Park Precinct. During the time of writing this report, it is noted that a future iteration of the ELS will be prepared and updated by Council following the making of a future District Plan.
		The planning proposal justifies the inconsistency of the direction in that it:
		 encourages the retention of jobs in the Melrose Park precinct by providing a minimum 1,400m² of non- residential floor space;
		 supports the viability of the future local centre in Melrose Park North; and
		 contributes to the broader vision and employment uses for Melrose Park Precinct.
		The proposal is also supported by an Economic Impact Assessment prepared by AEC Group (Appendix 7). The study notes 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. These business restructures have led to a loss of long-term occupiers, reducing 29% of jobs since 2011. In addition, the study notes further decreases occurred at the end of 2016 by an additional 414 jobs or 40%. The Department notes that these figures are likely to further decrease given the changing profile of Parramatta's projected growth and the recent rezonings to Melrose Park North (Amendment 59 and Map Amendment 1) and Melrose Park South (Amendment 67).
		The Department notes that only a portion of the subject site (19 Hope Street) is zoned for employment generating purposes (E4 General Industrial) with the remainder currently designated for low-density residential use. When considering the broader context of the precinct, the economic impact on existing retail and commercial areas nearby is not expected to be substantial. As such, the proposed 1,400m ² of non-residential floor space is intended to complement and support the viability of the future nearby E2 Local Centre in Melrose Park North.
		Council notes that the ELS does not detail a breakdown of employment figures on a site-by site basis, making it challenging to ascertain the precise number of jobs the planning proposal should generate. Given the size of the site and its intended transition to MU1 Mixed Use, the proposed

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
		job figure is considered appropriate. The Department acknowledges that the overall jobs forecast for the wider Melrose Park Precinct demonstrates that the redevelopment may result in a higher number of jobs compared to the current zoning, thereby satisfying the ELS requirement to retain existing job levels as detailed in Section 2 of this report.
		Furthermore, the Department acknowledges the importance of industrial lands while also considering the viability of nearby centres. New employment floor space is being provided in alternative locations within the Parramatta LGAs, through planning for Parramatta CBD, Camellia-Rosehill, 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 study notes that it is not feasible to retain the existing industrial land given that part of wider precinct has been rezoned. The study suggests that increasing the non-residential floor space on the subject site is also not recommended as it may undermine the local centre function, which is against the objectives of the Direction by protecting employment land.
		The Direction provides that a proposal can be inconsistent in certain circumstances, including where justified by a study prepared in support of the planning proposal. Given the study and precent set by recent rezonings, the Department is satisfied that the inconsistency with section 9.1 Direction 7.1 Employment Zones is justified

3.5 State environmental planning policies (SEPPs)

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

SEPPs	Requirement	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
SEPP No 65 – Design Quality of Residential Apartment Development	The SEPP aims to improve the design quality of residential apartment development	Yes	Detailed compliance with SEPP 65 will be demonstrated at the time of making a development application for the site facilitated by the planning proposal. Council notes that concept testing has occurred and is satisfied that development is capable of demonstrating compliance with the SEPP.

Table 8 Assessment of planning proposal against relevant SEPPs

Transport and Infrastructure SEPP	The SEPP aims to facilitate the effective delivery of infrastructure	Yes	The SEPP identifies consent, assessment and consultation requirements for certain types of infrastructure and adjacent development. This includes consideration development within or adjacent to an easement for electrical purposes and potential safety risks related to development near high pressure pipelines.
			The site contains a high voltage power transmission easement on the eastern boundary. As such, the SEPP will require any future development application for the site would require a referral to Transgrid in relation to the electrical easement.
			A pipeline is located at the southern border of the site which requires consideration of hazard risk. Council has prepared a hazard analysis report (Appendix 13) 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 be undertaken at the development application stage to determine the level of risk at the construction stage.
Resilience and Hazards SEPP	The SEPP applies contaminated sites and whether the site is suitable for the proposed use (before or after remediation)	Yes	The planning proposal is supported by a Preliminary Site Investigation (PSI) (Appendix 5). The study confirms the potential for contamination on the site, in particular 18 Hope Street, given its previous use and concludes that remediation is viable for the intended use of the site. Further detailed contamination studies will be required as part of any future development application in accordance with the SEPP (Resilience and Hazards) 2021.

