

LEADING

ITEM NUMBER	13.3
SUBJECT	1-17 Grey Street and 32 Silverwater Road, Silverwater
REFERENCE	F2018/00157 - D05814959
REPORT OF	Team Leader LUP

LANDOWNER: SONSARI PTY LTD
APPLICANT: PACIFIC PLANNING PTY LTD

PURPOSE:

The purpose of this report is to provide Council with information relating to the Planning Proposal at 1-17 Grey Street and 32 Silverwater Road, Silverwater and to seek endorsement on how it wishes to proceed. This report does not constitute City of Parramatta Council's assessment of the subject planning proposal as the proposal was previously considered by the former Auburn City Council prior to the Local Government Boundary review process being proclaimed in May 2016.

RECOMMENDATION

That Council consider this report and resolve how to proceed with this Planning Proposal.

BACKGROUND

1. Council is in receipt of a planning proposal (PP-3/2015) which it had taken over from the former Auburn City Council at 1-17 Grey Street and 32 Silverwater Road, Silverwater) following the Local Government proclamation on 12 May 2016. A copy of the Planning Proposal is detailed in Attachment A.
2. The subject site is currently zoned B6 Enterprise Corridor under the Auburn LEP 2010 and adjoins the Silverwater Industrial Precinct (located to the north) which is a regionally and strategically significant employment precinct.



Existing development on the site – characterized by detached dwelling houses and a commercial building located on the corner of Bligh Street and Silverwater Rd.



Zoning Map – Subject site is zoned B6 Enterprise Corridor Zone and adjoins existing Silverwater Industrial Precinct (zoned IN1 General Industrial)

3. The current proposal (discussed in more detail below) seeks to amend existing planning controls to permit the development of a new Local Centre comprising high density residential uses and ground floor retail (up to 32m or 9 storeys)
4. The processing of the current Planning Proposal (PP) has been delayed by a number of issues including the former Auburn Council being suspended in February 2016 resulting in an Administrator being installed, the commencement of a Public Inquiry (which specifically looked into this PP among other matters) as well recent Local Government amalgamations. A chronology of the history relating to the processing of this planning proposal is detailed below:

Chronology of Key Events – PP-3/2015	
May 2015	Auburn Employment Lands Strategy (ELS) 2015 reported to Council and adopted. The ELS sets the strategic direction for employment zoned lands across the former Auburn LGA (subject site is identified as part of 'Silverwater Road (Precinct 14)').
July 2015	Application for a Planning Proposal (PP-3/2015) lodged.
August –September 2015	Non-statutory public exhibition of the planning proposal. Total of 13 submissions received: 1 submission in support, 9 submissions raising objections, 2 petitions signed by 119 residents and business raising objections and 1 State Agency submission (RMS) requesting that additional work is required to properly assess the cumulative impact on

	traffic within the broader network.
October 2015	Council considers report on the assessment of the PP and resolves to forward the PP to the DPE for Gateway Determination as well as amend the adopted Auburn ELS 2015 to reflect Council's decision (discussed in further detail under 'The Planning Proposal')
December 2015	Planning Proposal is submitted to the DPE for Gateway Determination. Auburn ELS 2015 also amended to reflect above Council resolution.
January 2016	Minister for Local Government announces Formal Public Inquiry into Auburn City Council (which specifically reviews the Grey Street PP as well as other matters subject of the Inquiry)
February 2016	State Government suspends Auburn City Council and installs Interim Administrator.
March 2016	Auburn's Council's Administrator resolves that all Planning Proposals subject of the Inquiry be placed on hold pending its outcome and subsequently resolves to advise the DPE that the Grey Street PP " <i>is withdrawn, so that no further assessment or action by the Department of Planning be taken</i> '
May 2016	Local Government Boundary review process results in the subject site coming within the LGA of the newly formed City of Parramatta Council.
July 2016	City of Parramatta Council adopts Parramatta ELS 2016 which includes the new employment areas resulting from the Local Government boundary review process. In light of the Administrator resolution of the former Auburn Council in March 2016, the Parramatta ELS recommends that Council not proceed with any proposal to create a new centre in Silverwater (despite the amended Auburn ELS) and therefore recommends the retention of the current B6 zoning.
February 2017	Public Inquiry completed and Commissioners Report released. The Commissioner found criticism of the Councillors that voted in favor of the Grey Street PP, but noted that this criticism does not translate into a finding that they have breached the Act or Model Code. The Inquiry therefore makes no recommendations in relation to the Grey Street PP.
August – October 2017	Applicant makes representations to City of Parramatta Council's former Administrator and subsequently Council's former CEO to restart the PP process. Council officers are of the view that the PP has been withdrawn and a new application should be paid for and lodged should the applicant seek to progress with the PP. Responses from both the former Administrator and former CEO provided to the applicant to this effect.
November 2017 to current	<p>Applicant submits legal advice to Council arguing that the PP application is still technically 'live', rather it was put on hold pending completion of the Public Inquiry and subsequently withdrawn only from the Gateway Process and not withdrawn in its entirety. Therefore the applicant is requesting that Council either:</p> <ol style="list-style-type: none"> 1. <i>Forward the Planning Proposal to the DPE for Gateway Determination; or</i> 2. <i>Put the matter to a Council meeting for a resolution.</i> <p>Council officers have since received legal advice from its own internal legal team who concur with the applicant's submission and that Council now has the opportunity to choose the path it wishes for the PP to take and reflect that decision in a Council resolution.</p>

5. Following completion of the Auburn Public Inquiry and confirmation from Council's legal team that Council is able to progress with this PP (without a new

application being lodged), the purpose of this report is to seek Council endorsement on how the Grey Street PP should proceed.

