

Department of Planning and Environment

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State Environmental Planning Policy Amendment (Parramatta CBD) (No 2) 2022

Finalisation Report

November 2022





Acknowledgement of Country

The Department of Planning and Environment acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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State Environmental Planning Policy Amendment (Parramatta CBD) (No 2) 2022

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1 Executive Summary

This report outlines amendments to the Parramatta Local Environmental Plan (LEP) 2011 through a self-repealing State Environmental Planning Policy (SEPP). The SEPP enables additional floor space for commercial uses on certain land within the Parramatta Central Business District (CBD). The amendment recognises the importance of strengthening Parramatta's position as the second and central CBD for metropolitan Sydney, through providing increased opportunity for high-quality commercial floor space. The SEPP enables capacity for approximately 180 dwellings and over 8,000 jobs. **Figure 1** shows the land affected by the SEPP.

The amendments to the planning controls relate to Part 7 Additional local provisions – Parramatta City Centre and mapping under Parramatta LEP 2011. In summary, the proposed amendments provide commercial floor space bonuses for certain sites in the CBD as well as increased height and density for the Phillip Street Block subject to requirements.

The Department has determined that exhibition of the SEPP was not necessary on the basis that the resulting built form enabled by the SEPP is intended to be of less environmental impact than was proposed by the exhibited Parramatta CBD planning proposal. This is further discussed in section 2.3 of this report.

This report provides a discussion of relevant matters in finalising the SEPP.

2 Introduction

2.1 Background and context

2.1.1 Parramatta CBD

The Central City District Plan is a 20-year plan to manage growth in the context of economic, social and environmental matters to achieve the 40-year vision of Greater Sydney. It supports Parramatta CBD's "emergence as a powerhouse of new administrative, business services, judicial and educational jobs, with Parramatta Square at its heart and Western Sydney University as its knowledge-producing engine". To ensure the Parramatta CBD can fulfil all its functions as one of Sydney's three metropolitan centres, it is important to encourage commercial development.

The Parramatta CBD primarily consists of a commercial core, surrounded by a mixed use zone that supports commercial and residential development through the permissibility of shop-top housing and commercial premises and other complementary land uses. An extension of the city's commercial core extends to the east in part along Argyle Street and south along Church Street, known as 'Auto Alley' reflecting the land's current car sales uses.

The Parramatta CBD is divided by the Parramatta River. North of the river, Parramatta is currently distinctly lower scale and is adjoined by heritage items and conservation areas. The Parramatta CBD and its surrounds contain many significant heritage items of world, national, state and local significance.

The CBD is also traversed by the existing rail line providing access east to Sydney CBD and west to Penrith, Blue Mountains and beyond. Parramatta Light Rail Stage 1 is currently under construction and will provide finer grain public transport linking Parramatta CBD to Westmead, through Parramatta North, and to Carlingford in the north-east. The future Sydney Metro West will provide fast access to the Sydney CBD and Sydney Olympic Park with future transport corridors identified to traverse Parramatta in Future Transport 2056.

2.1.2 Parramatta CBD Planning Proposal

As part of the finalisation assessment of the CBD planning proposal, the Department commenced a built form modelling exercise to comprehensively understand the built form outcomes facilitated by Council's CBD planning proposal. The proposed scale of buildings was seen to have the potential to impact urban design outcomes, the amenity, and character of several areas in the Parramatta CBD. In particular:

- the Parramatta River foreshore,
- Parramatta North, which includes a number of heritage items and adjoins heritage conservation areas, and
- areas on the edge of the proposal adjoining open space or lower density residential.

In addressing the concerns as outlined above and in the Department's finalisation report for the CBD LEP, further analysis was undertaken to inform a place led approach with consideration of key place values in the CBD and surrounds such as open spaces, solar access, heritage items and conservation areas, cultural connectors and sensitive edges.

The Parramatta CBD planning proposal (**Attachment A**) was made with post exhibition changes, including the removal of unlimited office floor space in B3 Commercial Core and unlimited non-residential floor space for some areas zoned B4 Mixed Use. Proposed changes to height and density for the "Phillip Street Block" (bound by Parramatta River, Phillip Street, Smith Street and Charles Street) were also not supported. During the finalisation of the CBD planning proposal, the Department had limited scope to include a more nuanced approach to address the key areas of concern. It was noted further employment related floor space uplift may be appropriate subject to further investigation.

The amended Parramatta CBD planning proposal was made as Parramatta LEP 2011 Amendment No. 56 on 6 May 2022 with a deferred commencement and came into effect on 14 October 2022. The LEP introduces a new planning framework to grow the CBD through the provision of additional commercial and residential floor space. Additional design, amenity and heritage considerations were also adopted to ensure growth is appropriately managed.

Following the making of the Parramatta CBD LEP, the City of Parramatta Council and the Department have reviewed those matters excluded from Amendment No. 56. Council resolved on 25 July 2022 to write to the Minister for Planning and Homes and the Department regarding several matters relating to the Parramatta CBD LEP including requests to (**Attachment B**):

- increase the permitted commercial floor space in the existing central B3 Commercial Core area via the preparation of a State Environmental Planning Policy (SEPP) to become effective at the same time as the CBD LEP (Amendment 56) on 14 October 2022.

- prepare a SEPP for certain land zoned B4 Mixed Use and B3 Commercial Core (outside of the central commercial core area) to introduce additional floor space that allows for commercial uses and that this SEPP becomes effective by December 2022.

SEPP (Parramatta CBD) 2022 – central B3 Commercial core

The Department has worked with Council to support the next stages of strategic planning for the Parramatta CBD. This included finalising SEPP (Parramatta CBD) 2022 on 28 September 2022, which commenced on 14 October 2022. The SEPP responds to Council's request identified above, relating to the central B3 Commercial Core area. The SEPP enabled additional office floor space within the B3 Commercial Core zone in Parramatta CBD, subject to design considerations.

SEPP (Parramatta CBD) (No 2) 2022 – certain B3 (outside of the central commercial core area) and B4 land

The Department engaged an external consultant to undertake an urban design analysis for the remaining B3 Commercial Core areas (Auto Alley and Aird Street Retail precinct) and certain land zoned B4 Mixed Use within the CBD (including the Phillip Street Block) to address the issues identified in the finalisation report for the CBD LEP and determine if, and where, commercial additional floor space may be appropriate. In summary, the analysis determined additional floor space for commercial uses is limited to certain sites due to the impacts on key place-based values around amenity, character and resilience (**Attachment I**).

Section 2.2 provides a summary of the SEPP affecting certain B3 and B4 land within Parramatta CBD. It provides an alternative approach to allow for growth in employment uses for certain B3 and B4 zones in Parramatta CBD. The SEPP balances the risk of impacting key place-based values and the opportunities to encourage employment generation and attract investment. Refer to Section 2.2 and 3 in this report for further discussion.

