

LEADING

ITEM NUMBER 13.1
SUBJECT Amended Planning Proposals - 12 Hassall Street, Parramatta and 2 O'Connell Street, Parramatta
REFERENCE RZ/15/2016 - D05803044
REPORT OF Project Officer

PLANNING PROPOSAL REFERENCES (12 Hassall Street) RZ/15/2016
 (2 O'Connell Street) RZ/2/2017

APPLICANTS (12 Hassall Street) Toplace
 (2 O'Connell Street) Think Planners

LAND OWNERS (12 Hassall Street) Parra Rise Pty Ltd
 (2 O'Connell Street) Owners of Strata Plan 20716

PURPOSE:

This report seeks Council's endorsement to forward two amended Planning Proposals to the Department of Planning and Environment (DPE), in order to facilitate progression of Gateway Determinations for these Planning Proposals.

Note: The proposed amendments are minor in nature and are in response to options identified by DPE in relation to progression of these Planning Proposals. These recommended amendments do not intend to change the planning outcomes which these Planning Proposals seek.

RECOMMENDATION

- (a) **That** Council endorse forwarding amended Planning Proposals for 12 Hassall Street, Parramatta and 2 O'Connell Street, Parramatta to the Department of Planning and Environment in order to facilitate progression of Gateway Determinations;
- (b) **That** Council affirm that the planning outcomes which Council sought through the original proposed structure of these two Planning Proposals are unchanged;
- (c) **That** Council specifically reaffirm its position on these Planning Proposals as follows:
 - (i) **That** delegated authority be given to the CEO to negotiate Voluntary Planning Agreements (VPAs) with the respective landowners in relation to these Planning Proposals on behalf of Council, that these negotiations be undertaken in line with Council's resolution on value sharing rates of 10 April 2017 (Item 8.3), and that the outcomes of these negotiations be reported back to Council prior to public exhibition of the respective VPAs.
 - (ii) **That** site-specific Development Control Plan (DCPs) be prepared in association with these Planning Proposals and reported to Council prior to their public exhibition.

- (iii) **That**, pending the outcomes of the respective Gateway Determinations, the Planning Proposal, VPA and DCP for each be placed on public exhibition concurrently.
 - (iv) **That** Council advises the Department of Planning and Environment that the CEO will be exercising the plan-making delegations for these Planning Proposals as authorised by Council on 26 November 2012.
 - (v) **That** Council grant delegated authority to the CEO to correct any minor anomalies of a non-policy and administrative nature that may arise during the amendment process for either of these Planning Proposals.
- (d) **Further, that**, for clarity, the recommendation detailed above applies to both Planning Proposals, but does not intend to link together the future progression of their separate and individual statutory processes.

BACKGROUND

1. A major strategic planning initiative undertaken by Council in recent years has been the Parramatta CBD Planning Proposal (PP), which seeks to establish a new strategic planning framework for the Parramatta CBD, and realise its role as the economic and cultural centre of Sydney's Central City. The Parramatta CBD PP was forwarded to the Department of Planning and Environment (DPE) in April 2016, and is currently awaiting Gateway Determination to allow it to proceed to public exhibition.
2. There are also approximately 30 site-specific Planning Proposals (SSPPs) in the Parramatta CBD, each of which are progressing through an individual statutory plan-making process. Council's Land Use Planning team continues to work to align the SSPPs with the endorsed Parramatta CBD PP.
3. Two Parramatta CBD SSPPs at 12 Hassall Street, Parramatta and 2 O'Connell Street, Parramatta were endorsed by Council and forwarded to DPE in mid-2017 for Gateway Determination.
4. These two SSPPs propose planning controls which reflect the proposed structure of the Parramatta CBD PP in that they are structured to provide incentives for higher FSRs based on meeting criteria relating to community infrastructure, design excellence, high-performing buildings and opportunity sites.