6. Details of the Grey Street PP and a discussion of the options for proceeding are discussed in the following section.

THE PLANNING PROPOSAL

7. The Planning Proposal seeks to amend the Auburn Local Environmental Plan 2010 (Auburn LEP 2010) to:
 - Rezone the subject site from B6 Enterprise Corridor zone to B2 Local Centre zone,
 - Amend the maximum Height of Buildings map from 14m to 25m with a local provision allowing up to 32m, and including 2,500m² – 4,000m² of retail/commercial floorspace
 - Increase the maximum Floor Space Ratio (FSR) from 1:1 to 4:1; and
 - Amend the minimum lot size from 1,500m² to no minimum lot size.
8. The existing B6 Enterprise Corridor zone currently permits a range of employment uses including bulky goods premises, light industrial uses as well as business and office uses. The proposed rezoning to B2 Local Centre will enable high density residential development as well as general retailing such as shops and supermarkets which the existing B6 zone prohibits.

Auburn Employment Lands Strategy

9. The former Auburn Council adopted the Auburn ELS prepared by AEC Group at its meeting of 20 May 2015. The Auburn ELS 2015 provides an updated strategic framework for employment land (industrial, business and commercial zones) within the former Auburn City Council LGA. The subject site is located within Precinct 14 of the Auburn ELS.
10. The ELS recommended that a new neighbourhood centre located within the area bound by Beaconsfield, Carnavon Street, Deakin Park and Hume Park, Silverwater could be considered (which includes the subject site). The ELS did not identify a specific site for this neighbourhood centre ; however it noted that such a centre could improve the viability of the B6 zone to the east. The Auburn ELS recommended that a new centre could be zoned B1 Neighbourhood Centre and envisaged that the role of this centre would be one of local convenience.
11. The Auburn ELS further recommended that if residential development was to be permitted within Precinct 14 (which includes the subject site), that it be limited to that which is required to enable viable development for a centre, and that the land fronting Silverwater Road be maintained for business uses (as envisaged by the current B6 zone).
12. The current Planning Proposal application seeks a B2 Local Centre within the B6 zone which according to the October 2015 Auburn Council report, is a higher order zoning designation and would result in the creation of a new centre that is similar to larger local centres zoned B2 such as Berala, Newington and

Regents Park. It was the view of Auburn Council officers that the proposed zoning is inconsistent with the recommendations of the Auburn ELS.

Other Key Assessment Issues raised on Auburn City Council staff

13. The former Auburn City Council officers also raised concerns over the extent of residential development being sought as part of this planning proposal on the basis that it significantly exceeded that quantum required to develop and deliver a feasible mixed use development consistent with the vision of the Auburn ELS.
14. To inform the assessment of the PP, Auburn Council staff had also engaged AEC Group to carry out an additional feasibility analysis which concluded that an FSR of 2.7:1 would be the minimum required to deliver a new centre that included a mix of residential development and 4,000m² of retail floor space.
15. A copy of the former Auburn Council assessment report considered at the October 2015 Council meeting and Resolution is shown in Attachment B. The Auburn Council report is a detailed assessment report and also considers the submissions received during the non-statutory exhibition period.
16. A comparison table detailing the former Auburn Council officer's recommendations and Council resolution is provided below:

