

REPORTS TO COUNCIL - FOR COUNCIL DECISION

ITEM NUMBER	13.5
SUBJECT	Gateway Request for 57-83 Church Street, PARRAMATTA
REFERENCE	F2024/00282 - D09519628
APPLICANT/S	Early Street Development Pty Ltd
OWNERS	JQZ Seventeen
REPORT OF	Project Officer

CSP THEME: Innovative

DEVELOPMENT APPLICATIONS CONSIDERED BY SYDNEY CENTRAL CITY PLANNING PANEL:

Development Application (DA/738/2016) was approved in August 2017 for:

- Demolition of existing buildings, tree removal and consolidation of lots;
- Construction of an 11-storey non-residential building for 275 hotel rooms and associated activities, two residential towers comprising a total of 538 apartments over two levels of retail/commercial podium at the rear of the site and associated landscaping and plaza works on Site 1; and
- Construction of a 10-storey non-residential building front Church Street, and a mixed use tower containing 9 levels of non-residential floor space and 22 storeys comprising 235 apartments at the rear of the site, with associated landscaping and plaza works on Site 2.

PURPOSE To seek Council endorsement to progress a Planning Proposal for land at 57-83 Church Street, Parramatta for the purposes of seeking a Gateway Determination and to amend the Parramatta DCP 2023 and negotiate a Planning Agreement.

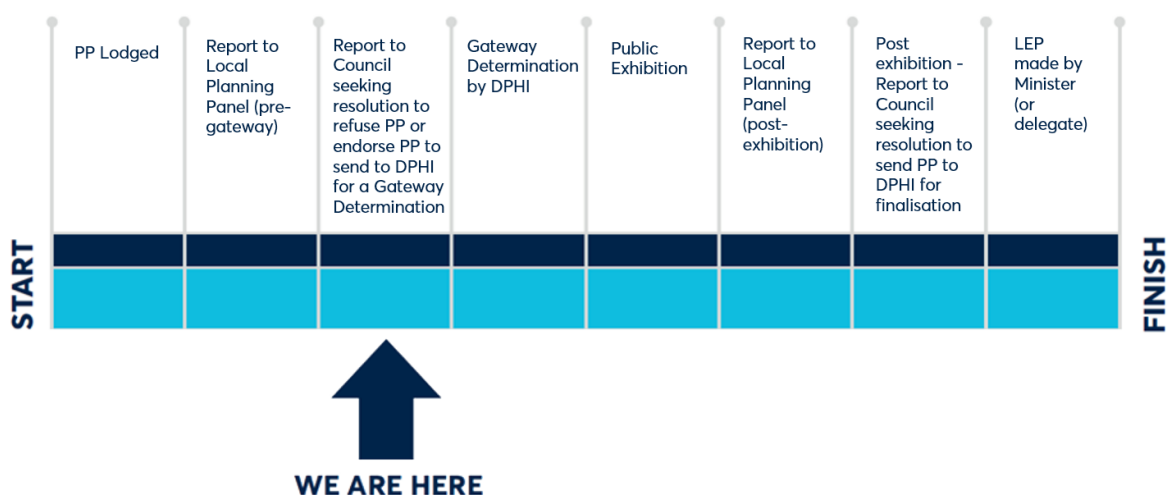
RECOMMENDATION

- (a) That Council approve for the purposes of seeking a Gateway Determination, the Planning Proposal for land at 57-83 Church Street, Parramatta (Attachment 1), which seeks the following amendments to the Parramatta Local Environmental 2023 (Parramatta LEP 2023):
- i. Increase the Floor Space Ratio control from 7.2:1 to 8.4:1 for land at 83 Church Street, Parramatta (Site 1).
 - ii. Increase the Height of Buildings control from 90m to 118m (40 storeys) for land at 63 Church Street, Parramatta (Site 2).
 - iii. For Site 1 and 2, switch off the provisions within Clause 7.14 Competitive design process of the Parramatta LEP 2023 and apply the proposed Clause 7.29 (5) Site specific provisions to exempt any future application comprising of alterations and additions from the competitive design process to ensure compliance with the approved winning design excellence competition scheme.
 - iv. For Site 1, switch off Clause 7.24 Dual water systems of the Parramatta LEP 2023 and apply the proposed Clause 7.29 (6) to

reflect the approval for this site which was granted before dual water systems were mandated.

- v. For Site 1 and 2, amend Clause 7.29 Site specific provisions to revise the non-residential gross floor area requirement from 40% to 25% of total Gross Floor Area.
 - vi. To include a clause under Schedule 1 Additional permitted uses to allow residential basement carparking in the E2 Commercial Centre zone on Sites 1 and 2 and development for creative industries on Site 2.
- (b) That Council note the Local Planning Panel’s advice to Council (Attachment 2) is consistent with the Council officer’s recommendation in this report.
 - (c) That Council approve the draft amendments, as described in this report, to Parramatta Development Control Plan 2023 (DCP) associated with the land subject to this Planning Proposal for the purposes of public exhibition.
 - (d) That Council request that DPHI provide it with authorisation to exercise its plan-making delegations for this Planning Proposal.
 - (e) That a report be submitted for Council’s consideration regarding the Community and Cultural building which details the proposed operating model, capital costs and potential funding sources for the warm shell fit-out (ex. community hall), commercial leasing opportunities available, and maintenance and depreciation costs.
 - (f) That the CEO be authorised to negotiate and draft the Planning Agreement consistent with the terms of the Letter of Offer (Attachment 2) provided by the landowner and that the Planning Agreement be placed on public exhibition concurrently with the Planning Proposal and the draft DCP.
 - (g) That Council authorise the CEO to correct any minor anomalies of a non-policy and administrative nature that may arise during the plan-making process.

PLANNING PROPOSAL TIMELINE



SITE DESCRIPTION & CONTEXT

1. The site comprises allotments at 83 Church Street, 63 Church Street and 57 Church Street and is legally identified as Lots 100 (Site 1), 102 (Site 2) within DP1249271 and Lots 15, 16 and 114 within DP129484 (Site 3).