ISSUE

5. DPE officers have advised that they are unable to release Gateway Determinations for these two SSPPs (in their current format) prior to releasing the Gateway Determination for the CBD PP. This is because release of Gateway Determination for these SSPPs in their current format could be perceived as setting a statutory precedent for certain proposed clauses in the CBD Planning Proposal (which has not yet received a Gateway Determination). This means that these two SSPPs would need to wait for release of the CBD PP Gateway Determination prior to receiving Gateway Determination.
6. As an alternative option, DPE officers have advised that Council could amend the structure of these two SSPPs to more closely reflect the current structure of Parramatta Local Environmental Plan 2011 (PLEP 2011) and resubmit them to DPE. If Council is willing to undertake these amendments and resubmit the two SSPPs, then DPE would then be able to consider and potentially issue

Gateway Determinations for these two SSPPs *prior* to release of the CBD PP Gateway Determination.

7. In an effort to facilitate progression of these two SSPPs, Council officers have worked with the respective applicants to amend the proposed structure of these two SSPPs. **Note: These amendments are minor in nature, and are not intended to change the planning and technical outcomes which these two SSPPs seek.**

12 HASSALL STREET PLANNING PROPOSAL

8. The SSPP for 12 Hassall Street, Parramatta was reported to Council's Independent Hearing and Assessment Panel (IHAP) in May 2017, and to Council in June 2017, when Council resolved to forward the SSPP to DPE. This SSPP was lodged with DPE in July 2017.
9. In summary, this SSPP currently seeks to amend PLEP 2011 through a site-specific clause which does the following for this site:
 - a. Amends the maximum Height of Buildings to reflect 192m;
 - b. Amends the maximum Floor Space Ratio (FSR) to reflect 15:1, which is achievable in a sequential structure as follows:
 - i. 11.5:1 FSR achievable, provided the following criteria are met:
 1. Site area greater than 2,000sqm;
 2. Mandatory 1:1 FSR commercial floor space;
 3. Appropriate transition to Heritage items/conservation area;
 4. Design Excellence requirements (as contained in PLEP 2011); and
 5. Contribution to Community Infrastructure.
 - ii. 12:1 FSR achievable, provided the following criteria are met:
 1. All requirements highlighted above for 11.5:1 FSR; and
 2. Meeting high-performing buildings standards relating to energy and water.
 - iii. 15:1 FSR achievable, provided the following criteria are met:
 1. All requirements highlighted above for 12:1 FSR;
 2. A further contribution to Community Infrastructure is made; and
 3. A site-specific Development Control Plan (DCP) is prepared.
 - c. Allows an additional 1:1 non-residential FSR, with this being excluded from the overall FSR of 15:1 outlined above; and
 - d. Includes maximum car parking rates in accordance with the Parramatta CBD Strategic Transport Study and Council resolution of 10 April 2017.
10. In order to facilitate progression of this SSPP as discussed previously in this report, it is proposed to amend the above to reflect the FSR and Height of Buildings planning controls in the respective LEP maps rather than through a site specific clause, as follows:

- a. The Height of Buildings map will be amended to reflect 192m; and
 - b. The FSR map will be amended to reflect 14.5:1.
11. In addition, the proposed site-specific clause will be amended as follows:
- a. Removal of references to 192m height and 15:1 FSR (with structured incentives);
 - b. Addition of a provision outlining that 14.5:1 FSR on the FSR map is *inclusive* of 15% Design Excellence bonus; and
 - c. Addition of a provision allowing an additional 0.5:1 FSR (i.e. beyond 14.5:1, bringing total to 15:1), provided that the high-performing buildings standards relating to energy and water are met.
12. The proposed site-specific clause will retain the following elements:
- a. Requirement for 1:1 FSR of commercial floor space;
 - b. Consent authority able to approve an additional 1:1 non-residential floor space beyond 15:1 FSR;
 - c. Provision requiring development to demonstrate an appropriate transition to any heritage items or conservation areas; and
 - d. Maximum car parking rates as described above.
13. **Attachment 1** of this report contains a Planning Proposal document to reflect the above amendments.