4 Site-specific assessment

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4.1 Environmental

Built Form and Density

The planning proposal is supported by an urban design report and indicative development scheme **(Appendix 8 and Appendix 15)** which broadly aligns with Council's adopted Melrose Park North Structure Plan in emphasising residential development and public open space. It is important to note that the structure plan envisages the site for low-medium residential scale which differs to the proposed high-density mixed-use development. The shift is driven by a strategic decision to relocate the future town centre and school site to Hope Street, creating a more integrated mix of land uses in close proximity.

Council acknowledges that Melrose Park North (Amendment 59 and Map Amendment 1) deviated from the structure plan due to further urban design and traffic modelling to accommodate the school site and relocation of the town centre. As a result, the subject site is within proximity to the future town centre, the proposed PLR Stage 2 stop and will be surrounded by various heights

ranging from 80m up to 95m (22-24 storeys) (Figure 17). Given the density of the broader Melrose Park North Precinct, the proposed density on the site is not considered to be inappropriate or out of context (Figure 18).

Furthermore, Council notes that this divergence from the structure plan is acceptable as the sites are under single ownership with consolidation providing better design outcomes than if the sites were redeveloped independently.



Figure 17: Section through site from western boundary in the context of Melrose Park Precinct (Source: Urban Design Report)



Figure 18: View of the site from south-west in context of Melrose Park Precinct (Source: Indicative Development Scheme)

The building heights demonstrated in the indicative scheme will range from 13m – 48m (approximately 4-14 storeys). The variation in heights is designed to minimise the visual impact and scale of development on the neighbouring low density residential areas along Hughes Avenue. It is noted that the LEP maximum height will be 48m on the HOB map and that Council intends that a site specific DCP will be prepared to refine the design outcomes. A Gateway condition is recommended to ensure that a mechanism is in place which facilitates a transition to lower density uses. This may be satisfied by the DCP.

The proposed indicative development scheme (Appendix 15) allocates the taller heights on the eastern boundary (closer to the future town centre) and the low rise buildings on the north, south and western boundaries of the site to provide a sensitive transition (Figure 19). In addition, the proposed RE1 Public Recreation land will provide a future east-west pedestrian site link, approximately 6m wide on the northern boundary, which acts as a buffer further increasing the separation from adjoining landowners on Hughes Avenue (Figure 17). The proposed indicative development scheme also provides a further 3m setback from the pedestrian link to the building line, giving a total of 9m separation between the northern boundary of 67 Hughes Avenue and the 4 storey building façade of the future development, which increases the amenity for the properties to the north. The proposal also provides a significant area of deep soil zone and landscaping in the 18m setback between high voltage power transmission easement and the proposed buildings.



Figure 19: Site plan with through site links (Source: Indicative Development Scheme)



Figure 20: Indicative built form of the site and surrounds (Source: Indicative Development Scheme)

Discrepancies in FSR

The Department notes discrepancies exist in the intended FSR among various documents, including the planning proposal, the Council resolution (Attachment G), Urban Design Study (Appendix 8) and Indicative Development Scheme (Appendix 15). Specifically, the planning proposal, Council resolution and Indicative Development Scheme all indicate a FSR of 1.85:1, whilst the Urban Design Study suggests a FSR of 2:1.

Council has provided additional information, acknowledging an error in the calculation where the FSR of 1.85:1 was mistakenly applied to the entire sire, including the RE1 Public Recreation land. Council clarifies that the proposed development will yield approximately 14,066.5m² of residential Gross Floor Area (GFA) on the MU1 Mixed Use land which has been tested to provide approximately 161 dwellings. The Department notes that the residential GFA of 14,066.5m² is correctly referenced in the Council report and Indicative Development Scheme. Council has also confirmed that when recalculating the residential GFA into FSR specifically for the MU1 land only, it results in a FSR of 2.7:1, which closely aligns with the FSR for Melrose Park South (Amendment 67).