- The following table describes the associated lot numbers and properties across the three sites:

Site Address	Lot Number and Deposited Plan	Land Size (sqm)
83 Church Street, Parramatta (Site 1)	Lot 100/DP1249271	7,136
63 Church Street, Parramatta (Site 2)	Lot 102/DP1249271	4,519
57 Church Street, Parramatta (Site 3)	Lot 15/DP651039, Lot 16/DP12623 and Lot 114/DP129484	1,953

- The site and its surrounding context are shown below in **Figure 1**.



Figure 1: Subject site and surrounds at 57-83 Church Street, Parramatta

- The site is located within the Auto Alley Precinct at the southern gateway to the Parramatta City Centre, which was historically characterised by its high concentration of car sales yards.
- Site 1 is bounded by the Great Western Highway to the north, Church Street to the east and Early Street to the south. Approval has been granted for demolition, tree removal, consolidation of lots, construction of a 10-storey hotel and two residential towers over a retail/commercial podium with associated landscaping and plaza works. Construction has commenced on Site 1 in accordance with DA/738/2016. Basement excavations are currently underway, and the site is surrounded by construction fencing to prevent public access.

6. Site 2 is currently occupied by a dilapidated three-storey building which occupies the eastern portion of the site fronting Church Street. The building is the former 'Holden House' car dealership within the Auto Alley Precinct. The western portion of the site is occupied by a construction site office which services the active construction site for Site 1.
7. Site 3 is bounded by Lansdowne Street to the north and Church Street to the east and currently occupied by the sales office for the development. Site 3 is zoned RE1 Public Recreation and is to be developed and dedicated to Council as a public park in accordance with the timing set out in the previous Planning Agreement. It is noted that Site 3 is not subject to any amendments sought by the Planning Proposal.
8. The site is located 550m from Parramatta Station and 500m from Harris Park Station.
9. Jubilee Park is located approximately 200m to the east of the site. Jubilee Park is owned by Council and comprises public open space, play equipment, Harry Todd Band Hall and the Jubilee Park Childcare Centre.

BACKGROUND

10. The site has an extensive planning history and has been subject to past planning studies and applications for over a decade, including a site-specific Planning Proposal, Planning Agreement, Architectural Design Competition, Concept Development Application (DA) and Detailed DA.
11. A previous Planning Proposal ([RZ/9/2011](#)) was gazetted for the site which rezoned the site to permit mixed-use development including residential, commercial and retail uses with heights up to 118m and a maximum FSR of 7.2:1. The site-specific clause 7.29 of the Parramatta LEP was also introduced to mandate a minimum of 40% of GFA on Site 1 be allocated for non-residential purposes. The intent of this clause was to provide employment opportunities within the Parramatta City Centre.
12. A Planning Agreement was registered on the title of the land which was to deliver the following items at a total value of \$15,142,695:
 - Embellishment and dedication of land at Site 3 comprising a total of 1,953sqm for use as a public open space;
 - Embellishment and footpath widening along the Church Street frontage of the land;
 - Provision of a pedestrian thoroughfare through Site 1 and 2;
 - The construction and dedication of a commercial suite comprising 200sqm to Council; and
 - Payment of a \$7.3 million cash contribution to Council's (former) City Centre Section 94A Plan
13. It is proposed to extinguish the Planning Agreement that is currently registered on the title of the land and replace it with a new Planning Agreement as detailed in this report.
14. Design for development on the site has been subject to an Architectural Design Competition, a Concept DA and a Detailed DA. The detailed DA ([DA/738/2016](#))

was approved by the Sydney Central City Planning Panel in 2017, granting consent for:

- *Site 1 - 83 Church and 44 Early Street: Demolition, tree removal, consolidation of lots, construction of a 11-storey non-residential building fronting Church Street, two residential towers (22-storey and 40-storey) containing a total of 538 apartments over 2 levels of retail/commercial podium at the rear of the site, with associate landscaping and plaza works.*
- *Site 2 - 63 Church Street: Demolition, tree removal, construction of a 10-storey non-residential building fronting Church Street, and a mixed use tower containing 9 levels of non-residential floor space and 22 storeys comprising 235 apartments at the rear of the site, with associated landscaping and plaza works.*

15. The Detailed DA has been subject to several modification applications which have amended the conditions of consent, the staging of construction and have sought minor design amendments to the approved layout.



Figure 2: Approved development under DA/738/2016

PLANNING PROPOSAL

16. The Planning Proposal seeks to facilitate a higher density mixed use development scheme than permitted under the current planning controls by increasing the Height of Building and Floor Space Ratio controls. It will also introduce an additional permitted use on the site and site-specific provisions to facilitate the changes envisaged in the urban design report (refer to **Attachment**

4). The proposal also includes a substantial public benefit offering, including a significant Cultural and Community building and the previously secured public park and through-site links.

