

Note: Councillor Pandey declared a non-pecuniary but significant interest in Item 17.3 and left the Chamber at 8:19pm prior to the consideration of the matter.

17.3 SUBJECT FOR APPROVAL: Post Gateway - Proposed Amendment to the Wentworth Point Precinct DCP 2014 and Draft Planning Agreement for 14-16 Hill Road, Wentworth Point (Sekisui Planning Proposal) (Deferred Item)

REFERENCE F2021/00521 - D07940398

APPLICANT/S SEKISUI HOUSE AUSTRALIA PTY LTD

OWNERS SH HOMEBUSH PENINSULA PTY LTD

REPORT OF Land Use Planning Manager

3138 RESOLVED (Prociv/Esber)

- (a) **That** Council note the issues addressed in the 22 February 2021 Council Report in Attachment 1 and those raised at the 3 March 2021 Councillor Workshop.
- (b) **That** Council endorse the draft amendments to the Wentworth Point Development Control Plan (DCP) 2014 at Attachment 2 that have been prepared in response to Council's resolution on 26 August 2019 for the purposes of public exhibition.
- (c) **That** Council endorse the drafting of a Planning Agreement to reflect the following items included in the letter of offer at Attachment 3:
 - i) Dedication and embellishment of foreshore reserve;
 - ii) Dedication of future public transit corridor;
 - iii) Burroway Road/Hill Road intersection upgrade works;
 - iv) Community Infrastructure Maintenance agreement (5 years).
- (d) **That** Council delegate authority to the Chief Executive Officer to negotiate and determine the specific terms around the delivery of the proposed Planning Agreement items in accordance with Council's Planning Agreements Policy (2018) including, but not limited to, staging, delivery, registration, defect rectification, security and the maintenance schedule prior to the Planning Agreement being placed on public exhibition. In addition, the Applicant be requested to include facilities for a broad age range of children within the proposed foreshore park.
- (e) **That** the draft DCP and draft Planning Agreement be publicly exhibited concurrently with the Planning Proposal (including the currently approved concept plan for the site as supporting information and specific consultation with the community on the concept plan and facilities to be provided in the foreshore park) for

a period of 28 days and that a report be provided to Council on the outcomes of the public exhibition.

- (f) **That** Council write to the Department of Planning, Industry and Environment seeking to remain the Planning Proposal Authority for the application, in accordance with Resolution 2346 of the 26 August 2019 Council Meeting which endorsed the Planning Proposal for Gateway.
- (g) **Further, that** Council delegate authority to the Chief Executive Officer to correct any anomalies of an administrative nature relating to the draft DCP and draft Planning Agreement documentation that may arise during the drafting and exhibition processes.

DIVISION A division was called, the result being:-

AYES: Councillors Davis, Dwyer, Esber, Garrard, Issa, Jefferies, Prociv, Tyrrell, Wearne, Wilson and Zaiter

NOES: Councillors Barrak and Bradley

Note:

- 1. **Councillor Garrard returned to the Chamber at 8:19pm during consideration of Item 17.3.**
- 2. **Councillor Pandey returned to the Chamber at 8:33pm after the consideration of Item 17.3.**

17.4 SUBJECT FOR APPROVAL: Post Gateway - Draft Development Control Plan and Letter of Offer (Planning Agreement) - 135 George St and 118 Harris St, Parramatta (Albion Hotel site)

REFERENCE RZ/3/2017 - D07788396

REPORT OF Project Officer-Land Use Planning

3139 RESOLVED (Tyrrell/Garrard)

- (a) **That** Council endorse the site-specific draft Development Control Plan (DCP) at Attachment 1 for public exhibition.
- (b) **That** a draft Planning Agreement document be prepared to reflect the terms outlined at Attachment 2 and that the Chief Executive Officer be delegated authority to negotiate and finalise the legal drafting of the Planning Agreement on behalf of Council for the purposes of public exhibition.
- (c) **That** the draft DCP and draft Planning Agreement be publicly exhibited concurrently with the Planning Proposal for 135 George Street and 118 Harris Street previously endorsed by Council on 23 March 2020.