The Department has expressed concerns about the inconsistency between the proposed LEP controls and the indicative development scheme as this provides uncertainty to the community. In response, Council has indicated its intention to develop a site specific DCP to ensure alignment with the indicative scheme. The site specific DCP will consider factors such as building placement in relation to the street and neighbouring properties, building typologies, future character and public domain and amenity. Consequently, a Gateway condition will require Council to update the planning proposal to ensure the technical studies and the proposal align with the intended urban design outcomes.

Overshadowing

Overshadowing analysis of the proposed indicative scheme is provided as part of the urban design report. **Figure 21** depicts the adjacent building interfaces and the proposed building envelope solar access corresponding to **Figures 22-28**. The analysis demonstrates that all buildings on the southern side of Hope Street will obtain more than 3 hours of solar access in mid-winter. In addition, no properties to the west of Hughes Avenue are overshadowed after 10am in mid-winter (between 9am and 3pm). The analysis indicates focussing the taller buildings to the east ensures development's shadow to move quickly across surrounding sites and minimising the extent of shadow cast.

The Department notes that further consideration of solar impacts, both external to the site and within, will be undertaken in accordance with Apartment Design Guide and SEPP No.65 as part of the development application for the site.



Figure 21: Adjacent building interfaces and the proposed building envelope solar access corresponding to Figures 22-28 (Source: Urban Design Report)



Figure 22: Solar access at 9am (Source: Urban Design Report)



Figure 24: Solar access at 11am (Source: Urban Design Report)



Figure 26: Solar access at 1pm (Source: Urban Design Report)



Figure 23: Solar access at 10am (Source: Urban Design Report)



Figure 25: Solar access at 12pm (Source: Urban Design Report)



Figure 27: Solar access at 2pm (Source: Urban Design Report)

4.2 Social and economic

The following table provides an assessment of the potential social and economic impacts associated with the proposal.

Table 10 Social and economic impact assessment

Social and Economic Impact	Assessment
Social Impact	The proposal is supported by a Social Impact Assessment prepared by Urbis (Appendix 11). The study notes that the proposal will create positive social outcomes within the area as it will facilitate the delivery of housing supply, choice and diversity in close proximity to the future town centre, a new school, new public open space, and public transport services. The Department notes that the proposed 161 dwellings, 1,400m ² of employment generating land uses and 2,600m ² of public open space will contribute to the vision and renewal of the broader Melrose Park Precinct by transforming what is currently an isolated industrial site through redevelopment.
Economic Impact	The proposal is supported by an Economic Impact Assessment (Appendix 7).
	Upon completion, the proposed redevelopment of the site under the planning proposal would result in significant improved outcomes adding \$19 million in output, \$10 million in contribution to GRP, \$5 million in incomes and 76 full time employment jobs. Given the subject sites proximity to the proposed PLR Stage 2 stop, Victoria Road Transport Corridor and future town centre, it is considered the planning proposal will contribute to the urban renewal of the wider Melrose Park Precinct through the redevelopment of what would become an isolated and unfeasible industrial site.
	The Department notes that there are discrepancies between the economic figures identified in the planning proposal and the economic impact assessment during Gateway assessment. As such, these documents should be updated for consistency and a condition is included to this effect.

4.3 Infrastructure

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

Infrastructure	Assessment
Local Infrastructure	The Melrose Park precinct is undergoing significant renewal and as a result the site will be supported by a future town centre, public transport services, new public open space, and a new school.
	It is understood Council intends to pursue a local planning agreement in relation to this proposal which will dedicate approximately 2,600m ² of open space (including pedestrian links). Further consideration on the likely increased demand on local infrastructure and services will be addressed through a future development

Table 11 Infrastructure assessment

Infrastructure	Assessment
	application for the site, noting strategic planning for the precinct has broadly been completed.
State Infrastructure	State Infrastructure requirements across the Melrose Park Precinct include education infrastructure, upgrades to traffic infrastructure outlined in the TMAP including the bridge over the Parramatta River. The Department notes that the Housing and Productivity Contribution will commence on 1 October 2023. It is intended that this will secure funding towards state infrastructure to support growth anticipated by the renewal of the subject site and wider precinct.