2 O'CONNELL STREET PLANNING PROPOSAL

14. The SSPP for 2 O'Connell Street was reported to Council's IHAP in June 2017, and to Council in July 2017. Council resolved then to forward the SSPP to DPE, subject to a number of amendments. The amendments as resolved by Council were made, and the SSPP was submitted to DPE in September 2017 (with alternate reference design submitted November 2017).
15. In summary, this SSPP currently seeks to amend PLEP 2011 as follows for this site:
- a. Amend the Height of Buildings map to reflect 217m;
 - b. Amend the FSR map to reflect 10:1 FSR (with incentives for higher FSR up to 15:1 in a site-specific clause, as itemised below);
 - c. Include a new site-specific clause that would:
 - i. Allow up to 11.5:1 FSR, provided the following criteria are met:
 1. Site area greater than 2,000sqm;
 2. Mandatory 1:1 FSR commercial floor space;
 3. Appropriate transition to Heritage items/conservation area;
 4. Design Excellence requirements (as contained in PLEP 2011); and
 5. Contribution to Community Infrastructure.
 - ii. Allow up to 12:1 FSR, provided the following criteria are met:
 1. All requirements highlighted above for 11.5:1 FSR; and

2. Meeting high-performing buildings standards relating to energy and water.
 - iii. Allow up to 15:1 FSR, provided the following criteria are met:
 1. All requirements highlighted above for 12:1 FSR;
 2. A further contribution to Community Infrastructure is made; and
 3. A site-specific DCP is prepared.
 - iv. Allow an additional 1.2:1 non-residential FSR, with this being excluded from the overall FSR of 15:1 outlined above; and
 - v. Include maximum car parking rates in accordance with the Parramatta CBD Strategic Transport Study and Council resolution of 10 April 2017.
16. In order to facilitate progression of this SSPP as discussed previously in this report, it is proposed to amend this SSPP as follows:
- a. The FSR map will be amended to reflect 14.5:1;
 - b. The site-specific clause will be amended to:
 - i. Remove references to structured incentives for FSR; and
 - ii. Add a provision outlining that 14.5:1 FSR on the FSR map is inclusive of 15% Design Excellence bonus; and
 - iii. Add a provision allowing an additional 0.5:1 FSR (i.e. beyond 14.5:1, bringing total to 15:1), provided that the high-performing buildings standards relating to energy and water are met.
17. Other aspects of the original SSPP structure remain as follows:
- a. The proposed amendment to Height of Building map to reflect 217m;
 - b. Mandatory 1:1 FSR of commercial floor space required through site-specific clause;
 - c. Consent authority able to approve additional 1.2:1 non-residential floor space beyond 15:1 FSR through site-specific clause;
 - d. Provision requiring development to demonstrate an appropriate transition to any heritage items or conservation areas; and
 - e. Maximum car parking rates required through site-specific clause.
18. **Attachment 2** of this report contains a Planning Proposal document reflecting the above amendments.

CONCLUSION

19. Amended Planning Proposals documents are attached to this report at **Attachment 1** (12 Hassall Street) and **Attachment 2** (2 O'Connell Street).
20. The proposed amendments outlined in this report do not intend to change the planning intent or potential outcomes for either of these SSPPs. They are technical amendments which change the way the respective LEP amendments will be structured to achieve these outcomes.
21. The planning outcomes which Council was previously seeking through the original structure of these two SSPPs are unchanged. These outcomes (i.e.

contributions to community infrastructure) will continue to be sought via the respective Voluntary Planning Agreement (VPA) processes for these SSPPs.

22. **It is important to note that the amendments proposed in this report make it critical that appropriate contributions to community infrastructure are achieved through the VPAs for both of these sites, as references to community infrastructure are being removed from the proposed site-specific clauses.**

CONSULTATION & TIMING

23. The aim of endorsing these amended Planning Proposals for forwarding to DPE is to facilitate progression of Gateway Determinations. It is expected that the Gateway Determinations will outline next steps for consultation for both.

FINANCIAL IMPLICATION FOR COUNCIL

24. No direct financial implications for Council are identified as a result of forwarding these amended Planning Proposals. However, as outlined above, it is critical that appropriate contributions to community infrastructure are achieved through the VPAs for both of these sites, as references to community infrastructure are being removed from the proposed site-specific clauses. As outlined above, Council officers will continue to seek to progress VPAs for these SSPPs in line with Council's endorsed position on value sharing in the Parramatta CBD.

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ATTACHMENTS:

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| 1 | 12 Hassall Street, Parramatta - Amended Planning Proposal | 31 Pages |
| 2 | 2 O'Connell Street, Parramatta - Amended Planning Proposal | 46 Pages |

REFERENCE MATERIAL