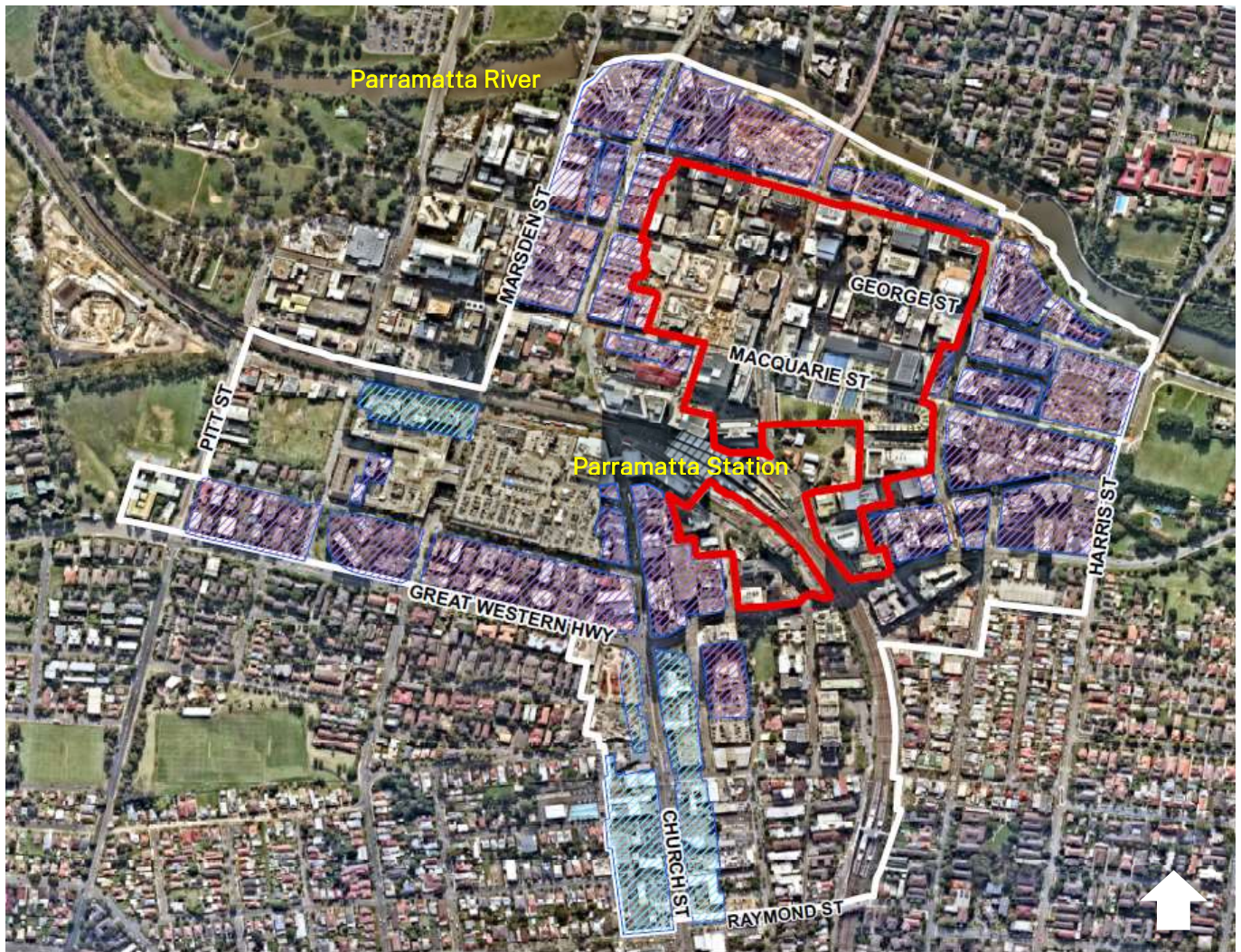


Figure 1: Certain B3 Commercial Core zoned land (hatched blue) and B4 Mixed Use zoned land (hatched purple) within Parramatta CBD affected by the SEPP. SEPP 1 land identified by red boundary.

2.1.3 Draft Parramatta City Centre Development Control Plan

Council has prepared and exhibited the draft Parramatta City Centre DCP, which will apply to all land where Amendment No. 56 applies. The draft DCP introduces detailed controls that address design quality and built form, public domain, heritage, flood risk, vehicular access and parking. The draft DCP will replace Section 4.3.3 in Parramatta DCP 2011. While the DCP has now been adopted, it was still being finalised during the preparation of this SEPP.

2.1.4 Parramatta City Centre Local Contributions Plan

On 14 September 2022, the 7.12 Local Infrastructure Contributions Plan - Parramatta City Centre was approved with increased develop consent levies up to 5% to commence on 14 October 2022 to align with the Parramatta CBD LEP.

It is noted the Parramatta City Centre Local Infrastructure Contributions Plan 2022 includes the Phillip Street Block as part of the CBD where lower developer levies apply. It is anticipated that the

contributions plan will be required to be updated for the higher developer levies to apply to the Phillip Street Block. As such, a deferred commencement of the part of the SEPP which introduces uplift to the Phillip Street Block will be implemented to enable sufficient time for Council to consider the need for updates to the Parramatta City Centre Local Infrastructure Contributions Plan 2022.

2.2 Summary of the SEPP

The SEPP relates to certain land zoned B3 Commercial Core and B4 Mixed Use in the Parramatta CBD and seeks to allow for additional commercial floor space, above the maximum permissible floor space ratio, subject to provisions.

The amendment affects Part 7 Additional local provisions – Parramatta City Centre of Parramatta LEP 2011 through the introduction of a new clause 7.4A Additional floor space ratio “Area 3” and “Area 5”, new clause 7.4B Development control plan for “Area 3” and “Area 5”, amendments to Clause 7.24 and Clause 7.25, and a new clause 7.25B enabling uplift for the Phillip Street Block (with a deferred commencement). The SEPP also seeks to apply the CBD planning framework to the Phillip Street Block to ensure car parking, design excellence and high performing buildings controls are aligned to the CBD LEP.

It is noted Parramatta LEP 2011 Clause 7.23 High performing buildings design favours residential development over commercial premises. While environmental targets apply to commercial development, an FSR bonus of 5% is only allowed for residential floor space that exceeds water and energy consumption benchmarks for that use. An alternative 5% bonus should be provided for the commercial floor space portion of developments to encourage the upgrade and growth of commercial space to be consistent with the application of 7.23.

The Department supports this approach to provide parity from a floor space perspective for commercial development. The additional floor space will not have significantly greater built form impacts than a mixed use development.

The Department supports the need for environmentally sustainable development identified in the urban design analysis. It is noted that the State Environmental Planning Policy (Sustainable Buildings) 2022 has recently been made. Once commenced, this SEPP will provide additional environmental considerations for commercial development. Coupled with the existing controls for high energy and water performance in PLEP2011, the Department is satisfied that environmental sustainability will be adequately considered when coupled with the requirement for water sensitive urban design introduced through the SEPP.

The provisions of the SEPP, outlined below are informed by the urban design analysis, but do not adopted all recommended provisions of the study. In some instances, this is due to the nature of the SEPP and that the recommendations are not appropriate for an LEP and in others, the Department has determined the recommendation is not necessary.

The provision of additional floor space requires a number of matters to be addressed to ensure the buildings are of appropriate scale, are on sites of appropriate size and respond to and transition to adjoining heritage items or areas. This includes a minimum lot size and dimension, and a maximum tower dimension to ensure tapering of tower forms. The controls also seek to elevate protection of

important sight lines from Council's DCP and maintaining blue sky views, elements which additional floor space puts greater pressure on retaining.

The Department has also not included recommended exclusions from the definition of site area, when calculating the additional floor space. The Department considers the existing approach to this calculation is adequate and understood. The Department notes the intent of the recommendation to balance the bulk of a building on a site with a heritage item, but considers this may prevent inclusion of the heritage item within a development. Sufficient provisions exist within the clause as drafted to ensure an appropriate transition to heritage and consideration of any impact to significance.

As a result of this approach, the Department has had further consideration for the FSRs recommended, discussed further in precinct analysis below.

Amendments have been made to the Parramatta LEP 2011 via the self-repealing SEPP (State Environmental Planning Policy Amendment (Parramatta CBD) (No 2) 2022) as follows:

A. Introducing new provisions to:

- i. Enable a commercial bonus FSR of 2:1 for certain sites mapped as “Area 3” on the Additional Local Provisions Area Map (extract at Figure 2) subject to meeting certain criteria outlined below.
- ii. Enable a commercial bonus FSR of 4:1 for certain sites mapped as “Area 5” on the Additional Local Provisions Area Map (extract at Figure 2) subject to meeting certain criteria outlined below.
- iii. Enabling a 5% floor space bonus for wholly commercial buildings for certain sites mapped as “Area 1” on the Additional Local Provisions Area Map (extract at Figure 2) and where the consent authority is satisfied that the development incorporates water sensitive urban design (Clause 7.24(4)).
- iv. The commercial bonus FSR outlined in (i) and (ii) above is enabled provided:
 - a. The site area of the development is at least 1,800m²;
 - b. Consent may only be given if the footprint of the proposed site area is at least
 - If the site is a corner site with 2 street frontages – 40m by 35m;
 - In any other case – 40m by 40m;
 - c. Consent must not be granted to the additional FSR under this clause unless the consent authority is satisfied that the building will comprise a podium and a tower component, where the tower component will not exceed a maximum dimension of 40m.
 - d. Consent must not be granted if the development will result in an adjoining site with a site area of less than 1,000m² becoming an isolated site (i.e. not capable of being amalgamated with other lots);
 - e. The additional FSR permitted under this clause, is in addition to any other bonus floor space permitted under section 7.13, 7.24 (the proposed 5% commercial FSR outlined in (Clause 7.24(4) if applicable) is only available if the development is eligible for and has developed to the limit permitted by any additional floor space under each of those sections as are applicable to the development.
 - f. Consent must not be granted to the erection of a building utilising these bonus commercial FSR provisions unless the consent authority is satisfied that there is an appropriate transition in bulk and scale from the building to existing heritage items or conservation areas;
 - g. Consent must not be granted if the building adversely affects the historic streetscape of Church and George Streets;
 - h. If a development has above ground car parking, the amount of gross floor area by which a building exceeds the applicable FSR is to not to be included when calculating the maximum number of car parking spaces under Division 4;
 - i. Where a development site contains a heritage item, the repair, restoration and reconstruction of the heritage item must form part of the development proposal;
 - j. Development consent must not be granted for development under this clause unless the consent authority has obtained the concurrence of the Planning Secretary;
 - k. Development consent must not be granted for any development application seeking to convert the bonus commercial floor space provided under this clause to residential uses.