INNOVATIVE

ITEM NUMBER	17.3
SUBJECT	FOR APPROVAL: Post Gateway - Proposed Amendment to the Wentworth Point Precinct DCP 2014 and Draft Planning Agreement for 14-16 Hill Road, Wentworth Point (Sekisui Planning Proposal) (Deferred Item)
REFERENCE	F2021/00521 - D07940398
APPLICANT/S	SEKISUI HOUSE AUSTRALIA PTY LTD
OWNERS	SH HOMEBUSH PENINSULA PTY LTD
REPORT OF	Land Use Planning Manager

This matter was deferred from the Council Meeting of 22 February 2021 for a Councillor Workshop.

DEVELOPMENT APPLICATIONS CONSIDERED BY SYDNEY CENTRAL CITY PLANNING PANEL

(1) 2017SWC107 (DA/763/2017) Phase 1 Construction of three residential flat buildings above a residential podium sleeved with internal parking – approved 6 June 2018.

PURPOSE

The purpose of this report is:

- To re-consider the matters from Item 17.1, 22 February 2021 Council Meeting which were deferred to a Councillor Workshop held on 3 March 2021 for further information.
- To provide Council with an overview of proposed changes to the Wentworth Point Development Control Plan 2014 and to advise on the outcome of the Planning Agreement negotiations for land at 14-16 Hill Road, Wentworth Point.
- To seek Council's endorsement of the proposed Development Control Plan amendments and draft Planning Agreement for the purposes of concurrent exhibition with the related Planning Proposal and to include the currently approved concept plan as supporting documentation.

RECOMMENDATION

- (a) **That** Council note the issues addressed in the 22 February 2021 Council Report in **Attachment 1** and those raised at the 3 March 2021 Councillor Workshop.
- (b) **That** Council endorse the draft amendments to the Wentworth Point Development Control Plan (DCP) 2014 at **Attachment 2** that have been prepared in response to Council's resolution on 26 August 2019 for the purposes of public exhibition.

- (c) **That** Council endorse the drafting of a Planning Agreement to reflect the following items included in the letter of offer at **Attachment 3**:
 - i) Dedication and embellishment of foreshore reserve;
 - ii) Dedication of future public transit corridor;
 - iii) Burroway Road/Hill Road intersection upgrade works;
 - iv) Community Infrastructure Maintenance agreement (5 years).

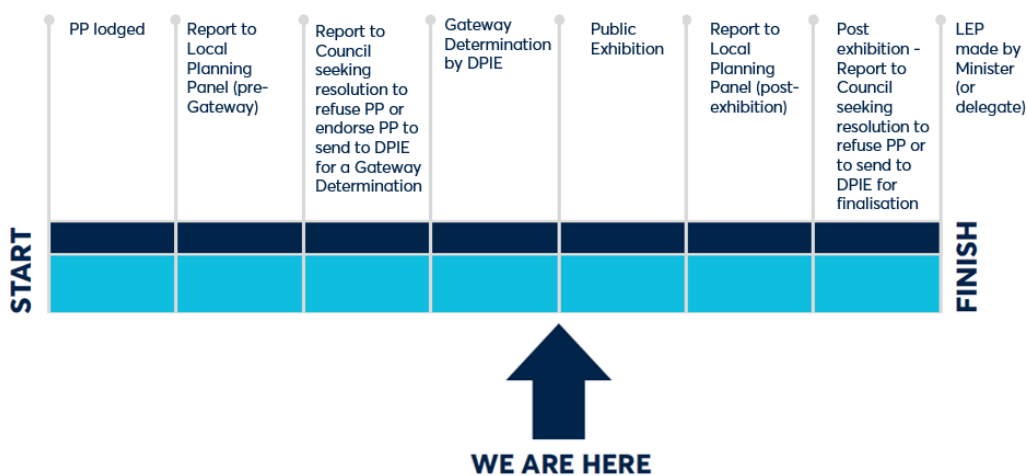
- (d) **That** Council delegate authority to the Chief Executive Officer to negotiate and determine the specific terms around the delivery of the proposed Planning Agreement items in accordance with Council’s Planning Agreements Policy (2018) including, but not limited to, staging, delivery, registration, defect rectification, security and the maintenance schedule prior to the Planning Agreement being placed on public exhibition. In addition, the Applicant be requested to include facilities for a broad age range of children within the proposed foreshore park.

- (e) **That** the draft DCP and draft Planning Agreement be publicly exhibited concurrently with the Planning Proposal (including the currently approved concept plan for the site as supporting information and specific consultation with the community on the concept plan and facilities to be provided in the foreshore park) for a period of 28 days and that a report be provided to Council on the outcomes of the public exhibition.

