

**Explanatory Note**  
**Exhibition of draft Voluntary Planning Agreement**

**19 Hope Street, Melrose Park**  
**69-77 Hughes Avenue, Ermington**

*Environmental Planning & Assessment Regulation 2021 (clause 205)*

**Draft Planning Agreement**

The purpose of this Explanatory Note is to provide a plain English summary to support the notification of a draft Planning Agreement (**the Planning Agreement**) under section 7.4 of the *Environmental Planning and Assessment Act 1979 (the Act)*.

The Planning Agreement will require the carrying out of works, dedication of land and monetary contributions towards the delivery of public infrastructure and amenities, in connection with a Planning Proposal and proposed development of land known as 19 Hope Street, Melrose Park and 69-77 Hughes Avenue, Ermington.

This Explanatory Note has been prepared jointly between the parties as required by clause 205 of the *Environmental Planning and Assessment Regulation 2021 (the Regulations)*.

This Explanatory Note is not to be used to assist in construing the Planning Agreement.

**Parties**

Hope & Hughes Pty Ltd atf Hope and Hughes Trust is the registered proprietor of the subject land (**the Landowner**). It has made an offer to Parramatta City Council (**the Council**) to enter into a Voluntary Planning Agreement, in connection with a planning proposal relating to the subject land.

**Description of subject land**

The land to which the Planning Agreement applies (**the Land**) comprises of the following allotments:

Lot G DP 369480; Lot A DP 356298; Lot B DP 356298; Lot D DP 369480; Lot E DP 369480 and Lot F DP 369480, otherwise known as 19 Hope Street, Melrose Park and 69-77 Hughes Avenue, Ermington and any lot created by subdivision of those lots.

**Description of the Change to the Environmental Planning Instrument to which the Planning Agreement applies**

The Planning Agreement is offered in connection with Planning Proposal PP-2023-1736 which seeks an amendment to *Parramatta Local Environmental Plan 2023 (PLEP 2023)* to rezone the site from R2 Low Density Residential and E4 General Industrial to MU1 Mixed Use and RE1 Public Recreation, and amend the site's maximum building height and floor space ratio (**FSR**) controls.

The proposed amendments to PLEP 2023 are set out in Schedule 5 of the Planning Agreement and include:

- (a) amending the Land Use Zone map to rezone the site from part IN1 General Industrial and part R2 Low Density Residential to part MU1 Mixed Use and part RE1 Public Recreation;
- (b) increasing the maximum permissible FSR controls from 0.5:1 – 1:1 to 1.85:1;
- (c) increasing the maximum permissible height from 9 – 12 metres to 13 – 48 metres;
- (d) a site-specific provision requiring a minimum of 1,400m<sup>2</sup> of non-residential floor space; and

(e) a site-specific provision reflecting open space to be dedicated to the Council.

The Planning Agreement will also apply to the future proposed development of the land for mixed use and high-density residential and commercial land uses in accordance with the PLEP 2023 once the proposed amendments have occurred (**Development**).

## **Summary of Objectives, Nature and Effect of the Planning Agreement**

### **Contributions**

The objective of the Planning Agreement is to oblige the Landowner to carry out works, dedicate land and make monetary contributions to Council in conjunction with the Development. The Planning Agreement requires the following contributions:

- (a) Construction, embellishment and dedication of a minimum of 2,673 m<sup>2</sup> of open space (**Park Works**) to be completed prior to dedication of land and prior to the issue of an Occupation Certificate for the first residential lot in the Development;
- (b) Construction, fit out and dedication of 2 Affordable Housing Units, comprising of 2 bedrooms each within the Development; or transferring 2 completed Affordable Housing Units, outside of but near the Development. Such dedication to occur within 28 days after the issue of the first Occupation Certificate for the first building containing a residential lot in the Development or in respect of the latter, prior to construction of the Development; and
- (c) A monetary contribution in the amount of 1% of the proposed cost of the Development prior to the issue of any construction certificate (excluding demolition or solely for the Park Works) for the Development.

The nature of the Planning Agreement is an agreement between Council and the Landowner that has the effect of binding the Landowner and is also enforceable by Council including under the Act.

The Planning Agreement contains the following:

- (a) A Contributions Table (Schedule 1) setting out the contributions that are required to be delivered by the Landowner and the proposed timing for delivery.
- (b) A Land Dedication and Concept Design Plan (Annexure A) showing the indicative location and specifications of the works and land dedication.
- (c) Specifications for the Affordable Housing Units (Annexure B)

The Landowner will be required to maintain the Park Works for a period of 2 years from completion for hard landscaping and 5 years from completion for soft landscaping.