5 Consultation

5.1 Community

The planning proposal is categorised as a complex under the LEP Making Guidelines (September 2022). Accordingly, a community consultation period of 30 working days is recommended and this forms part of the conditions to the Gateway determination.

5.2 Agencies

It is recommended the following agencies be consulted on the planning proposal and given 30 days to comment:

- Transport for NSW
- Transgrid

6 Timeframe

Council proposes a 12 month time frame to complete the LEP.

The LEP Plan Making Guidelines (August 2023) establishes maximum benchmark timeframes for planning proposal by category. This planning proposal is categorised as a complex

The Department recommends an LEP completion date of 4 October 2024 in line with its commitment to reducing processing times and with regard to the benchmark timeframes. A condition to the above effect is recommended in the Gateway determination.

It is recommended that if the gateway is supported it is accompanied by guidance for Council in relation to meeting key milestone dates to ensure the LEP is completed within the benchmark timeframes.

7 Local plan-making authority

Council has advised that it would like to exercise its functions as a Local Plan-Making authority.

The subject site is within the Melrose Park Precinct and is consistent with the outcomes of the Melrose Park Structure Plan. There is precedent in wider Melrose Park Precinct and as such, the Department recommends that Council be authorised to be the local plan-making authority for this proposal.

8 Assessment summary

The planning proposal is supported to proceed with conditions for the following reasons:

- is generally consistent with the intended future uses of the structure plan prepared for the northern precinct of Melrose Park and is in line with broader planning for urban renewal in Melrose Park precinct;
- will facilitate development of approximately 161 new dwellings providing a transitional built form scale and minimising overshadowing impacts to nearby properties in the low density residential zone.
- will provide:
 - approximately 76 permanent jobs,
 - 2,600m² of new public open space (including pedestrian links), and
 - a minimum of 1,400sqm of non-residential floor space.
- is generally consistent with the integrated transport planning framework of the TMAP for the Melrose Park Precinct;
- is justifiably inconsistent with section 9.1 Directions 4.1 Acid sulfate soils, 6.3 Site specific provisions and 7.1 Employment Zones in that the inconsistencies are considered justified, and
- is subject to supporting studies which conclude that it is unlikely to create any adverse environmental, social, economic and infrastructure impacts.

9 Recommendation

It is recommended the delegate of the Secretary:

• Agree that any inconsistencies with section 9.1 Directions 4.1 Acid Sulfate Soils, 6.3 Site-Specific Provisions and 7.1 Employment Zones are justified.

It is recommended the delegate of the Minister determine that the planning proposal should proceed subject to the following conditions:

- 1. Prior to community consultation, the proposal be updated to address the following:
 - a) amend the existing and proposed land zoning maps to ensure consistency with the employment zones reform;
 - b) update the proposal to ensure consistency for the proposed floor space control, intended built form outcomes and supporting technical studies;
 - c) identify proposed changes to the Land Reservation Acquisition (LRA) and Additional Local Provisions (ALP) Maps;
 - d) amend the figures in the economic impact assessment to ensure consistency with the planning proposal;
 - e) ensure that the planning proposal is exhibited with the Transport Management Accessibility Plan (TMAP);
- 2. Consultation is required with the following public authorities:
 - Transport for NSW
 - Transgrid
- 3. The planning proposal should be made available for community consultation for a minimum of 30 days
- 4. Prior to finalisation, ensure an appropriate mechanism is identified which facilitates a transition to lower density uses;

Given the nature of the planning proposal, it is recommended that the Gateway authorise council to be the local plan-making authority and that an LEP completion date of 4 October 2024 be included on the Gateway.

The timeframe for the LEP to be completed is on or before 4 October 2024

Houlleen

5 October 2023

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