17. The site layout, building numbers and proposed built form is shown below in **Figure 3**.

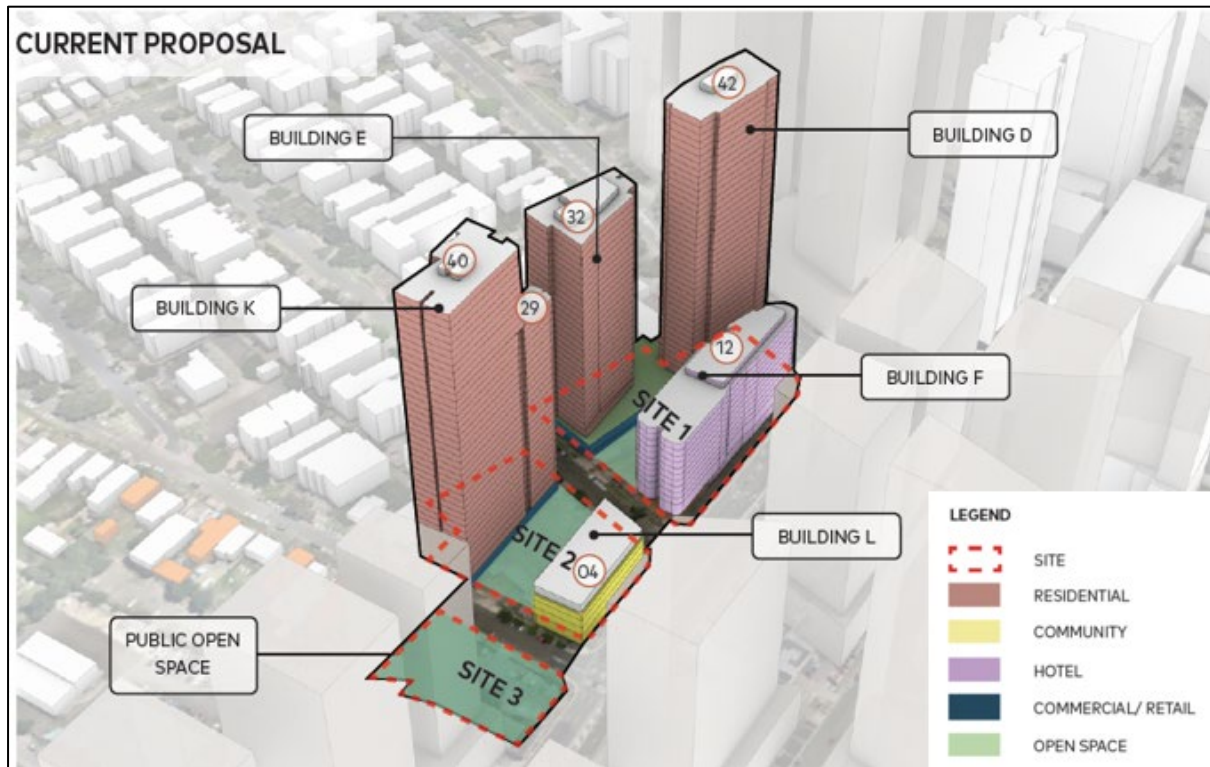


Figure 3: Site Layout and proposed scheme

18. **Table 1** below shows the map changes being sought under this Planning Proposal compared to the current mapping in the Parramatta LEP 2023. Refer to the Planning Proposal (**Attachment 1**) for detailed mapping changes.

Table 1: Parramatta LEP 2023 Maps showing current and proposed Height of Buildings and Floor Space Ratio controls

Existing Control	Proposed Control
Height of Buildings	



Floor Space Ratio



19. **Table 2** summarises the instrument changes being sought under the Planning Proposal compared with the current controls under Parramatta LEP 2023.

Table 2: Proposed Parramatta LEP 2023 Amendments

Existing as per Parramatta LEP 2023 (Approved DA/738/2016)	Amendments sought under this Planning Proposal
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	Site 1	Site 2	Site 1	Site 2
Zoning	Part MU1 and Part E2	Part MU1 and Part E2	Part MU1 and Part E2 (no change)	Part MU1 and Part E2 (no change)
Height of Buildings	Part 36m and Part 118m (12 and 42 storeys)	Part 36m and 90m (10 and 32 storeys)	Part 36m and 118m (12 and 42 storeys)	Part 36m and Part 118m (4 and 40 storeys)*
Floor Space Ratio	7.2:1	6.4:1	8.4:1 (+1.2)	6.4:1 (no change)
Dwelling Yield	479	235	539 (+60 dwellings)	383 (+148 dwellings)**
Residential GFA	40,249sqm	18,392sqm	46,259sqm (+6,010sqm)	32,132sqm (+13,740sqm)
Non-residential GFA	22,613sqm	16,503sqm	22,613sqm (no change)	Minimum 3,455sqm (-13,048sqm)
Clause 7.29 Church and Early Streets, Parramatta	<ul style="list-style-type: none"> At least 40% of the GFA on Site 1 is to be used for non-residential purposes. The FSR on Site 1 will not exceed 7.2:1 if the development includes a basement for commercial purposes. 	<ul style="list-style-type: none"> At least 40% of the GFA on Site 2 is to be used for non-residential purposes. 	<ul style="list-style-type: none"> At least 25% of the GFA across Sites 1 and 2 are to be used for non-residential purposes. Clause 7.14 Competitive design process does not apply to the land to which this part applies if the application comprises only alterations and additions to a building that is the winner of a design competition. Clause 7.24 Dual water systems does not apply to the land on Site 1 that comprises only alterations and 	<ul style="list-style-type: none"> At least 25% of the GFA across Sites 1 and 2 are to be used for non-residential purposes. Clause 7.14 does not apply to the land to which this part applies if the application comprises only alterations and additions to a building that is the winner of a design competition.

			additions to a building.	
Additional Permitted Uses	None	None	<p><i>26 Use of certain land at Early and Church Street, Parramatta</i></p> <p><i>(1) This clause applies to land identified as “26” on the Additional Permitted Uses Map, comprising Lot 10, DP 733044, Lot B, DP 304570, and Lot 20, DP 732622.</i></p> <p><i>(2) Development for the purposes of residential flat buildings is permitted with development consent if –</i></p> <p><i>a) No dwellings are permitted on the land zoned E2 Commercial Centre, and</i></p> <p><i>b) Development on land zoned E2 Commercial Centre to support residential flat buildings that are located on the land is limited to the basement.</i></p> <p><i>(3) Development for the purposes of creative industries is permitted with development consent in the E2 Commercial Centre zone.</i></p>	<p><i>26 Use of certain land at Early and Church Street, Parramatta</i></p> <p><i>(1) This clause applies to land identified as “26” on the Additional Permitted Uses Map, comprising Lot 10, DP 733044, Lot B, DP 304570, and Lot 20, DP 732622.</i></p> <p><i>(2) Development for the purposes of residential flat buildings is permitted with development consent if –</i></p> <p><i>a) No dwellings are permitted on the land zoned E2 Commercial Centre, and</i></p> <p><i>b) Development on land zoned E2 Commercial Centre to support residential flat buildings that are located on the land is limited to the basement.</i></p> <p><i>(3) Development for the purposes of creative industries is permitted with development consent in the E2 Commercial Centre zone.</i></p>

* The difference (in stories) between Site 1 and 2 is due to the increased floor to ceiling heights within the podium level of Building K that enables future transformation into commercial floor space.

** Dwelling number increase is a result of the redistribution of non-residential floor area to residential floor area through amendments to Clause 7.29. Overall, there is no change in FSR on Site 2.