- (f) **That** Council write to the Department of Planning, Industry and Environment seeking to remain the Planning Proposal Authority for the application, in accordance with Resolution 2346 of the 26 August 2019 Council Meeting which endorsed the Planning Proposal for Gateway.

- (g) **Further, that** Council delegate authority to the Chief Executive Officer to correct any anomalies of an administrative nature relating to the draft DCP and draft Planning Agreement documentation that may arise during the drafting and exhibition processes.

PLANNING PROPOSAL TIMELINE



1. A report was made to the Ordinary Council meeting on 22 February 2021 providing an overview of proposed changes to the Wentworth Point Development Control Plan 2014 and advising on the outcome of the Planning Agreement negotiations for land at 14-16 Hill Road, Wentworth Point. The report is included at **Attachment 1**.
2. At the Council meeting on 22 February 2021, the following was resolved in relation to this matter:

RESOLVED (Prociv/Issa)

That Council defer this matter to a Councillor Workshop for further information.

3. In accordance with the above resolution, a Councillor Workshop was held on 3 March 2021. The key issues raised in this workshop are outlined below.
4. Concern was raised that should the proposal proceed to public exhibition, the community will not be aware of what could be built on the site under the existing planning controls. In order to address this issue, it is recommended that information regarding the currently approved concept for the site be included as supporting information as part of the public exhibition.
5. The function of the foreshore park was also raised as an issue, and it was suggested that the community provide input into the key elements to be included in the park, including the potential for a children's play area that is attractive to children of a broad range of ages rather than just younger children. It is recommended that the exhibition of the draft Planning Agreement involve public consultation with the broader community on what should be included in the park before the Planning Agreement concept plan is finalised.
6. As noted earlier, the report made to the Council meeting on 22 February 2021 included at **Attachment 1** provides a detailed analysis of the draft DCP and Planning Agreement. It is recommended that Council endorse the draft DCP and draft Planning Agreement for the site with the addition of the matters identified above to enable a concurrent public exhibition with the planning proposal endorsed by Council on 26 August 2019.

Correspondence from Department of Planning, Industry and Environment

7. Following Council's deferral of this matter at the Ordinary meeting of 22 February 2021, the applicant made representations to the Department of Planning, Industry and Environment (DPIE) seeking that it appoints an alternative planning proposal authority for this matter. This representation was made on the basis that Council has not progressed the planning proposal in a timely manner, and therefore has not complied with its obligations with respect to the making of the proposed instrument under the Environmental Planning and Assessment Act 1979 (EP&A Act).
8. It is important that Council remain the planning proposal authority for this matter as it will allow both the draft DCP and draft Planning Agreement to be resolved by Council in conjunction with the planning proposal.

9. As noted in the Council report of 22 February 2021, the Planning Proposal to which this draft DCP and Planning Agreement relate is a priority project under Council's Prioritisation Assessment Program. Council staff and the Applicant have been working together closely to ensure the Planning Proposal is finalised as promptly as possible.
10. Should Council endorse the draft DCP and draft Planning Agreement for the purposes of public exhibition, Council officers will commence the public exhibition of these documents along with the planning proposal endorsed by Council on 26 August 2019 as soon as practicable.

CONSULTATION & TIMING

Stakeholder Consultation

11. The following stakeholder consultation has been undertaken in relation to this matter:

Date	Stakeholder	Stakeholder Comment	Council Officer Response	Responsibility
7 August 2020	Executive Director City Assets	Concerns raised for taking public dedication of foreshore reserve.	Additional justification to confirm that the strategic benefits of public ownership outweighed future costs.	City Planning
20 May 2020 / 14 August 2020	Design Workshop – Open Space & Natural Resources, Urban Design & Transport Planning	No objections raised on park or transport corridor design. DCP endorsed by relevant teams.	Minor design amendments requested, which will be included in the final concept plan and the future detailed DA design.	City Planning
15 October 2020 / 18 January 2021 / 1 February 2021	Property Development Group	No objections raised to VPA offer or value capture amount.	No further action required.	City Planning
25 November 2020 / 1 February 2021	Executive Team – briefings for CEO and key directorate staff	Proposal endorsed for the purposes of reporting to Council.	No further action required.	City Planning / Property Development Group