- I. Consent must not be granted under this clause to provide additional FSR unless a development control plan has been prepared for the development site that provides for the matters:
 - the form and external appearance of proposed development to improve the quality and amenity of the public domain,
 - minimising adverse impacts of proposed development on view corridors.
 - address the suitability of land for development,
 - the existing and proposed uses of the land,
 - heritage issues and streetscape constraints, including the issues of scale, increased overshadowing, podium heights, tower setbacks and side setbacks between the development and any adjacent heritage items,
 - site amalgamation and avoiding the creation of isolated sites on adjoining sites,
 - the bulk, massing and modulation of buildings,
 - the location of proposed towers considering the need to achieve acceptable relationships with other towers, whether existing or proposed, on the same site or on neighbouring sites in relation to separation, setbacks, amenity and urban form,
 - environmental impacts, including sustainable design, overshadowing and solar access, visual and acoustic privacy, wind, noise and reflectivity,
 - the application of the principles of ecologically sustainable development,
 - pedestrian, cycle, vehicular and service access and circulation, including the permeability of a pedestrian network,
 - achieving an appropriate interface at ground level between a building resulting from the proposed development and the public domain,
 - the impact on, and improvements to, the public domain,
 - the excellence and integration of landscape design,
 - street frontage heights,
 - the incorporation of high quality public art into the fabric of buildings in public spaces,
 - the impact on a conservation area, including additional overshadowing,
 - water sensitive urban design,
 - the retention and increase in deep-soil planting and canopy cover,
 - the preservation of sky views from the street;
 - compatibility with the intended character of the area in which the development is located and its contribution to the streetscape, sense of place and wayfinding within the area.

B. Enabling uplift for the Phillip Street Block:

- i. Remove the Phillip Street Block from “Area A” on the Special Provisions Area Map to ensure the additional building height and floor space ratio under Clause 7.13 is consistent with LEP Amendment 56 – Parramatta CBD.
- ii. Provisions with a deferred commencement of 30 June 2023 to enable Council sufficient time to update the Parramatta City Centre Local Contributions Plan 2022 and development control plan:

- a. Enable bonus FSR of 3.5:1 for certain land as “Area 2” on the Additional Local Provisions Area Map (extract at Figure 3) subject to meeting certain criteria outlined below.
- b. Enable bonus FSR of 2.5:1 for certain land as “Area 4” on the Additional Local Provisions Area Map (extract at Figure 3) subject to meeting certain criteria outlined below.
- c. Enable a maximum height up to 80 metres with a place based bonus of 25 metres for the majority of the Phillip Street Block (inclusive of 15% bonus height - 92m currently enabled under Clause 7.13 Additional building height and floor space ratio (design excellence)), with key setback areas, pedestrian links or land reservations having an applicable height on nil (0m) and with the key heritage items and curtilage having a maximum height of 7m (extract at Figure 4).
- d. The bonus FSR outlined in (a) and (b) above is enabled provided:
 - The additional floor space is to be accommodated within a slender tower form where the portion of the tower form that can be seen from the foreshore from a position perpendicular to Phillip Street does not exceed the following dimension:
 - 25 metres for land situated at 66-76 Phillip Street; or
 - 30 metres for land situated at 80-88 Phillip Street; or
 - 35 metres for land situated at 90-94 Phillip Street.
 - The site area of the development is at least 1,300m²;
 - Active frontages in accordance with Clause 7.8 (to be mapped on the Active Frontages map);
 - The additional FSR permitted under this clause, is in addition to any other bonus floor space permitted under section 7.13, 7.24 (and the proposed 5% commercial FSR bonus outlined in Clause 7.24(4) if applicable) is only available if the development is eligible for and has developed to the limit permitted by any additional floor space under each of those sections as are applicable to the development.
 - Development consent must not be granted for development under this clause unless the consent authority has obtained the concurrence of the Planning Secretary;
 - Consent must not be granted under this clause to provide additional FSR unless a development control plan has been prepared for the development site that provides for:
 - Pedestrian links and through site links;
 - Setbacks from Parramatta River and adjoining sites,
 - Servicing arrangements,
 - Building pedestal controls
 - Car parking design requirements;
 - Building envelope and built form controls.

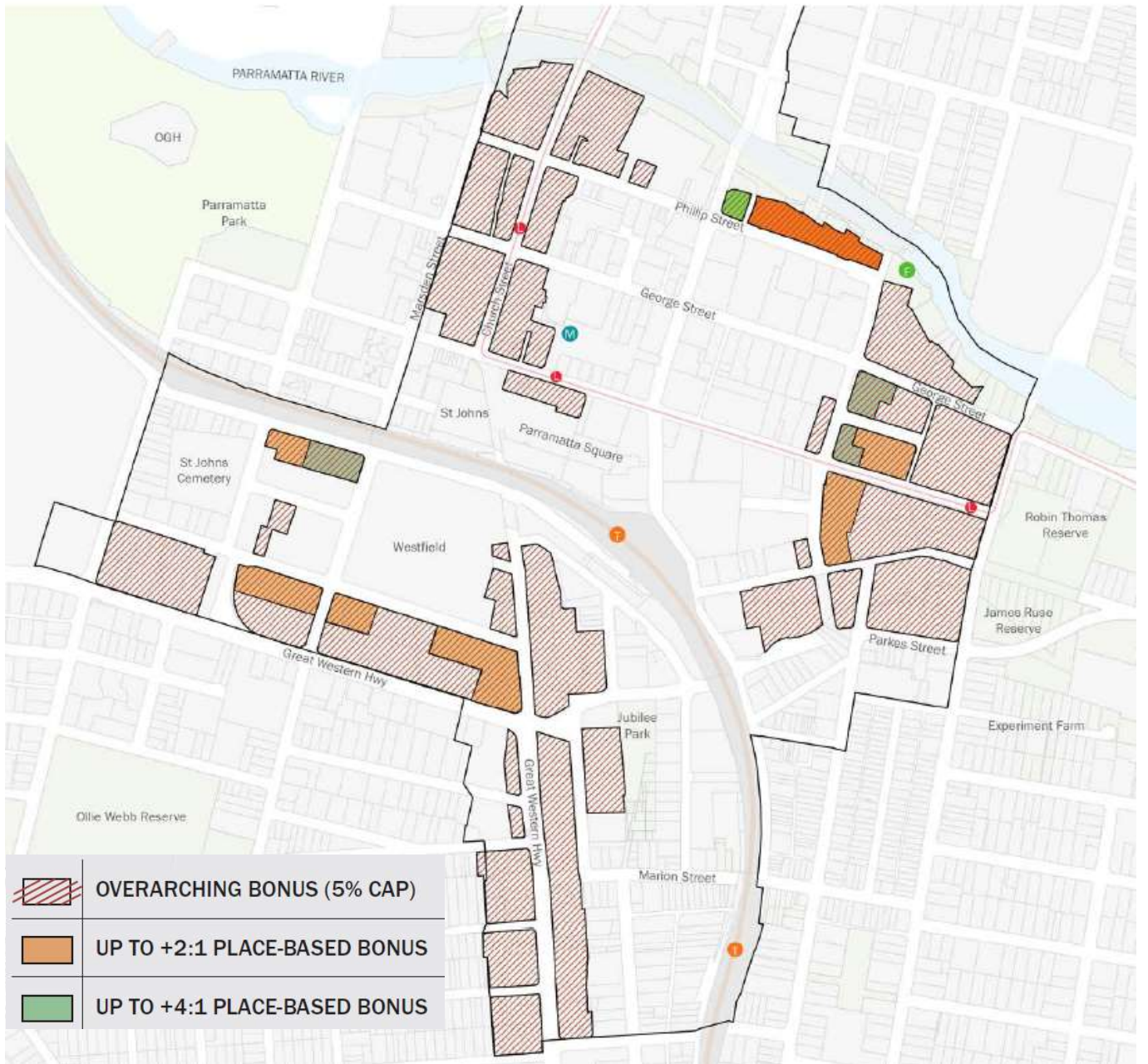


Figure 2: Extract from urban design study providing overview of SEPP bonus FSRs.