Clause 7.29 Site specific provisions

20. The site-specific Clause 7.29 is proposed to be amended as follows (~~strikeout text~~ is text to be deleted and **bold text** is to be added):
- (1) This clause applies to the following land at Parramatta—
 - (a) ~~Lot 10, DP 733044~~ **Lot 100, DP1249271**, 83 Church Street ~~and Lot B, DP 304570, 44 Early Street (Site 1),~~
 - (b) ~~Lot 20, DP 732622,~~ **Lot 102, DP1249271** 63 Church Street (**Site 2**).
 - (2) The objectives of this clause are to ensure that development on the land—
 - (a) provides employment opportunities in the precinct by ensuring that a minimum proportion of the available floor space is provided for commercial purposes, and
 - (b) the scale and bulk of the development does not adversely impact the amenity of the precinct.
 - (3) Development consent must not be granted to development, including staged development, involving the erection of a building on Site 1 **and Site 2** unless the consent authority is satisfied—
 - (a) at least **4025%** of the combined gross floor area of **Site 1 and 2** ~~of Site 1~~ will be used for purposes other than residential accommodation or serviced apartments, ~~and~~
 - (b) ~~the floor space ratio of Site 1 will not exceed—~~
 - (i) ~~if the development includes a basement to be used for commercial purposes—7.2:1, or~~
 - (ii) ~~otherwise—6.4:1, and~~
 - (c) the gross floor area of each storey of a building **on Site 1** above a height of 40m will not exceed 700m².
 - ~~(4) Development consent must not be granted to development, including staged development, involving the erection of a building on Site 2 unless the consent authority is satisfied at least 40% of the gross floor area of Site 2 will not be used for residential accommodation or serviced apartments.~~
 - (5) Clause 7.14 does not apply to the land to which this part applies if the application comprises only alterations and additions to a building that is the winner of a design competition.**
 - (6) Clause 7.24 does not apply to the land on Site 1 that is comprises only alterations and additions to a building.**

Non-residential Gross Floor Area and Jobs

21. The Planning Proposal seeks to amend subclause (3) which reduces the quantum of GFA to be allocated to non-residential uses from 40% of Site 1's GFA and 40% of Site 2's GFA to 25% of the total GFA of Sites 1 and 2 combined. This results in a reduction of 13,048sqm of non-residential GFA in total across the development.
22. The rezoning of the site in 2011 which established the 40% requirement for non-residential GFA relied upon 5,694sqm of this GFA being delivered as a basement level supermarket. During the assessment of the approved DA, it was revealed that the site's flood affectation restricted the provision of basement level commercial floor space due to a high level of risk to life and property.
23. There is also a State-wide priority to delivery housing within rezoning schemes to address the current housing affordability crisis and supply shortage. As such,

this Planning Proposal seeks to increase the proportion of residential floor space and reduce the overall quantum of non-residential floor space from 40% of the GFA of Site 1 and Site 2 to 25% of the overall GFA across both sites.

24. The Planning Proposal seeks to include additional site-specific provisions into Clause 7.29 which would replace LEP clauses relating to design excellence competitions, dual-water systems in buildings

Design Excellence

25. It is proposed to insert subclause (5) to ensure that any future application would be exempt from a new design competition process. Currently, clause 7.14 of the Parramatta LEP 2023 states that any application that would result in a building being over 40m in height within the Parramatta City Centre or would significantly increase the height or GFA of a building within the Parramatta City Centre would be subject to a new design excellence competition.
26. The approved development on the site has already been through a design excellence competition and it is unreasonable to subject a future amending DA which seeks to implement the increased FSR on Site 1 and height limit on Site 2 to a new design competition. It is noted that the original project architects (AJC and Turner Studios) have been retained on the project and will ensure that any future applications will continue to exhibit design excellence in accordance with the winning design criteria.

Dual Water Systems

27. It is proposed to insert subclause (6) to allow any future DA on Site 1 to be exempt from the provisions of Clause 7.24 Dual water systems, which states that certain development in the City Centre (which would include the proposal) must use a dual water reticulation system. This control came into effect due to the finalisation of the Parramatta CBD Planning Proposal. Consequently, with the development consent being granted prior to the implementation of Clause 7.24, it is considered impractical to require compliance with dual water systems as construction has already significantly progressed.
28. The exemption from this clause is necessary as buildings on Site 1 are already substantially under construction and cannot reasonably comply with this clause. It is not feasibly possible to retrofit the already commenced construction of Buildings D and E on Site 1 to include dual water systems on this site. Dual water systems will be required to be complied with for buildings on Site 2, as construction has not yet commenced.

Schedule 1 – Additional Permitted Use

29. Schedule 1 Additional Permitted Uses of the Parramatta LEP 2023 will be amended to include a new clause enabling development for the purposes of creative industries and carparking for residential flat buildings within the E2 Commercial Centre zone.
30. The reallocation of commercial car parking to residential has resulted in some parking spaces being located within the E2 portion of the site. Residential carparking is currently prohibited within the E2 zone. The proposed Additional Permitted Use will enable the full site footprint to be used for both commercial

and residential carparking, reducing the level of basement excavation required as the carparking can be spread over a wider footprint.

31. Including this clause does not increase the permissible number of residential carparking spaces under the Parramatta LEP 2023, it merely allows the carparking to be constructed over a wider basement footprint.
32. The inclusion of 'creative industries' as an Additional Permitted Use has been proposed to expand the possible future use of Building L on Site 2. This building will be dedicated to Council in its entirety, and presents a significant opportunity for part of the building to include an artist studio, exhibition space or similar. 'Creative industries' are compatible in the site's context and will be entirely contained within Building L.

SUMMARY OF COUNCIL OFFICER ASSESSMENT

33. Council officer's summary of the planning proposal's assessment is below. Further details of the assessment can be found in the Local Planning Panel Report (**Attachment 2**).