Councillor Consultation

12. The following Councillor consultation has been undertaken in relation to this matter:

Date	Councillor Comment	Council Officer Response	Responsibility
19 August 2019	Endorsed the continuation of VPA negotiations and DCP updates to reflect the endorsed masterplan at meeting held in August 2019.	The content of the masterplan and VPA offer endorsed by Councillors at the Gateway determination has not altered. The VPA has been negotiated in accordance with Council's recommendation.	City Planning
3 March 2021	Councillor Workshop held, refer to details in this report.	Responses are detailed earlier in this report.	City Planning

FINANCIAL IMPLICATION FOR COUNCIL

13. The Planning Agreement currently being negotiated will involve the applicant delivering an embellished foreshore park and transport corridor in addition to the Section 7.11 and 7.12 contributions payable at the time the development proceeds. The transfer of these items in the planning agreement will remove Council's obligation under the existing zoning regime to acquire the foreshore reserve and also removes the obligation to maintain the foreshore park for a period of 5 years.
14. The proposed Planning Agreement will result in ongoing costs related to the maintenance of the foreshore reserve and the transport corridor. TfNSW will not be identified as the acquisition authority prior to the State government making a more formal commitment to either a light rail and bus or dedicated bus from Melrose Park to this site.
15. If Council does not step in as a mediatory landowner between the developer and TfNSW the land will be transferred into private community title ownership, where it would be less feasible and cost prohibitive to reclaim ownership for any potential transport infrastructure in the future. It is considered that the strategic benefits of taking public dedication of both assets will outweigh the associated costs, depreciation and liabilities. The opportunity to future proof the potential transport corridor link to Melrose Park and the establishment of a key public cycling link from Sydney Olympic Park to the Parramatta CBD should be pursued by Council from a strategic viewpoint. It is acknowledged that this does involve some financial impact on council which is addressed below.
16. As a result of the timeframes associated with DA assessment, state agency consultation, the 5 year developer maintenance commitment and construction programming it is anticipated that both the transport corridor and foreshore park will not become assets requiring maintenance for approximately 7-10 years (2027-2030) so the short term impact to Council is negligible.
17. Rates and Parks teams officers have forecasted in 7-10 years when these assets become maintenance liabilities that the additional rates revenue generated within the precinct from the proposed 2,300 dwellings will be able to cover future operational/ maintenance costs. The relevant asset teams have

been consulted and are aware of the financial implications associated with the new open space.

18. The maintenance of the park and transport corridor will not result in any additional operational costs for Council over the course of the current operational budget until 2027/28 financial year. Council will include the asset in their balance sheet in the 2021/22 financial year.
19. The costs associated with the preparation, exhibition and finalisation of the draft DCP and draft Planning Agreement are internal resources and consultancy costs. The developer will reimburse any consultancy costs relating to the VPA, which will then result in nil operational costs for Council.

	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Operating Result				
External Costs			\$0	\$0
Internal Costs			\$0	\$0
Depreciation			\$280,000	\$280,000
Other			\$0	\$0
Total Operating Result	Nil	Nil	\$280,000	\$280,000
Funding Source			VPA works-in-kind (cost borne to developer)	VPA works-in-kind (cost borne to developer)
Income from redevelopment				
Rates Income (General Revenue)	\$257,781	\$437,921*	\$618,661*	\$800,000*
Development Contributions (S. 7.11)	\$1,502,389	\$1,424,963*	\$1,424,963*	\$1,424,963*
CAPEX				
CAPEX				
External		\$12,400,000		
Internal				
Other				
Total CAPEX	Nil	\$12,400,000	Nil	Nil
Funding Source	Nil	VPA works-in-kind (cost borne to developer)		

Note: The figures shown in this table are estimates that are subject to further review at the detailed design stage. Projections based on 10 year development program and the assumption half of the dwelling yield will come online by 2024. The overall projected rates income will be \$1.6 Million after 10 years and the development contributions yield of \$11,554,556.

Michael Rogers
Land Use Planning Manager

David Birds
Acting Executive Director, City Planning & Design

Paul Perrett
Chief Financial Officer

Brett Newman
Chief Executive Officer

ATTACHMENTS:

1 ↓	Council Minute and Report - 22 February 2021	14 Pages
2 ↓	Amended Wentworth Point DCP 2014	44 Pages
3 ↓	VPA Letter of Offer	1 Page
4 ↓	Planning Proposal Document	44 Pages
5 ↓	Revised Ecological Report	82 Pages
6 ↓	Detailed Assessment of DCP and VPA	9 Pages
7 ↓	Gateway Determination	2 Pages

REFERENCE MATERIAL