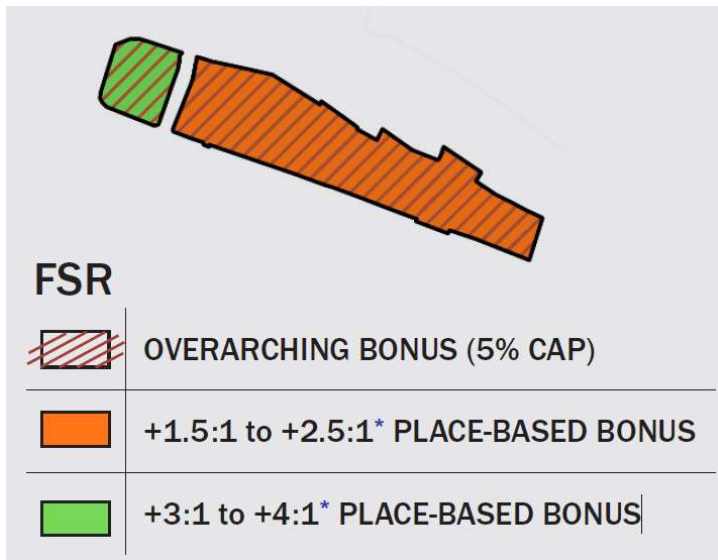


Figure 3: Extract from urban design study providing overview of SEPP bonus FSRs for the Phillip Street Block.

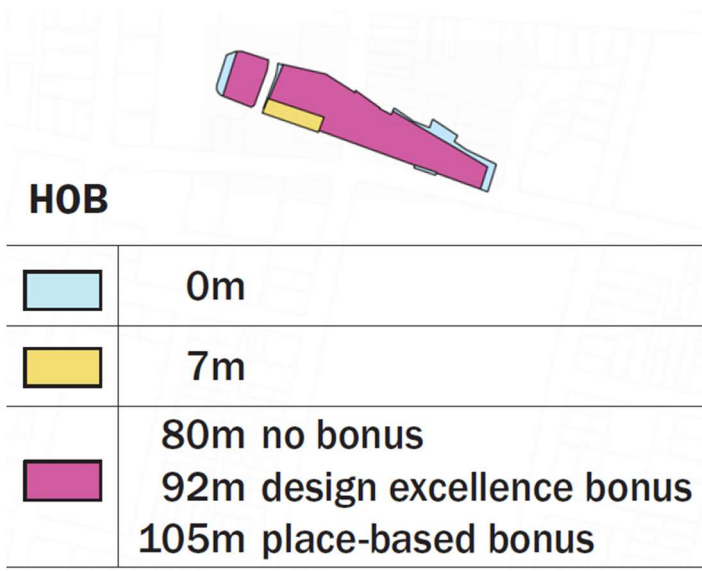


Figure 4: Recommended SEPP amended maximum height for the Phillip Street Block.

2.3 Consultation

An Explanation of Intended Effect of the amendment is not required. The amendment is not to be publicly exhibited on the basis that the resulting built form enabled by the SEPP is intended to be of lesser environmental impact than was proposed by the exhibited CBD planning proposal. It is noted that the Parramatta CBD planning proposal exhibited an unlimited commercial FSR clause.

Further, in relation to the Phillip Street Block, the SEPP is in part translating the design excellence and car parking provisions (under Part 7 Division 3 Design excellence and Division 4 Car parking) as made under Amendment 56 for the rest of the CBD to apply to the Phillip Street Block by removing it from “Area A” under the Special Provisions Area Map. The proposed controls for the Phillip Street Block are consistent with or of a lesser environmental impact than was proposed by the exhibited CBD planning proposal.

Council was consulted on the draft provisions and feedback provided was considered in the final SEPP.

3 Consideration of additional commercial floor space

The Department's finalisation report on the Parramatta CBD planning proposal noted concerns with Council's proposed unlimited office FSR within the B3 Commercial Core zone and unlimited commercial FSR within the B4 Mixed Use zone for sites over 1,800m². Council's intent of exempting commercial development from the overall maximum FSR controls, was to activate land on the edge of the B3 Commercial Core zone and facilitate the provision of a range of commercial uses (business, office and retail) that would contribute to the long term economic and jobs growth of the CBD.

The Department's assessment of the unlimited FSR provisions raised concerns that the provision would result in poor development outcomes with potential adverse impacts on public domain, heritage and the natural environment of Parramatta.

The Department concluded that:

- a. There is a need to ensure balance between encouraging employment generating uses and creating a CBD which has the amenity and design to make Parramatta a desirable place to live and work.
- b. The provision of an unlimited FSR combined with significant building heights is likely to result in large bulky buildings and risks undermining Council's objective for tall slender towers.
- c. Unlimited FSR provisions could lead to a proliferation of bulky buildings, homogenous built form outcomes, poor solar outcomes and walls of development in areas of key historical or amenity importance.
- d. Concerns were also raised about the loss of blue-sky, potential for wind tunnel effects and a lack of built form transition.
- e. At time of finalisation, an amended development control responding to the proposed controls was not in place to guide good development, which is essential for this scale of development.

The SEPP seeks to enable a tailored approach for further employment opportunities in the CBD core as well as capitalising on investment and key infrastructure being delivered by the State Government, including Sydney Metro West and Parramatta Light Rail.

3.1 Urban design analysis on certain B3 and B4 zoned sites

3.1.1 Overview of analysis

When investigating what sites may be appropriate for further commercial floor space uplift in the Parramatta CBD under this SEPP, the Department engaged a consultant to consider matters raised by the Department during the finalisation of Parramatta CBD LEP Amendment No. 56.

In summary, a preliminary review of the context of the SEPP 2 sites, the controls to be implemented through Amendment 56 to the Parramatta LEP 2011 and the Draft Parramatta CBD DCP 2021 indicate that overall, the Amendment 56 controls already enable generous development capacity and built form compatible with development within other major CBDs in Australia. Some sites have been identified as having the potential to accommodate additional FSR within the height controls under Amendment 56. However, increases to FSR present several risks that could result in poor design outcomes.

To mitigate those risks, any additional FSR in the SEPP 2 area should not be unlimited and would be better delivered through a mechanism involving:

- bonuses targeting both risk mitigation and encouraging development more aligned with the objectives for the centre/area;
- capping FSRs through a coordinated place-based response; and
- more rigorous design principles.

The urban design study has identified a number of key principles centred on three key themes of amenity, character and resilience (**Attachment I**). These principles are appropriate to ensure desirable place based outcomes and have been informed in part by Council's draft development control plan for the CBD. The principles are as follows:

A. Amenity:

- Provide adequate open space and conditions for residents to use public spaces and vegetation to grow
- Development to provide meaningful, usable spaces for people while increasing ground floor activation and street vitality
- Minimise above ground parking, vehicular access and servicing impacts on the public domain
- Provide a transition buffer towards sensitive uses at the CBD edges, including residential and open spaces
- Minimise impact on access to light, air and outlook for occupants of existing and future buildings and from the public domain.

B. Character:

- Contribute to the character, legibility, attractiveness and identity of place and of the overall CBD
- Retain/enhance views and vistas into and within the CBD including views to and from Parramatta Square, Parramatta Park, the Old Government House and Parramatta River
- Retain/enhance the spatial definition of the street, urban grain and streetscape character
- Enhance visual and physical connections to cultural/character-defining features and places
- Retain existing heritage items and provide appropriate transitions and interfaces to character-defining features (including natural features) and places.

C. Resilience:

- Respond to cumulative environmental, social and economic impacts including retaining redevelopment potential of adjoining sites
- Retain employment uses, reuse existing buildings and provide flexible spaces for future employment
- Retain/enhance drainage corridors, deep-soil, vegetation and canopy cover, reduce urban heat
- Building massing to consider impacts and benefits of development within a place and CBD wide scale.