State and Local Planning Policies and Strategies

34. The Minister for Planning and Public Spaces has recently written to all councils and planning panels asking them to '*prioritise the delivery of housing when assessing development applications and rezoning schemes, so that the entire planning system is geared to addressing the housing shortfall*'. The Minister further asks that '*...council teams prioritise the opportunity to deliver homes as part of merit considerations where, on balance, dwelling numbers may warrant a scale or built form that is different to or greater than the outcome originally anticipated*' (see **Attachment 5**).
35. The Minister also advises in his letter that updated region and cities' plans are being prepared by DPHI, and that in the meantime a strategic merit assessment should be applied to Planning Proposals which will be used to confirm if the proposal can satisfy relevant regional, district, and local strategies. The Planning Proposal makes provisions to address the existing region and district plan by enabling mixed-use development alongside infrastructure such as a childcare centre and park that provides significant public benefit.
36. The Planning Proposal facilitates the delivery of an additional 208 dwellings when compared to the existing scheme in the Parramatta City Centre and contributes to the housing targets set out in the Local Strategic Planning Statement (LSPS) and Local Housing Strategy. It is also consistent with the relevant Planning Priorities listed within the LSPS. Additionally, the community hub that is to be fully dedicated to Council addresses the recommendations made in the Community Infrastructure Strategy.

State Environmental Planning Policy (Housing) 2021 – Build to Rent (BTR) Implications

37. Following amendments to the Housing SEPP in late 2023, BTR is now permissible within the E2 Commercial Centre zone.

38. Under the current legislation, the developer could pursue a BTR development proposal within the E2 zoned area of the site which could be constructed in place of the hotel and Cultural and Community building, resulting in essentially all non-residential floor space being lost.
39. Council officers have identified the opportunity for a four-storey, standalone Cultural and Community facility that will be dedicated in its entirety to Council and provide opportunities for a number of non-residential uses including the Parramatta Artist Studio (PAS).
40. The PAS is temporarily located at Granville, as a result of its previous home in the Parramatta CBD being acquired by Sydney Metro West in 2021. To facilitate the development of the Granville Town Square, the current site of the PAS is required to be demolished, and a new, permanent home is required to be found for the PAS.
41. The subject site presents a unique opportunity for the return of the PAS to the fringe of the CBD. This is in alignment with '*A Cultural Plan for the Parramatta CBD*', which advocates for the expansion of creative industries within the CBD.
42. In addition, the increase in FSR on Site 1 and redistribution of non-residential GFA to residential GFA on Site 2 will deliver an additional 208 residential apartments across the development that has already significantly progressed construction.
43. Given the circumstances, this proposal would result in a better outcome, balancing the creation of new jobs within the E2 zoned land, delivering a Cultural and Community facility while also increasing the immediate delivery of new housing.

Urban Design and Design Excellence

44. As detailed in the LPP Report (**Attachment 2**) Council officers have identified several urban design implications resulting from the proposed amendments to the Parramatta LEP 2023. In particular, the LPP Report analyses the impacts of the increased height of buildings on Site 2 and resultant increase in building height for Building K. Council officers have reviewed the winning Design Competition criteria for the development and have developed an urban design outcome which is consistent with the criteria and is of a high-quality.



Figure 4: Artist's impression of the scheme resulting from the Planning Proposal

Traffic and Parking

45. Council's traffic officer has undertaken a detailed assessment of the proposal and has determined that the amendments to the Parramatta LEP 2023 proposed under this Planning Proposal can deliver a compliant car parking layout. The assessment affirms that, notwithstanding the uplift in residential dwellings, the proposed level of carparking complies with the provisions of the Parramatta LEP 2023. Refer to the Traffic Report at **Attachment 6** for more details.

Economic Impact

46. The Parramatta City Centre is currently experiencing high commercial office vacancy rates, with rates expected to remain above 20% over the five-year medium term as evidenced in the supporting Economic Assessment (**Attachment 5**). This is largely because of the COVID-19 pandemic and subsequent fundamental change in the way people work, resulting in less demand for commercial office space in the market. At this time, as the site is under construction, it is unlikely that the quantum of commercial office space under the existing site-specific clause will be fully occupied within the future development.
47. The applicant initially proposed to reduce the quantum of non-residential GFA to 20% of the total GFA of Sites 1 and 2. This was considered to be an unsupportable reduction, and it was important to retain a higher level of employment generating land uses on the site. Following consultation with the applicant, it was determined that an appropriate amount of non-residential GFA to be delivered across Site 1 and 2 is 25%. If the Planning Proposal was to reduce

the non-residential GFA to 20%, this would have resulted in approximately 1,600sqm of commercial floor area, equivalent to two storeys of the Cultural and Community building.

48. The approved development under construction will deliver a new 5-star hotel (Building F on Site 1), with the confirmed operator being the Marriott Group. The hotel development will be a key contributor to Parramatta's visitor economy and will help service domestic and international visitors to Parramatta, Sydney Olympic Park and the forthcoming Western Sydney International Airport that is due to open in late 2026. The hotel will not only generate primary jobs but will also generate subsidiary jobs through uses associated with the hotel such as catering companies, event management and corporate conferences.
49. The addition of the Cultural and Community building will establish an emerging character for the southern City Centre as a destination for arts and cultural spaces. The fringe location of the site presents an opportunity to deliver alternative land uses that will complement commercial office space, generating employment opportunities and boost Parramatta's cultural economy.
50. Council officers have considered these impacts in the Planning Proposal and Local Planning Panel Report (**Attachment 2**) and given the current market conditions, the site being under construction and the provisions of the Housing SEPP allowing build to rent on commercial zoned land, the provision of a Community and Cultural building, a new 5-star hotel offering, and other commercial uses including diverse retail offerings, the Planning Proposal adequately balances the economic impacts of the proposal while noting the delivery of additional dwellings.
51. The decrease in the quantum of non-residential floor space as a part of the Planning Proposal is supportable in this instance for the following reasons:
 - The basement levels of the buildings cannot accommodate the 5,694sqm of supermarket floor area due to flooding constraints as detailed in the assessment of the approved scheme (DA/738/2016);
 - The site is under construction and its location on the fringe of the Parramatta CBD means it is unlikely that the already approved commercial floor space will be utilised in the short and medium term;
 - The economic analysis by Urbis indicates that vacancy rates for commercial floor space are unlikely to lower in the medium term;
 - Diversification of land uses through the inclusion of creative industries are well-suited for this location in the Parramatta CBD;
 - Continues to retain non-residential GFA, particularly along Church Street, by providing an alternative use to the provisions under the State Environmental Planning Policy (Housing) 2021 that permits build-to-rent on E2 land; and
 - The Minister for Planning and Public Spaces has requested public authorities and planning panels to prioritise the delivery of housing.

