

Memo – 110 George Street, Parramatta – Dwelling Mix

To:	Sydney Central City Planning Panel (SCCPP)
From	Ethos Urban – Andrew Duggan, Matthew Di Maggio and Matthew Thrum
CC:	City of Parramatta
Date:	6 June 2025
Re:	110 George Street, Parramatta – Dwelling Mix
DA No:	DA/327/2024
Project No:	2220276

Overview

This memo summarises the rationale supporting the provision of 7.1% three-bedroom apartments within the Build-to-Rent (BTR) component of the mixed-use development at 110 George Street, Parramatta. They are drawn from detailed demographic analysis, statutory context, industry precedent, and operator input and are intended to inform the Planning Panel's consideration of the appropriateness of the proposed mix in the context of a BTR model.

The below table outline's the proposal's current mix compared against the mix as per Council's Deferred Commencement requirement provided in the draft Notice of Determination.

Apartment types/yield	Proposed Mix	Council Preferred Mix
Studio	68 (17.8%)	60 (16.2%)
1 Bed	139 (36.4%)	131 (35.4%)
2 Bed	148 (38.7%)	140 (37.8%)
3 Bed	27 (7.1%)	39 (10.5%)
Yield	382 apartments	370 apartments

Based on the below supporting justification and evidence, the Applicant requests that the Panel delete the Deferred Commencement matter (under Schedule 2(a) of the draft Notice of Determination for DA/327/2024).

Contextual and Statutory Basis for Flexibility

- The Parramatta DCP 2023 dwelling mix control (10-20% 3-bedroom requirement) does not differentiate between Build-to-Sell and Build-to-Rent schemes. This uniform approach fails to acknowledge operational and demographic distinctions that justify a more tailored response for BTR developments.
- Notwithstanding, consistency with the objectives of Section 9.3.9 of the PDGP continues to be achieved by the proposed ratio of 3-bedroom apartments as:
 - A range of dwelling types and sizes has genuinely be provided for, with BTR representing a diverse form of housing, increasing diversity, and the 7% 3-bedroom mix provides for a suitable range of apartment sizes within the development; and
 - The provision of 7% 3-bedroom apartments adequately allows for the changing lifecycle housing needs of residents over time, with transition possible between 1, 2 and 3-bedroom apartments.

- The Housing SEPP (Clause 75(2)(a)) requires that consent authorities apply flexibility in the application of the Apartment Design Guide (ADG) criteria, including apartment mix, in assessing BTR developments.
- Further, the Department of Planning, Housing and Infrastructure's BTR and Flexible Design Fact Sheet encourages consent authorities to exercise discretion in considering apartment mix in BTR proposals.
- While Council has referred to the draft Harmonisation 'Orange Matters' amendment to the Parramatta LEP (proposing a 15% 3-bedroom minimum), this has not been subject to public exhibition and is therefore not a matter under s4.15(1)(a)(ii).
- Nonetheless, the proposal delivers on the intent of that clause by ensuring a mix that caters to diverse households and adapts to future population needs without undermining the feasibility of the BTR model.

Demographic Suitability and Strategic Housing Role

- In 2021, 23% of households in the City of Parramatta contained only one person with the most dominant household size being 2 persons per household.
- In Parramatta, the largest emerging household sizes between the 2016 and 2021 censuses were 2 persons (+6,503 households) and 1 person (+5,526 households), far outpacing 3 persons (+2,600 households) and 4 persons (+1,725 households).
- The proposed dwelling mix meets this growing demand, whilst still allowing both growth within the development for changing household composition, as well as opportunities for larger families.
- Although 32.7% of families in the Parramatta LGA may live in high density development, a sizeable portion of these families would have only one child, meaning a 2-bedroom apartment would be sufficient to meet their needs.
- Considering these matters, it is not appropriate for the development to need to precisely reflect the combined demographic composition of the wider Parramatta LGA.
- The proposal responds to actual renter cohort demand identified in demographic research undertaken by EY. This identified the 25-34 year old, dual-income, no-kids cohort as the primary target demographic – aligned with the project's CBD location and BTR offering.
- In the Parramatta CBD, the highest demand is for smaller apartments. High-density developments are predominantly occupied by lone-person and couple households. Although families are present, they tend to prefer low- and mid-rise typologies in outer locations.
- The proposal facilitates long-term housing supply by improving access to institutional rental accommodation in a location well-served by transport and employment. The inclusion of three-bedroom apartments, albeit at 7%, also ensures that provision exists to accommodate changes in household size.

Operational Feasibility and Market Performance

- Feedback from institutional BTR operators engaged on the project consistently confirmed that three-bedroom apartments in BTR settings experience low take-up and longer vacancy periods. For operational viability, a maximum of 2–3% 3-bedroom stock is typical.
- The 7% figure approved therefore exceeds typical BTR benchmarks, balancing the applicant's desire to support family-sized housing options while maintaining economic feasibility.
- In direct response to Council feedback, all dual-key configurations were removed from the scheme to ensure the three-bedroom apartments would not be internally subdivided. This change represents a clear concession and reflects the applicant's commitment to working collaboratively with Council to deliver genuine larger-format dwellings.

Comparative Precedent

- Approved BTR projects in the Parramatta LGA (including Novus and GQ) have provided 1-5% three-bedroom apartments. The subject proposal exceeds both precedent benchmarks at 7%, despite being subject to the same locational and demographic characteristics.

Conclusion

The approved 7% provision of three-bedroom apartments reflects a well-balanced response to policy intent, demographic demand, economic feasibility and precedent. The mix provides for diverse household types, exceeds industry norms, and is aligned with the Housing SEPP and Departmental guidance regarding flexibility for BTR. It is therefore submitted that the mix is appropriate and should be supported.

Should the Panel require any further information we would be pleased to provide this on request