Once the balance between risk to place values and achievement of strategic outcomes is determined, the capacity and appropriateness of sites to accommodate additional FSR is considered, as summarised in Figure 5.

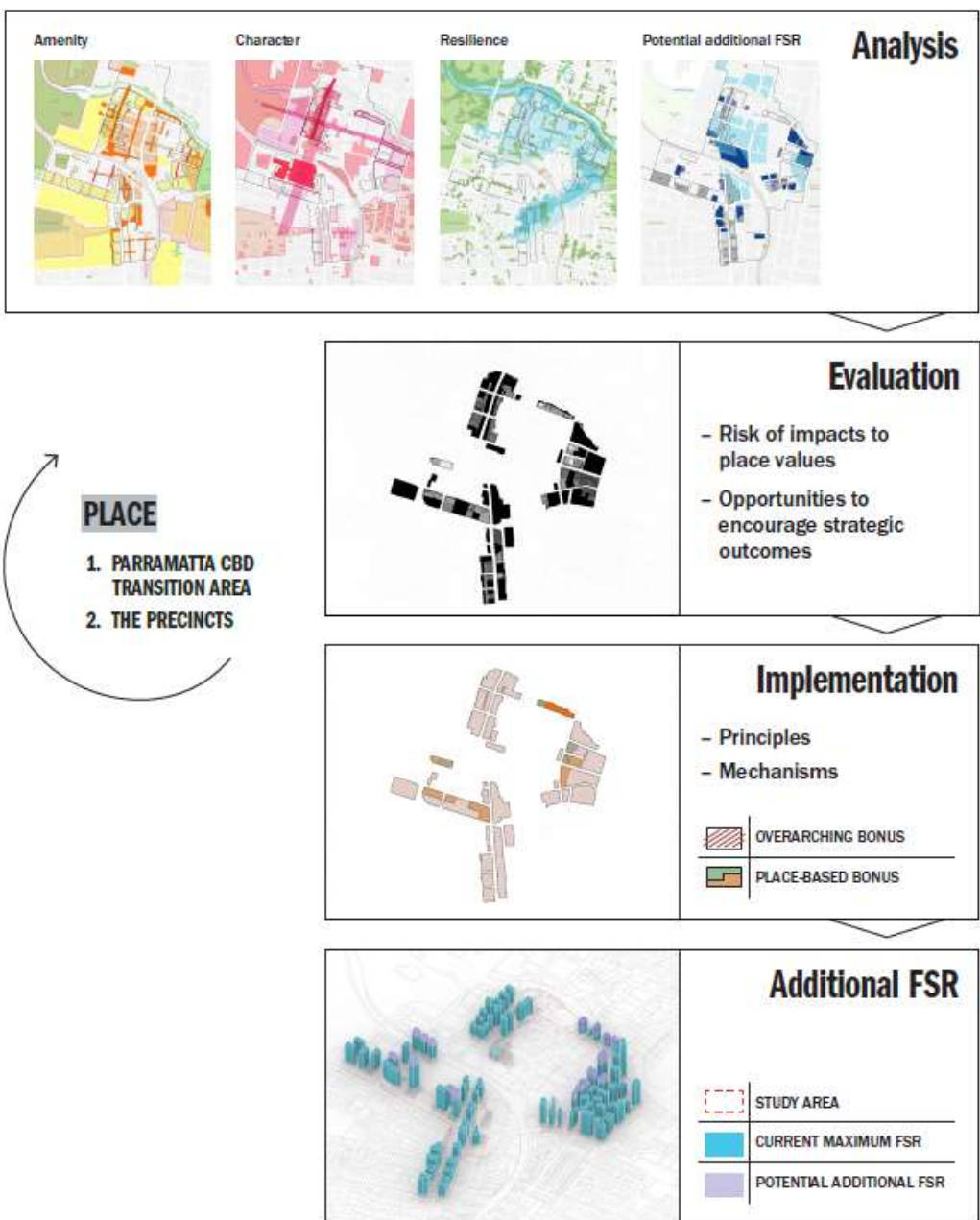


Figure 5: Overview of the place-based approach informing SEPP.

3.1.2 CBD transition area precincts

Given the location of the SEPP 2 area surrounding the central commercial core area of the CBD, development in the “transition area” can significantly shape the identity of the CBD. The transition area of the CBD has areas of varied character and has been divided into five precincts to ensure an appropriate place-based approach and response for each precinct (Figure 6).

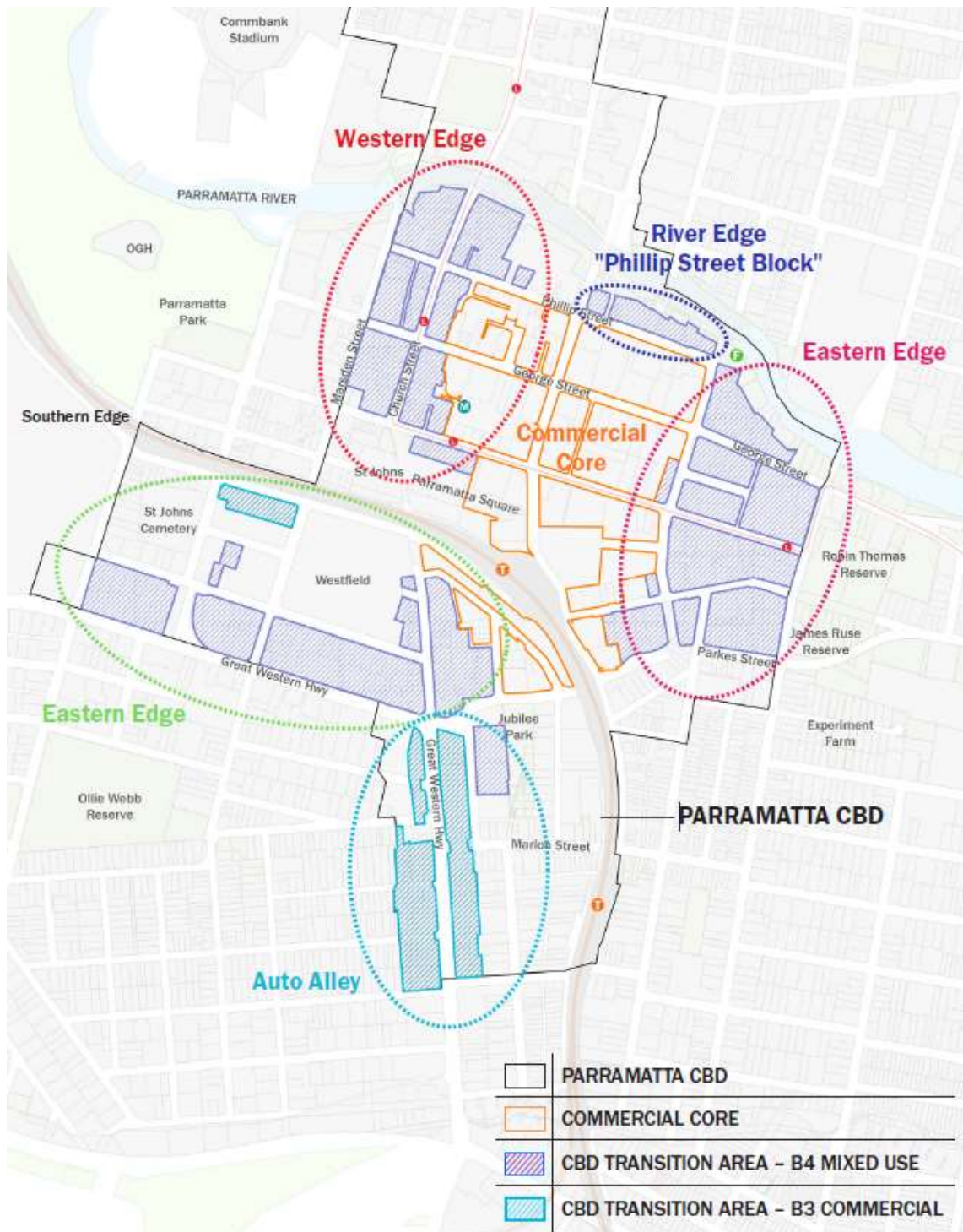


Figure 6: Certain B3 Commercial Core zoned land (hatched blue) and B4 Mixed Use zoned land (hatched purple) within Parramatta CBD affected by the SEPP.