Other Considerations

52. The detailed analysis contained within the LPP Report (**Attachment 2**) addresses the relevant State and Council policies, wind impacts, overland flooding impacts and the social impacts of the proposal.

SITE SPECIFIC DEVELOPMENT CONTROL PLAN

53. Section 9.10.2 in the Parramatta City Centre Development Control Plan (DCP) applies to the site. The Planning Proposal requires minor amendments to the DCP to facilitate the reference scheme.
54. Amendments to the existing draft site-specific development control plan (SSDCP) will be prepared should this Planning Proposal be supported for Gateway determination. The draft SSDCP will make the following amendments to ensure consistency with the reference scheme provided:
- a. Removal of references to 44 Early Street due to lot amalgamation with 83 Church Street
 - b. Updating height figures in Figure 9.10.2.3
 - c. Updating building footprints in Figure 9.10.2.3
 - d. Removal of the reference to a basement level supermarket on Site 1 in Figure 9.10.2.4
 - e. Relabelling Figure 9.10.2.4 – Building Form Control Section (Northern Side) to Figure 9.10.2.4 – North-South Section for clarity
 - f. Updating the Figure 9.2.10.4 to reflect the reference scheme
 - i. Building F (Hotel) is coloured as commercial/hotel
 - ii. Building F is 12 levels not 10 levels
 - iii. Podium levels are commercial
 - iv. Building D is updated to 42 levels
 - g. Minor changes of an administrative nature (e.g. formatting, labelling, numbering)
55. It is proposed that the SSDCP will be updated to address these matters and placed on public exhibition with the Planning Proposal following DPHI issuing of a Gateway Determination for the Planning Proposal.

PARRAMATTA LOCAL PLANNING PANEL

56. The Parramatta Local Planning Panel (LPP) considered this matter at its meeting on 26 November 2024 and advised that:
- (a) *Council approves, for the purposes of seeking a Gateway Determination from the Department of Planning, Housing and Infrastructure (DPHI), the Planning Proposal for land at 57-83 Church Street, Parramatta (Attachment 1), which seeks the following amendments to the Parramatta Local Environmental 2023 (Parramatta LEP 2023):*
 - i. *Increase the Floor Space Ratio control from 7.2:1 to 8.4:1 for land at 83 Church Street, Parramatta (Site 1).*
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 - iv. *For Site 1, switch off Clause 7.24 Dual water systems of the Parramatta LEP 2023 and apply the proposed Clause 7.29 (6) to*

- reflect the approval for this site which was granted before dual water systems were mandated.*
- v. *For Site 1 and 2, amend Clause 7.29 Site specific provisions to revise the non-residential gross floor area requirement from 40% to 25% of total Gross Floor Area.*
 - vi. *To include a clause under Schedule 1 Additional permitted uses to allow residential basement carparking in the E2 Commercial Centre zone on Sites 1 and 2 and development for creative industries on Site 2.*
- (b) *Council approve the draft amendments, as described in this report, to Parramatta Development Control Plan 2023 (DCP) associated with the land subject to this Planning Proposal for the purposes of public exhibition.*
 - (c) *Council request that DPHI provide it with authorisation to exercise its plan-making delegations for this Planning Proposal.*
 - (d) *The CEO be authorised to negotiate and draft the Planning Agreement consistent with the terms of the Letter of Offer (Attachment 2) provided by the landowner and that the Planning Agreement be placed on public exhibition concurrently with the Planning Proposal and the draft DCP.*
 - (e) *Council authorises the CEO to correct any minor anomalies of a non-policy and administrative nature that may arise during the plan-making process.*
57. The Panel provides the following further advice:
- (a) *The Panel recommends Council review the Concept Development Consent ensuring any relevant provisions have been considered and if required are incorporated into the Draft Development Control Plan.*
 - (b) *The Panel notes that pedestrian and cycle connectivity from the Southern Planning Investigation Area to the CBD and Transport nodes requires further consideration.*
 - (c) *The Panel wishes to thank Staff on their excellent paper and work on the Planning Proposal.*
58. It is noted that the Local Planning Panel has provided additional recommendations to Council regarding the proposal in recommendations (a) and (b). In response to recommendation (a), Council officers will review the Concept Development Consent to ensure any relevant provisions are included within the Development Control Plan amendments.
59. Internal consultation has been undertaken with the team leading the Southern Planning Investigation Area who have confirmed that pedestrian and cycleway connectivity to the CBD and transport nodes will form part of this work.
60. The Local Planning Panel report and minutes are provided at Attachment 2.

PLANNING AGREEMENT

61. In the preparation and finalisation of the previous Planning Proposal, a Planning Agreement between the previous landowner and Council was executed and is registered on the title of the land, which was to deliver the following items at a total value of \$15,142,695:

- Embellishment and dedication of land at Site 3 comprising a total of 1,953sqm for use as a public open space;
 - Embellishment and footpath widening along the Church Street frontage of the land;
 - Provision of a pedestrian thoroughfare through Site 1 and 2;
 - The construction and dedication of a commercial suite comprising 200sqm to Council; and
 - Payment of a \$7.3 million cash contribution to Council's City Centre Section 94A Plan.
62. The proponent has submitted a Letter of Offer (Attachment 3) to enter into a new Planning Agreement with Council at a value estimated by the applicant to be \$26,543,384. The agreement comprises the following items:
- Dedicate Building L as a Community and Cultural building with approximately 2,400sqm of floor space to be distributed as follows:
 - Basement**
 - Basement carparking comprising 34 spaces;
 - Ground Floor**
 - Retail tenancy comprising of a total 131sqm in a cold shell fit-out;
 - Community hall comprising a total 555sqm in a warm shell fit-out;
 - Level 1**
 - Commercial office space to be utilised by Council or independently tenanted
 - Levels 2-3**
 - It is envisaged that the PAS will occupy Levels 2 and 3 of the building.
 - Dedicate a fully embellished open space public park on Site 3 totalling approximately 1,953sqm.
 - Design, construction and embellishment of footpaths and through-site links across Site 1 and 2 facilitating north-south movement between the buildings fronting Church Street and to the rear of the site.
 - Embellish and make accessible via public easements to be held by Council to provide thoroughfares on Site 1 and 2.
63. An analysis of the deliverables between the previous and proposed Planning Agreement, including value of items is provided below at Table 3.