Council Report to 7 October 2015 – Comparison Table	
Former Auburn Council Officer Recommendation	Former Auburn Council Resolution
<p>1. That Council amend the planning proposal application for the rezoning of land at 1-17 Grey Street and 32-48 Silverwater Road, Silverwater (PP-3/2015), as follows:</p> <p>(a) amend the proposed rezoning to B1 Neighbourhood Centre;</p> <p>(b) reduce the proposed FSR to a maximum of 2.7:1, as recommended by the feasibility analysis undertaken by the AEC Group on behalf of Council;</p> <p>(c) reduce the maximum height of buildings to 20 metres, and require the applicant to undertake urban design analysis to test the impact in terms of building envelope and relationship with surrounding development;</p> <p>(d) require the applicant to undertake additional traffic modelling and analysis to assess the potential cumulative impact of the proposal on traffic across the broader traffic network, including Silverwater Road, as recommended by the RMS;</p> <p>(e) require the applicant to provide further justification for the reasons for refusal cited in the Department of Planning's Gateway Determination, and justify inconsistency with section 117 Direction 1.1 - Business and Industrial zones (via a study in accordance with the regional, subregional or the Auburn Employment Lands Strategy 2015) for Director General of DPE's agreement prior to proceeding;</p> <p>(f) require the applicant to undertake a Phase 1 contamination assessment of the site (subject land) in accordance with SEPP 55 – Remediation of Land to investigate possible site contamination, and suitability of the site for residential uses.</p> <p>(g) require the applicant to modify the Planning Proposal to ensure that the 4,000 sqm retail component comprises a 2,500 sqm supermarket and 1,500 sqm of local specialty retail/commercial floor space.</p> <p>(h) The applicant provide a site specific development control plan for the controls identified above.</p> <p>2. Once all required amendments have been made, finalise the planning proposal and send to the Department of Planning for a Gateway Determination.</p>	<p><i>1. That Council approve the planning proposal to proceed to Gateway for the rezoning of land at 1-17 Grey Street and 32-48 Silverwater Road, Silverwater (PP-3/2015), as follows:</i></p> <p><i>a. zone the site B2 Local Centre;</i></p> <p><i>b. allow a maximum floor space ratio of 4:1;</i></p> <p><i>c. allow a maximum height of 25 metres; and</i></p> <p><i>d. amend the Auburn Employment Lands Strategy 2015 to recommend the site be zoned B2 Local Centre, consistent with the findings of the Publicly Exhibited Draft Auburn Employments Lands Strategy, and permit residential uses on the site including land, zoned B2 Local Centre with frontage to Silverwater Road.</i></p> <p><i>2. That once all the required amendments have been made, Council forward the planning proposal to the Department of Planning and Environment for Gateway Determination.</i></p> <p><i>3. That Council note that Gateway Determination will likely require the applicant to undertake the further studies prior to consultation being undertaken in accordance with s56 and s57 of the Environmental Planning and Assessment Act (1979), including:</i></p> <p><i>a. additional traffic modelling and analysis to assess the potential cumulative impact of the proposal on traffic across the broader traffic network, including Silverwater Road, as recommended by the RMS;</i></p> <p><i>b. applicant to undertake a Phase 1 contamination assessment of the site (subject land) in accordance with SEPP 55 – Remediation of Land to investigate possible site contamination, and suitability of the site for residential uses; and</i></p> <p><i>c. the applicant provide a site specific development control plan for the controls identified above.</i></p>

17. Based on the above, it considered that Council can proceed with the Planning Proposal via the following options:

OPTIONS:

18. **Option 1:** Council submits the planning proposal to the DPE for Gateway Determination in accordance with the Auburn Council resolution dated 7 October 2015

Option 1 seeks to action the former Auburn City Council's resolution and therefore City of Parramatta would essentially be seeking to implement a previous decision of Council.

19. **Option 2:** *Council submits the planning proposal to the DPE in accordance with the former Auburn City Council officer's recommendation contained in the 7 October 2015 assessment report.*

Option 2 is based on a detailed assessment carried out by former Auburn Council officers who have recommended that the proposal proceed subject to a reduction in height and density (which is supported by additional feasibility study analysis carried out by the consultants who also prepared the Auburn ELS) as well as require a number of additional technical studies to be carried out to justify and support the proposed rezoning.

20. **Option 3:** *City of Parramatta Council carries out a full technical assessment of the proposal with a further report to Council detailing the results of the assessment.*

As discussed above, City of Parramatta Council officers have not carried out a full assessment of the proposal. This option will enable Council to carry out an updated review of the proposal (including comprehensive review of the former Auburn City Council analysis) and make its own recommendation as to how the planning proposal should proceed and in what form.

21. Furthermore, Council would also be open to negotiating a VPA for community infrastructure that delivers an appropriate quantum of community infrastructure. It is noted that both Options 1 and 2 do not address the issue of VPAs and Option 3 could allow Council to investigate potential public benefit items that could be delivered as part of any rezoning on the site especially where it results in financial uplift for the developer.
22. Based on the above analysis of options Council officers believe that Option 3 provides the most rigorous and transparent assessment pathway.

CONCLUSION AND NEXT STEPS

23. Should Council endorse Option 3, Council officers will commence a detailed assessment of the planning proposal and work with the applicant to resolve issues as they arise. Following this assessment, a report will be submitted to Council detailing the outcomes of this assessment and outline next steps. This may include the manner and form the Proposal is to be submitted to the DPE for Gateway Determination as well as requesting authorization to negotiate a VPA.

Kevin Kuo
Team Leader Land Use Planning

Roy Laria
Manager Land Use Planning

Sue Weatherley
Director Strategic Outcomes and Development

Jim Stefan
Acting Director City Services

ATTACHMENTS:

- | | | |
|---|--|-------------|
| 1 | Grey Street Planning Proposal (July 2015) prepared by APP Corporation | 68
Pages |
| 2 | Auburn Council Report - Grey Street Planning Proposal (7 October 2015) | 17
Pages |

REFERENCE MATERIAL