Western Edge

The Western Edge precinct is adjacent to a “Highly Sensitive Area” identified in the Conservation Agreement for the World Heritage Old Government House and surrounds, Church Street, Parramatta River and Centenary/Parramatta Square. In summary, the urban design study notes the importance of:

- avoiding additional overshadowing of public spaces,
- maintaining sky views from public spaces,
- minimising any impacts from additional car parking on pedestrian amenity and street activation,
- enhancing the character and amenity of Church Street,
- ensuring a sympathetic transition in built form to culturally significant places,
- limiting the impacts of podiums along Marsden Street,
- minimising impacts of overland stormwater flows,
- maximising pedestrian links and permeability, urban cooling and active transport opportunities, and
- maintaining deep soil and canopy cover.

As such, the urban design study has found that existing controls for the Western Edge precinct already reflect development of the sites to its maximum capacity, with separation and setbacks incompatible with further additional floor space and adverse cumulative risk to place values resulting from any further increases to FSR.

However, it is recommended that the overarching 5% commercial floor space bonus (provided the consent authority is satisfied that the development incorporates water sensitive urban design applies to the precinct (**Figure 7**)). This brings the maximum FSR for a wholly commercial development in line with a mixed use scheme which is awarded the high performing buildings bonus for residential uses.

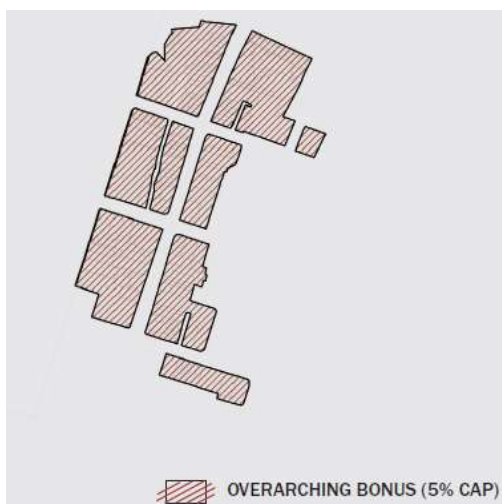


Figure 7: Recommended FSR bonuses to apply to Western Edge Precinct.

The Department agrees with this assessment, noting the challenge of accommodating additional floor space on sites which are impacted by the sun access planes which limits height. The

Department noted concerns for additional floor space within this precinct in finalisation of the Parramatta CBD Planning Proposal, due to potential impacts on adjoining heritage listed Church Street, and recommended removal of opportunity sites in preference for a maximum combined FSR of 12:1 (with bonuses).

Eastern Edge

The Eastern Edge precinct is adjacent to significant public open spaces (Robin Thomas Reserve and James Ruse Reserve), Parramatta River and heritage conservation areas. In summary, the urban design study notes the importance of:

- protecting and enhancing Robin Thomas Reserve for the use of existing and future residents,
- avoiding additional overshadowing of public spaces and surrounding residential uses,
- maintaining sky views from public spaces,
- maximising pedestrian amenity,
- ensuring a sympathetic transition in built form to adjoining heritage conservation areas, open spaces and Parramatta River,
- establishing active podiums and frontages to Charles Street and Macquarie Street,
- minimising any impacts from additional car parking on pedestrian amenity and street activation,
- minimising impacts of overland stormwater flows, and
- maximising pedestrian links and permeability, urban cooling and active transport opportunities.

As such, the urban design study has found some sites (primarily along Charles Street) are suitable to accommodate additional bonus FSR in the Eastern Edge precinct with minimal risk to the place values and further recommends the overarching 5% commercial floor space bonus (with conditions) applies to the precinct (**Figure 8**).

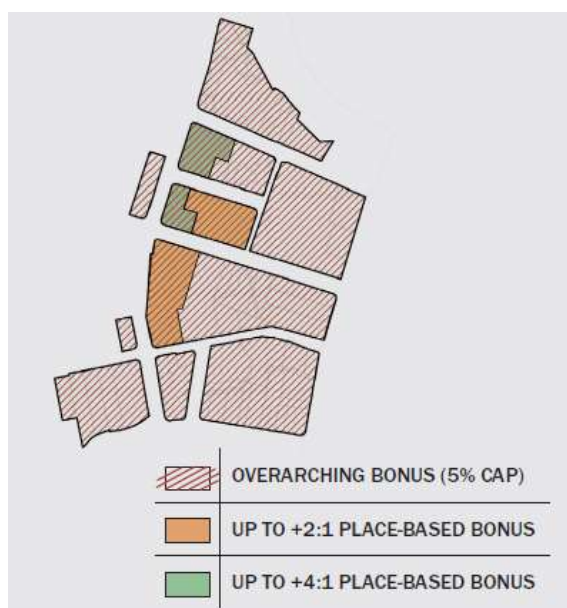


Figure 8: Recommended FSR bonuses to apply to Eastern Edge Precinct.

The Department agrees with this assessment noting that many sites form part of the sun access plane and therefore are not appropriate for additional floor space. The sites identified for additional floor space are in closest proximity to the commercial core of the CBD and are less likely to create negative impacts to adjoining nearby open space, heritage conservation areas and heritage items such as Experiment Farm.

Southern Edge

The Southern Edge precinct is adjacent to lower scale residential uses, heritage conservation areas, St John's Cemetery and public/green spaces.

In summary, the urban design study notes the importance of:

- avoiding additional overshadowing of public spaces, lower scale residential areas, schools and other community uses,
- maintaining sky views from public spaces,
- minimising any impacts from larger podiums on pedestrian amenity and street activation,
- increasing landscape setbacks along Campbell Street and Great Western Highway,
- ensuring a sympathetic transition in built form to adjoining sensitive uses,
- improving the public domain interface along Campbell Street,
- maximising opportunities for green corridors and canopy cover,
- increasing opportunities for water sensitive urban design,
- minimising impacts of overland stormwater flows, and
- maximising pedestrian links and permeability, urban cooling and active transport opportunities.

As such, the urban design study has found some sites are suitable to accommodate additional bonus FSR in the Southern Edge precinct (primarily along Argyle Street and Campbell Street_ and further recommends the overarching 5% commercial floor space bonus (with conditions) applies to the precinct (**Figure 9**).

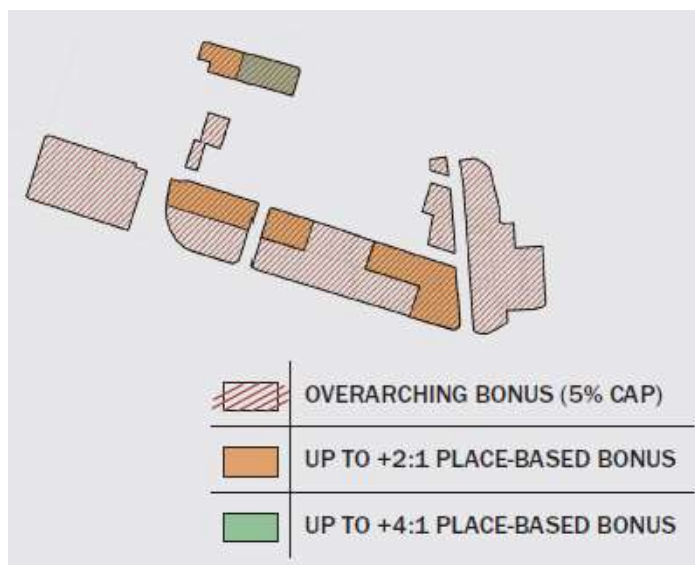


Figure 9: Recommended FSR bonuses to apply to Southern Edge Precinct.

The Department agrees with this assessment and recommendations. It is noted the additional floor space is not proposed on sites maintained for important view corridors. Many sites within this precinct are substantial apartment buildings which are less likely to be redeveloped. Additional floor space within this precinct must be carefully managed to minimise impacts to adjoining lower scale residential development and heritage items and conservation areas.

