

AUBURN CITY COUNCIL

To the Ordinary Meeting of Council

Executive Manager's Report
Indirect Department
Strategy Planning

1

Assessment of Planning Proposal Application for 1-17 Grey Street and 32-48 Silverwater Road (PP-3/2015)

PP-3/2015 MC:EG

LINK TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Operational Plan Code	Relationship to Community Strategic Plan	Relationship to Operational Plan
2a.2.2.2	High Quality Urban Development	Assess Applicant-initiated Planning proposals for Council Determination

SUMMARY

The report provides an assessment of the application for a Planning Proposal (applicant-initiated) for land at 1-17 Grey St and 32-48 Silverwater Road, Silverwater which is Attachment 1 of this report. The Planning Proposal flow chart is Attachment 5

RECOMMENDATION

That Council:

1. ***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:***
 - (a) ***amend the proposed rezoning to B1 Neighbourhood Centre;***
 - (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;***
 - (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;***
 - (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;***
 - (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 DP&I's agreement prior to proceeding;***
 - (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.***
 - (g) ***require the applicant to undertake further discussions with Council regarding the most appropriate LEP mechanism by which to achieve the 4,000 sqm retail component (comprising a 2,500 sqm supermarket and 1,500 sqm of local specialty retail/commercial floor space), and the need for a site specific development control plan.***

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2. Once all required amendments have been made, finalise the planning proposal and send to the Department of Planning for a Gateway Determination.

REPORT

1. SUMMARY

On 24 July 2015, an application for a Planning Proposal application was lodged with Auburn City Council for land at 1-17 Grey Street and 32-48 Silverwater Road, Silverwater (referred to as the "subject land"). A map showing the subject land is provided at Figure 1 on the following page. The proposal was prepared by APP Corporation on behalf of the applicant Hilfer Project Pty Limited ('the applicant'). The assessment of this planning proposal application, undertaken by Council staff, is provided at Attachment 1 of this report, and a copy of the applicant's planning proposal application is provided at Attachment 1 (Appendix 4).

The Planning Proposal application 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 14 metres to a Height of Buildings of 25 metres with a local provision allowing up to 32 metres;
- 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.

The site is currently zoned as B6 Enterprise Corridor under the *Auburn Local Environmental Plan 2010 (Auburn LEP 2010)* and is located on the western side of Silverwater Road. The subject site is bound by Silverwater Road to the east, Bligh Street to the south, Grey Street to the west and Carnarvon Street to the north (Figure 1).

The subject site is located within 'Precinct 14 – Silverwater Road' as identified in the *Auburn Employment Lands Strategy 2015 (Auburn ELS 2015)*. This precinct adjoins Precinct 5, the 'Silverwater Industrial Precinct,' which is a regionally and strategically significant employment precinct within Auburn City.

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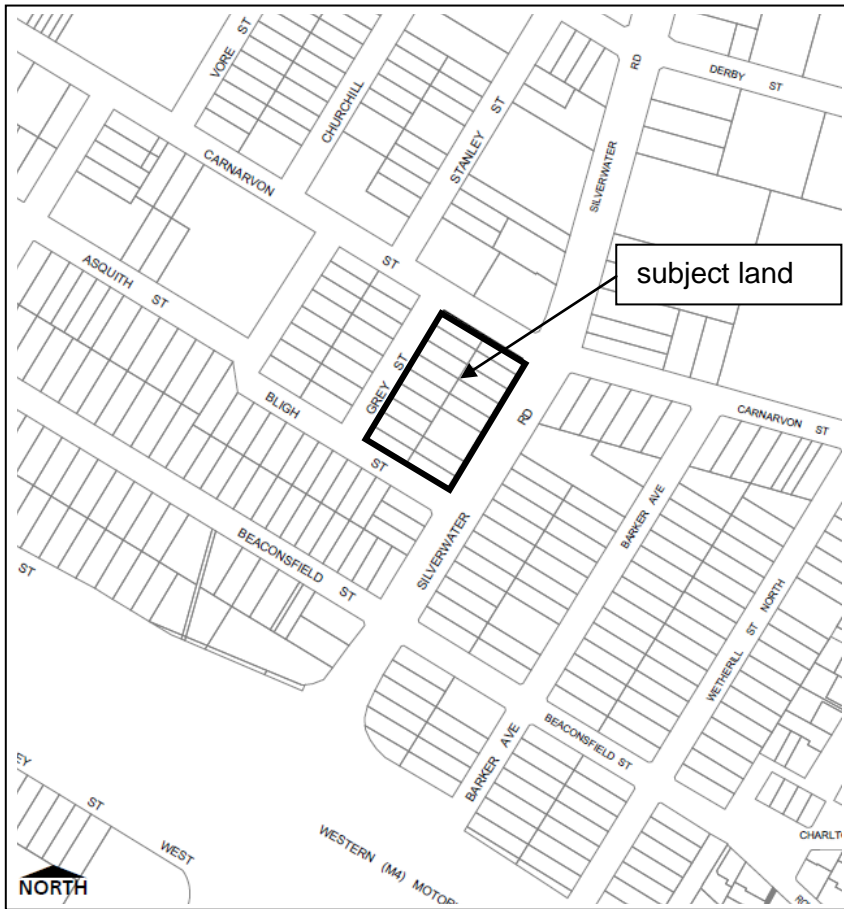


Figure 1 - Location of the subject land to which the planning proposal application applies

2. HISTORY

The current planning proposal application (PP-3/2015) is almost identical to the applicant's previous planning proposal (PP-5/2013) refused at Gateway by the Department of Planning and Infrastructure in December 2014.