### **Other Requirements**

Schedule 3 of the Planning Agreement sets out how the Planning Agreement meets the requirements of section 7.4 of the Act. In particular, the Planning Agreement includes:

- (a) provisions confirming that sections 7.11 and 7.12 are excluded, but only to the extent that the Residential Gross Floor Area of the Development does not exceed 14,067 square metres (clause 8),
- (b) confirmation that if the Residential Gross Floor Area of the Development exceeds 14,067 square metres, sections 7.11 and 7.12 will apply to the extent of any exceedance and the requirement to pay the Monetary Contribution under clause 7.7 will not apply to the extent of any exceedance (clause 8);

- (c) provisions confirming that Division 7.1, Subdivision 4 of the Act is not excluded from applying to the Development (clause 8);
- (d) a mechanism for dispute resolution (clause 11);
- (e) provisions about enforcement of the Planning Agreement including a requirement for the Landowner to provide financial securities, a clause authorising Council to compulsorily acquire the land if it is not dedicated as required and restrictions on the issue of Construction Certificates and Occupation Certificates for the Development if the obligations under the Planning Agreement are not met (clause 12);
- (f) a requirement for the Planning Agreement to be registered against the title to the Land (clause 9); and
- (g) provisions confirming that the Council is not obliged to grant consent or exercise any of its functions in relation to a change to an environmental planning instrument (clause 15).

## **Assessment of the Merits of the Planning Agreement**

### **The Public Purposes served by the Planning Agreement**

The proposed contributions under the Planning Agreement will serve the public purposes of providing passive recreation opportunities and access to open public space to meet the needs of the proposed future population of the Melrose Park precinct. The Planning Agreement will also deliver access to affordable housing for the community and monetary contributions to fund Council infrastructure and services.

### **The Planning Purposes served by the Planning Agreement**

The delivery of the contributions will facilitate the redevelopment of the Land envisaged by several strategic studies and reports endorsed by the Council. The Development will give effect to and achieve the objectives of applicable regional and district plans and strategies, including the Greater Sydney Region Plan, Central City District Plan, Parramatta 2038 Community Strategic Plan, City of Parramatta Local Strategic Planning Statement, Parramatta Employment Lands Strategy 2016 and the Local Housing Strategy.

The contributions to be delivered under the Planning Agreement will contribute to providing appropriate public benefits for the Development and the surrounding area, producing a good planning outcome for the development of the Land. The new public parks and open space will significantly increase deep soil and landscaping, providing high quality open space within the local area and meeting the needs of future residents and visitors to Melrose Park. The delivery of Affordable Housing Units will create a more even and mixed housing market and provide affordability within the Parramatta LGA. Monetary contributions will also facilitate the orderly and economic use and development of the Land through the provision of public amenities and services by the Council to promote the social and economic welfare of the community and a better environment.

The contributions proposed under the Planning Agreement are consistent with the strategic planning for the Land and its surrounds and will contribute to meeting the needs of the future community for public open space, housing diversity and affordability, and amenities. As it would be difficult to obtain these benefits through other statutory means, the Planning Agreement is the most suitable instrument by which the contributions can be delivered.

### **Impacts of the Planning Agreement on the Public**

The Planning Agreement will contribute to the provision of public parks, public open space and affordable housing for the proposed redevelopment of the Land.

The contributions promote the public interest because it will improve the public domain and protect future open space, as well as increase housing diversity and availability within the precinct. The provision of mixed-uses, including commercial and residential development, will provide employment

opportunities within the precinct and improve amenity for those who will live and work in the locality. The provision of the new open space will contribute to the social and physical wellbeing of the future community.

In general, the Planning Agreement will facilitate the Planning Proposal and redevelopment of the Land, achieving the strategic objectives for the wider Melrose Park precinct. The redevelopment of the Land and associated public infrastructure under the Planning Agreement will contribute to the vision of Melrose Park as a diverse and dynamic mixed-use neighbourhood.

The proposed contributions under the Planning Agreement will therefore have a positive impact on the public.

### **The Draft Planning Agreement Conforms with the Council Capital Works Program**

The Council's Delivery Program 2022-26 (**Program**) contains its four-year commitment to supporting the people, communities, and businesses of the Parramatta LGA. The program seeks to deliver capital works improvements to a range of areas, including the revitalisation of local roads, parks and centres.

The Planning Agreement will deliver parks and open spaces which will promote the Program's goals to improve the functionality and environmental performances of parks and recreational open space within the precinct. The delivery of affordable housing units will also contribute to the planning and provision of quality housing options that are affordable and support the needs of a diverse community in the precinct.