Auto Alley

The Auto Alley precinct is adjacent to lower scale residential, heritage conservation areas, Council's Southern Planning Investigation Area (Including West Auto Alley) as well as the Marion Street and Station Street special areas. In summary, the urban design study notes the importance of:

- maximising solar access to residential areas and the public domain,
- articulating slender tower forms,
- minimising wind effects resulting from built form,
- continuing Council's work on the Southern Planning Investigation Area (primarily West Auto Alley),
- ensuring a sympathetic transition in built form to adjoining heritage conservation areas and special character areas,
- retaining vistas and visual connections east of Lansdowne Street and west of Marion Street as well as open sky at these streets within heritage conservation/sensitive areas,
- maximising opportunities for vegetation growth and water sensitive urban design,
- minimising impacts of overland stormwater flows, and
- maximising urban cooling and air flow.

As such, the urban design study has found that existing controls for the Auto Alley precinct already reflect development of the sites to its maximum capacity, with separation and setbacks incompatible with further additional floor space and adverse cumulative risk to place values resulting from any further increases to FSR.

However, it is recommended the overarching 5% commercial floor space bonus (with conditions) applies to the precinct (**Figure 10**). This brings the maximum FSR for a wholly commercial development in line with a mixed use scheme which is awarded the high performing buildings bonus for residential uses.

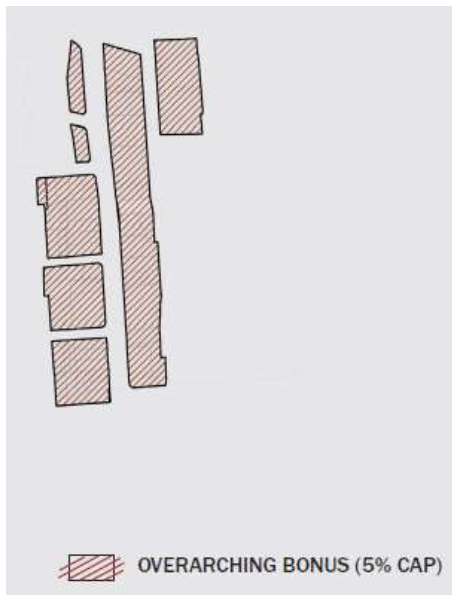


Figure 10: Recommended FSR bonuses to apply to Auto Alley Precinct.

The Department agrees with this assessment and notes that this precinct was subject to a more detailed master planning exercise with the adjoining sites to the east. Additional floor space in this area would require greater height allowances and would undermine the strategic approach taken to planning for this precinct with adjoins many heritage items and lower density residential development.

Phillip Street Block

The Phillip Street Block is located on the southern foreshore of the Parramatta River - a key area of public open space with a shared pedestrian/cycle path. In summary, the urban design study notes the importance of:

- ensuring active frontages including an upper level promenade and continuous foreshore space along the river edge,
- maximising solar access to the public domain,
- maintaining sky views from public spaces,
- enhancing existing views and establishing new views towards Parramatta River,
- maximising pedestrian amenity, particularly on Phillip Street,
- minimising any impacts from additional car parking on pedestrian amenity and street activation,
- maximising the provision of open space,
- ensuring a sympathetic transition in built form to adjoining open spaces, heritage items and sensitive uses,
- maximising pedestrian links, permeability and urban cooling opportunities, and
- maximising flood mitigation measures, and
- maintaining deep soil and canopy cover.

It is noted, the urban design study has been informed by FSR testing (**Figure 11**) and has found that an FSR of approximately 12:1 (consistent with the majority of the Parramatta CBD) is not appropriate

for the context of the river edge as it does not enable the desired transition in the scale of buildings into the CBD. The urban design study recommends for the majority of sites (Sites 2-7 in **Figure 12**) in the Phillip Street Block a bonus FSR range of 1.5:1-2.5:1 (resulting in a potential total FSR of 8.7:1-9.7:1 – inclusive of 15% design excellence bonus and 5% high performing building design bonus) and for 60 Phillip Street (Site 1 in **Figure 12**) a bonus FSR range of 3:1 to 4:1 (resulting in a potential total FSR of 10.2:1-11.2:1 – inclusive of 15% design excellence bonus and 5% high performing building design bonus) subject to meeting certain provisions and exclusion of certain aspects of the site.

When assessing the likely development sites in the Phillip Street Block based on Council's assumed amalgamation patterns in the Parramatta City Centre development control plan, the urban design study has found:

- Site 1 may be able to achieve a higher bonus FSR than the rest of the Phillip Street Block (if additional FSR does not apply to land to be dedicated) given the lower risk of cumulative impacts subject to reduced above ground parking, scale transition, a maximum tower width of 25 metres and an appropriate design response to the Parramatta Powerhouse site (MAAS) and the riverfront.
- Site 2 may be able to accommodate additional FSR subject to meeting provisions including an appropriate setback from Phillip Street and heritage items as well as the additional FSR not applying to the heritage related land.
- Site 3 – it has been assumed this site will develop on its own and that additional FSR will not apply to the heritage related land. If this site is to be amalgamated, a bonus FSR of only 1.5:1 is recommended as the maximum 2.5:1 FSR would result in disproportionate outcomes for an amalgamated site when compared to the scale envisioned for the remainder of the Phillip Street Block. It is also envisioned this site will provide an appropriate setback to Phillip Street as well as on the eastern edge between Phillip Street and the envisioned bridge over Parramatta River.
- Site 4 – this site has been found to have limited additional capacity, primarily it is envisioned this site accommodate the landing for the envisioned bridge over Parramatta River. The urban design study suggests potential considerations for this site could include acquisition, land swap, amalgamation with site 5 and realignment of the envisioned bridge access.
- Site 5, 6 and 7 – these sites are constrained in their site depth (north to south) and a maximum site width of 30-35 metres is recommended for these sites to enable redevelopment provided appropriate setbacks and publicly accessible through site links are provided.

The Department generally agrees with this assessment and notes a holistic review of appropriate built form outcomes and uplift for this precinct was required. The precinct forms a key block for establishing the character of Parramatta and its relationship with the Parramatta River. The site configuration including size and ownership also present challenges in ensuring an appropriate built form is established.

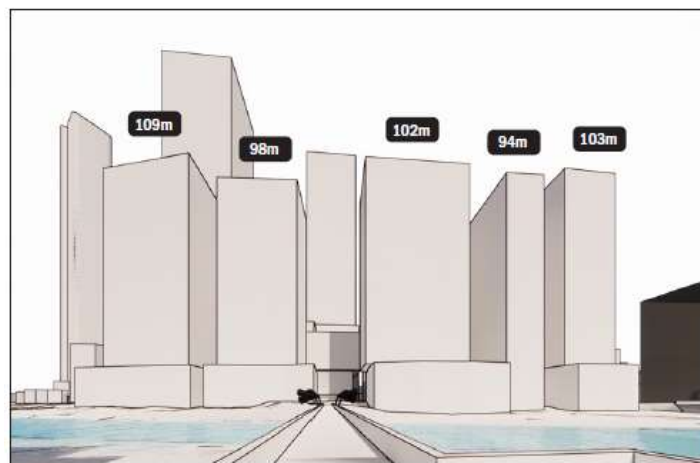
The Department notes the range as recommended through the analysis and has instead adopted a set maximum FSR. The additional FSR can only be accessed subject to the satisfaction of conditions set out in the SEPP including the need for a maximum width of buildings and a DCP to address through site links and other key issues.

The Department supports that a height of 105m inclusive of bonuses is the maximum supportable to allow for transition between the river and lower densities to the north, through to the core of the CBD. Figure 11 below demonstrates development at a range of scales, showing 12:1 FSR presents a more continuous form providing limited opportunities for building separation, views and links between sites.

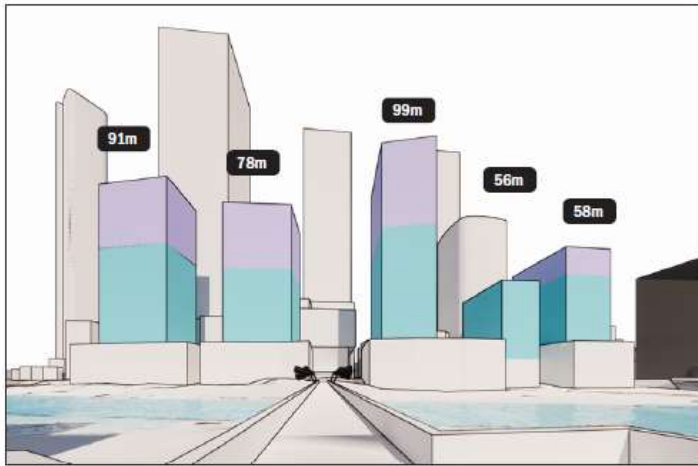
The Department has supported a maximum width for development seeking to access the additional floor space to reduce the appearance of built form along the river front. The relationship with development along the foreshore was noted in the Department's final assessment of the CBD planning proposal. Restricting width while providing additional floor space is considered a suitable approach to offset this concern.