Table 3: Planning Agreement Item Summary

Item	Description	Comments	Value
Cultural and Community Building	Four (4) storey Cultural and Community building consisting of retail, commercial and community hall (Building L) and basement car parking	New Item - delivered within the letter of offer which replaces the 200m2 commercial tenancy with a four (4) storey (approx. 2400sqm) Cultural and Community Facility and 34	\$19,002,430

		basement parking spaces	
Public domain widening and embellishment – Site 1	Design and construction of footpath/ public domain upgrades	Transferred from the original Planning Agreement to the new Planning Agreement	\$901,149
Through site link - Site 1	Design and construction of through- site link including easement for public access	Transferred from the original Planning Agreement to the new Planning Agreement	\$2,498,339
Public domain widening and embellishment – Site 2	Design and construction of footpath/ public domain upgrades	Transferred from the original Planning Agreement to the new Planning Agreement	\$754,840
Through site link and embellishment – Site 2	Design and construction of through- site link including easement for public access	Transferred from the original Planning Agreement to the new Planning Agreement	\$1,735,716
Open Space Embellishment and Dedications - Site 3	Embellishment and dedication of 1,953sqm site for use as a public open space	Transferred from the original Planning Agreement to the new Planning Agreement	\$1,650,910
<i>Commercial Tenancy</i>	<i>Cold shell construction of a 200sqm commercial tenancy</i>	<i>Replaced Item - the new Planning Agreement replaced the 200sqm cold shell commercial tenancy with the 131sqm retail space within the Community and Cultural building</i>	<i>Estimated Value \$1,000,000</i>

64. The original Planning Agreement required the payment of contributions in accordance with the (former) City Centre Section 94A Contributions Plan, which equated to \$8,895,755.38 (noting CPI increases). In accordance with the conditions of executed Planning Agreement, \$1,394,812.38 has been paid to Council. The remaining value that is outstanding is \$7,500,943.00, which has been allocated to the construction costs of the Community and Cultural building.
65. The renegotiation of the new Planning Agreement has enabled Council the opportunity to invest the outstanding Section 94A development contributions, that would have been collected through the previous agreement into the construction and dedication of the Community and Cultural building. Without this contribution, the facility would not provide a multi-level building that is capable of delivering both community and commercial uses. Substantial cost savings are delivered through a collaborative approach with the developer, with Council benefiting from the ability to provide a permanent premises for the Parramatta Artist Studios within the Parramatta CBD and expand the building to include income generating components. Revenue opportunities existing through the two retail suites, basement carparking, commercial office suites and a hireable community hall without the need for upfront capital contributions by Council for the acquisition of land.
66. In addition to the value of the Letter of Offer, development contributions in accordance with Parramatta City Centre Local Infrastructure Contributions Plan 2022 are applicable as follows:
- Contributions for the additional apartments in Building E (5% of cost of

construction); and

- Contributions for any development where the development cost exceeds \$250,000 (4% of cost of construction).
67. The funds collected through the application of Parramatta City Centre Local Infrastructure Contributions Plan 2022 are to be quarantined for use in the fit out of the remainder of Building L.
68. Importantly, the values in the letter of offer attribute zero cost to Council for the dedication of land, easements and stratum lots.
69. Council's Community Infrastructure Strategy (CIS), which was endorsed by Council at its meeting on 13 July 2020, and A Cultural Plan for the Parramatta CBD, endorsed on 10 July 2017, have guided Council officers in the renegotiation of the Planning Agreement to ensure the infrastructure deliverables support the growing population of Parramatta.
70. The value of the proposed works, dedication of land and end stratum lots equates to the most significant contribution of infrastructure made by a developer through a Planning Agreement, redefining expectations placed on developers when seeking a Planning Proposal that increases the demands placed on community infrastructure.
71. The assessment of the Letter of Offer by Council Officers concludes that the items offered are acceptable and satisfy major Council objectives related to community and social infrastructure provision.

PLAN MAKING DELEGATIONS

72. Should Council resolve to endorse the Planning Proposal to proceed, it is recommended that Council request that it exercise its plan-making delegations. This means that once the Planning Proposal has been to Gateway, undergone public exhibition and been adopted by Council, Council officers would deal directly with the Parliamentary Counsel Office on the legal drafting and mapping of the amendment. The LEP amendment is then signed by the CEO before being notified on the NSW Legislation website.

CONSULTATION

73. The Planning Proposal and supporting documents were referred to various Council staff/teams including Design Excellence, Flooding, Traffic, City Strategy, Development Services, Environmental Strategy and Public Domain. External referrals have not yet been undertaken.
72. At the time of finalising this report the following Councillor consultation was scheduled to be undertaken in relation to this matter:

Date	Councillor	Councillor Comment	Council Officer Response	Responsibility
3 December 2024 – Councillor briefing	All Councillors	Report finalised prior to the briefing	Report finalised prior to the briefing	Executive Director City Planning and Design

FINANCIAL IMPLICATIONS FOR COUNCIL

74. Should Council resolve to proceed with the Planning Proposal, the costs incurred in conducting the community consultation are covered by the fees associated with the submission of the Planning Proposal. The developer will reimburse any legal costs relating to the drafting/negotiation of the Planning Agreement.
75. The Planning Proposal is accompanied by a Letter of Offer (Attachment 3) which proposes that the applicant enter into an agreement to deliver a range of community infrastructure. In line with Council's current approach to Planning Agreements, the costs detailed at the time of reporting are provided for Council to review the value and suitability of the Planning Agreement. The actual costs for the delivery of the ascribed works are the sole responsibility and borne wholly by the developer. This is to ensure that no cost escalations are passed on to Council.
76. To further protect Council's financial interests and potential dilution of the deliverables, an Infrastructure Service Delivery Plan will accompany the Planning Agreement to document the expectations of each of the deliverables of the Planning Agreement.
77. If Council resolves to endorse the recommendations of this report, the financial impacts on the budget are set out in the table below. The Cultural and Community building is not expected to be operational until approximately 2028. This is due to the staged construction of the development with the Cultural and Community building being on Site 2. The park on Site 3 will be delivered within 12 months of the issue of any Occupation Certificate relating to Site 2.
78. Noting the timeframes for delivery of the Cultural and Community building, a future report will detail the commercial leasing opportunities available, operating model, capital costs and potential funding sources for the warm shell fit-out (ex. community hall), and maintenance and depreciation costs.