Due to the Department's decision not to adopt the approach to calculating floor space ratio as suggested in the urban design analysis, further consideration of FSR is required. The Department has adopted a maximum 3.5:1 FSR for 60 Phillip Street, as the range recommended by the urban design report was provided based on site area exclusions, including land reservations on this site, which are not being pursued in the final SEPP. This amended FSR ensures the objectives of the study can be achieved, aligned with the approach adopted by the Department.

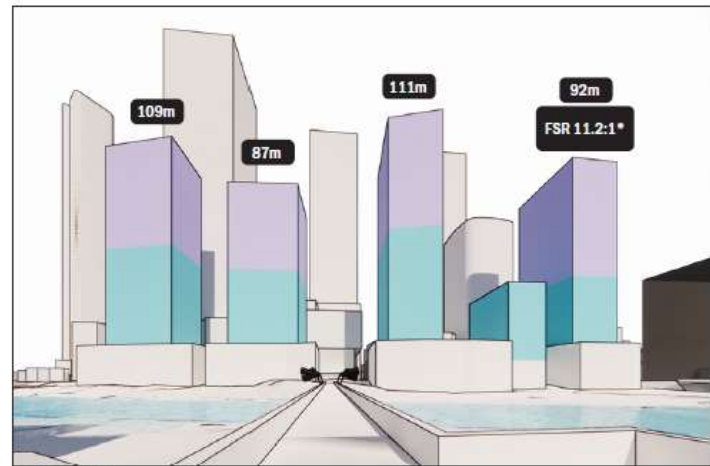
Consequential amendments have also been made to the LEP to bring the Phillip Street block in line with the CBD planning framework. This applies maximum car parking rates, active street frontage requirements and high performing buildings provisions, amongst other matters changed through the CBD planning proposal.



Undesirable outcome (FSR 12.1 and current floorplate controls)



FSR 8.7



FSR 9.7*

Figure 11: FSR and built form testing for the Phillip Street Block (view from northern bank of Parramatta River).

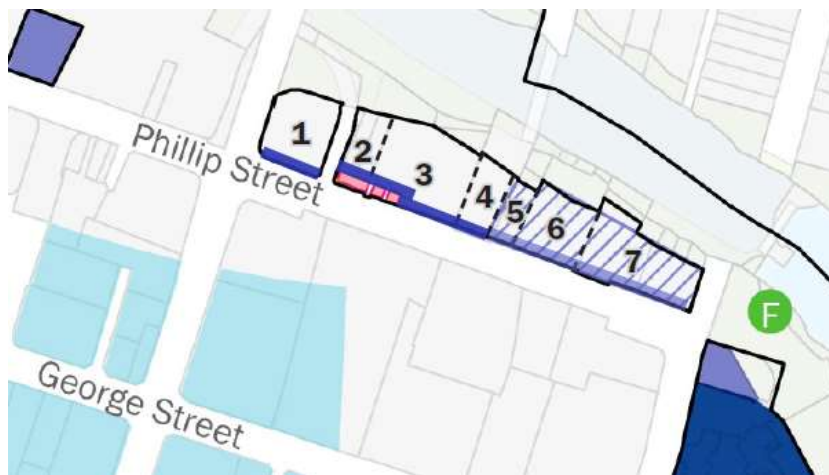


Figure 12: Phillip Street Block sites

3.1.3 Key design considerations

The urban design study (**Attachment I**) provides key design considerations for the SEPP sites in Parramatta CBD to support further commercial uplift in the Parramatta CBD. Where appropriate, the Department has incorporated provisions in the SEPP that reflect these considerations. However, it is noted that some matters may be better suited to Council’s policies relating to development, including the draft development control plan. Council may wish to update the development control plan to support the SEPP with key design considerations, summarised as follows:

- A. Establish a massing envelope options testing process with potential consideration of:
 - i. Council’s independent design panel review massing envelope options at the pre-DA stage.
 - ii. Require massing envelope options testing as part of a broader design excellence strategy to be endorsed ahead of design competitions.
- B. Encourage share vehicular access, basements and loading docks.

- C. Encourage existing above ground floor space to be converted into active uses.
- D. Encourage tower/floor plate slenderness.
- E. Minimise additional overshadowing of existing and planned public spaces.
- F. Minimise loss of daylight and sky views from public places and suitable supporting documentation to demonstrate this as part of the development application process.
- G. Minimise impacts of above ground car parking.
- H. Encourage open sky and wide public pedestrian connections.
- I. An updated retail/commercial strategy to further guide and encourage the appropriate location and typology of uses.
- J. Minimise impacts on important view corridors and vistas into and within the CBD.
- K. Minimise impacts of street wall heights and podiums on streetscape character.
- L. Encourage the exceedance of measurable resource efficiency and emission targets.
- M. Encourage retaining the quantum of jobs/amount of existing office space before redevelopment.
- N. Minimise impacts on overland stormwater and flow paths.
- O. An updated public domain strategy/plan to encourage provision of additional pedestrian links, green spaces, water sensitive urban design, walkability and the reduction of impacts from hazards such as urban heat/flooding.
- P. Provide an integrated built form and landscape masterplan for the Phillip Street Block.

4 Consistency with Strategic Framework

4.1 Greater Sydney Region Plan and Central City District Plan

The Greater Sydney Region Plan (Region Plan) sets the planning framework for the five districts which make up the Greater Sydney Region. It establishes a 40-year vision to 2056 for Greater Sydney to be a metropolis of three cities, enabling most people in Greater Sydney to commute to their nearest city within 30 minutes.

Objective 19 Greater Parramatta is stronger and better connected in the Region Plan identifies the need to strengthen the economic competitiveness

The Central City District Plan (District Plan) provides a guide for implementing the Greater Sydney Region Plan at a district level and acts as a bridge between regional and local planning. The District Plan establishes planning priorities and actions to guide planning in the precinct.

Planning Priority C7 Growing a stronger and more competitive Greater Parramatta in the District Plan identifies Parramatta CBD as the fifth largest office market in Greater Sydney. To strengthen Parramatta's position as the metropolitan centre of the Central River City, planning needs to increase capacity for new knowledge-intensive jobs, including A-grade office floor space, which is currently at capacity.

Action 23 of the District Plan refers to strengthening the economic competitiveness of Greater Parramatta and grow its vibrancy. Specifically, creating opportunities for an expanded office market.

The amendment is consistent Planning Priority C7 and Action 23 of the District Plan as it supports the potential capacity for office floor space, potential job growth and enables the opportunity for investment and business within Parramatta CBD.

4.2 Greater Parramatta Interim Land Use and Infrastructure Implementation Plan

The Greater Parramatta Interim Land Use and Infrastructure Implementation Plan (LUIIP) is given statutory weight through a Ministerial section 9.1 Direction. The purpose of the LUIIP is to develop a land use framework to guide future redevelopment of the Greater Parramatta Growth Area and identify and plan for infrastructure needed to unlock its potential.

The amendment is consistent with the LUIIP in that it enables the opportunity for greater office floor space to provide additional jobs to promote Parramatta CBD as Sydney's central city.

4.3 Local Strategic Planning Statement

Council's Local Strategic Planning Statement (LSPS) provides strategic direction on where housing and jobs should be concentrated within the City of Parramatta. The LSPS concentrates job growth within strategic centres and Parramatta CBD where employees can access major transport infrastructure and other high level facilities and services.

The amendment is consistent with the LSPS in that enables the opportunity for job growth in the CBD through the introduction of a clause for unlimited floor space for office uses, provided design considerations are met. Specifically, it supports:

- *Planning priority 4 - Focus housing and employment growth in the GPOP and Strategic Centres; as well as stage housing release consistent with the Parramatta Local Housing Strategy (when endorsed); and*
- *Planning priority 11 - Build the capacity of the Parramatta CBD, Strategic Centres, Local Centres and Employment Lands to be strong, competitive and productive.*