CONCLUSION AND NEXT STEPS

79. This report recommends that the Planning Proposal for 57-83 Church Street, Parramatta be submitted to DPHI for Gateway determination.
80. It is recommended that Council endorse the preparation of a draft Planning Agreement for 57-83 Church Street, Parramatta based on the submitted Letter of Offer, and that the Chief Executive Officer be authorised to prepare the legal drafting.
81. It is recommended that Council endorse preparation of the amendments related to the site-specific DCP (SSDCP) for land at 57-83 Church Street Parramatta, to be made to the Parramatta DCP 2023.
82. If supported by the DPHI, the Planning Proposal, draft Planning Agreement and draft SSDCP will be publicly exhibited concurrently. A further report will be prepared for Council on the outcomes of the public exhibition.

Liam Spinks
Project Officer

Darren Ung
Project Officer

Belinda Borg
Team Leader Land Use Planning

Jennifer Concato
Executive Director City Planning and Design

Amit Sharma
A/Executive Director Finance & Information

Gail Connolly
Chief Executive Officer

ATTACHMENTS:

1	Planning Proposal	53 Pages
2	Local Planning Panel Report and Minutes	36 Pages
3	Letter of Offer	6 Pages
4	Urban Design Report	53 Pages
5	Letter from the Minister for Planning and Public Spaces	2 Pages
6	Traffic and Parking Assessment	15 Pages
7	Economic Assessment	45 Pages

REFERENCE MATERIAL

9. PUBLIC FORUM

	Speaker	Item No.	Report Title
1.	Sarah Matthews	13.6	Planning Proposal for 361-365 North Rocks Road, North Rocks
2.	Jeremy Hung	13.5	Gateway Request for 57-83 Church Street, Parramatta

Note: All Public Forum submissions are published in a Supplementary Agenda for Council Meeting and are available on Council's website.

PROCEDURAL MOTION SUSPENSION OF STANDING ORDERS - ORDER OF BUSINESS

RESOLVED: Councillor Issa and Councillor Pillamarri

That in accordance with Clause 8.2 of Council's Code of Meeting Practice, that Council amend the Order of Business for this meeting to allow for the consideration of the following items prior to any other business on the agenda.

- Item 13.5 Gateway Request for 57-83 Church Street, PARRAMATTA
- Item 13.6 Planning Proposal for 361-365 North Rocks Road, North Rocks

Record of Voting:

For the Motion: Unanimous

13.5 **Gateway Request for 57-83 Church Street, PARRAMATTA**
(Report of Project Officer)

4965 **RESOLVED:** Councillor Issa and Councillor Prociv

(a) That Council approve for the purposes of seeking a Gateway Determination, the Planning Proposal for land at 57-83 Church Street, Parramatta (Attachment 1), which seeks the following amendments to the Parramatta Local Environmental 2023 (Parramatta LEP 2023):

- Increase the Floor Space Ratio control from 7.2:1 to 8.4:1 for land at 83 Church Street, Parramatta (Site 1).
- Increase the Height of Buildings control from 90m to 118m (40 storeys) for land at 63 Church Street, Parramatta (Site 2).
- For Site 1 and 2, switch off the provisions within Clause 7.14 Competitive design process of the Parramatta LEP 2023 and apply the proposed Clause 7.29 (5) Site specific provisions to exempt any future application comprising of alterations and additions from the competitive design process to ensure compliance

- with the approved winning design excellence competition scheme.
- iv. For Site 1, switch off Clause 7.24 Dual water systems of the Parramatta LEP 2023 and apply the proposed Clause 7.29 (6) to reflect the approval for this site which was granted before dual water systems were mandated.
 - v. For Site 1 and 2, amend Clause 7.29 Site specific provisions to revise the non-residential gross floor area requirement from 40% to 25% of total Gross Floor Area.
 - vi. To include a clause under Schedule 1 Additional permitted uses to allow residential basement carparking in the E2 Commercial Centre zone on Sites 1 and 2 and development for creative industries on Site 2.
- (b) That Council note the Local Planning Panel's advice to Council (Attachment 2) is consistent with the Council officer's recommendation in this report.
- (c) That Council approve the draft amendments, as described in this report, to Parramatta Development Control Plan 2023 (DCP) associated with the land subject to this Planning Proposal for the purposes of public exhibition.
- (d) That Council request that DPHI provide it with authorisation to exercise its plan-making delegations for this Planning Proposal.
- (e) That a report be submitted for Council's consideration regarding the Community and Cultural building which details the proposed operating model, capital costs and potential funding sources for the warm shell fit-out (ex. community hall), commercial leasing opportunities available, and maintenance and depreciation costs.
- (f) That the CEO be authorised to negotiate and draft the Planning Agreement consistent with the terms of the Letter of Offer (Attachment 2) provided by the landowner and that the Planning Agreement be placed on public exhibition concurrently with the Planning Proposal and the draft DCP. the negotiation of the planning agreement is to include
- i the provision of an easement that would support a future pedestrian bridge over the Great Western Highway
 - ii the future uses of the cultural an community building are to reflect the outcomes of the Council report as referred to (e) of the resolution.
- (g) That Council authorise the CEO to correct any minor anomalies of a non-policy and administrative nature that may arise during the plan-making process.

Record of Voting:

For the Motion: Lord Mayor, Councillor Zaiter, Councillors Chen, Darley, Ellard, French, Garrard, Issa, Jeffrey, MacLean, Ng, Pandey, Pillamarri, Procv, Raffoul and Valjak (Unanimous).