Table 1 (over page) provides a summary of the history of this site.

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Table 1- Summary of the history of the site

PP-3/2015 (current application)	
4 Aug - 8 Sept 2015	Public Exhibition of application for planning proposal.
24 July 2015	<p>Application for a planning proposal to rezone the subject land is lodged by applicant. This Application (PP-3/2015) is almost identical to the applicant's planning proposal (PP-5/2013) refused at Gateway by the Department of Planning and Infrastructure in December 2014.</p> <p>Proposed controls: B2 Local Centre zone; maximum height 25m (with 32 m under local 'key site' provisions); FSR 4:1; and key site provisions permitting up to 32m in height, and including 2500m² - 4,000m² of retail/commercial floor space at the street level.</p>
20 May 2015	<i>Auburn Employment Lands Strategy 2015</i> reported to Council and adopted.
PP-5 /2013 (previous application)	
18 Feb 2015	<p>Gateway Determination reported to Council. Applicant notified.</p> <p>Council resolved to take no further action on the planning proposal until the Draft Auburn Employment Lands Strategy was finalised and reported to Council for adoption.</p>
22 Dec 2014	<p>Gateway Determination (dated 18 December 2014) received by Council staff.</p> <p>Gateway Determination (refer to Attachment 2 of this Council report) determined that the planning proposal should not proceed on a number of grounds, including inconsistency with Council's Employment Lands Study 2008*, inconsistency with state policy framework (including a section 117 Direction), and reduction in land considered to be strategically and regionally significant employment land.</p> <p><i>*The correspondence from the Department of Planning accompanying the Gateway Determination noted that Council was in the process of reviewing and updating the Auburn Employment Lands Study of 2008.</i></p>
11 July 2014	<p>Planning proposal submitted to the (then) Department of Planning and Environment for the Gateway Determination process.</p> <p>In line with Council's resolution of December 2013, proposed controls in planning proposal were B2 Local centre; maximum height 25 metres, FSR 4:1, and key site control requiring 'a minimum of 2,500m² of gross floor area be available for the purpose of shops under a single tenancy on the land'.</p>
Dec 2013 – July 2014	Additional work undertaken to finalise planning proposal in accordance with Council's resolution of 4 December 2013 (Item 380/13) (refer to Attachment 3 of this Council report).
11 Dec 2013	Rescission Motion considered at Council meeting. Motion was lost. Resolution of 4 December 2013 Council Meeting (Item 380/13) to proceed with the planning proposal to rezone the subject land stands (Attachment 3 of this report).
4 Dec 2013	Notification of Rescission Motion received.

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4 Dec 2013	Report considered at Council meeting. Council resolved to proceed with the planning proposal to rezone the subject land with modified provisions (refer to Attachment 3 of this report for the Council Meeting resolution). The resolution required certain studies and additional work to be completed prior to lodging the planning proposal with the Department of Planning and Environment and proceeding to Gateway Determination.
4 Dec 2013	Councillor site visit prior to Council meeting.
20 Nov 2013	Report considered at Council. Council resolved to defer the matter to allow a site visit, prior to the next Council meeting.
23 July – 20 Aug 2013	Public exhibition as per Council's Communication Plan.
11 June 2013	Application for a planning proposal to rezone the subject land lodged with Council. (Proposed controls: B4 Mixed Use; height of 16.9 – 32 metres; and FSR of 3.75:1).

3. THE PROPOSAL

The planning proposal application proposes changes to the zoning, principal development standards and minimum lot size controls under *Auburn LEP 2010* (outlined in Table 2 below), to facilitate the redevelopment of the site for high density residential uses and ground floor retail. Currently, residential accommodation and retail premises are not permissible within the B6 Enterprise Corridor zone.

The application argues that the current zoning and planning controls applying to the site do not provide sufficient incentives for redevelopment of the site for commercial, residential or industrial purposes.

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Table 2 – Proposed Planning Controls

Planning controls under <i>Auburn LEP 2010</i>	Existing planning controls	Original planning proposal application (June 2013)	Planning Proposal submitted to Gateway (refused)	Proposed planning controls (current application July 2015)
Zoning	B6 Enterprise Corridor zone	B4 Mixed use Zone	B2 Local Centre zone	B2 Local Centre zone
Maximum Height of Building	14 metres The subject site is affected by clause 4.3 (2A)(b) <i>Auburn LEP 2010</i> which is discussed.	16.9 – 32 metres	25 metres (with key sites control - see below)	25 metres (However see Key Sites control below)
Floor Space Ratio	1:1 The subject site is also affected by clause 4.4(2C) <i>Auburn LEP 2010</i> which is discussed.	3.75:1	4:1	4:1
Minimum Lot Size	1,500 m ²	N/A. Council does not typically apply a minimum lot size in the B2 Local Centre zone.	N/A. Council does not typically apply a minimum lot size in the B2 Local Centre zone.	N/A. Council does not typically apply a minimum lot size in the B2 Local Centre zone.
Key Sites	Not currently a key site	N/A	The lots identified as a 'key site' (ie subject land) have an accompanying local provision requiring the provision of 'a minimum of 2,500m ² of gross floor area be available for the purpose of shops under a single tenancy on the land'.	The lots are identified as a 'key site' (ie subject land) with an accompanying additional local provision <i>permitting up to 32m in height</i> , and including 2500m ² - 4,000m ² of retail/commercial floor space at the street level.

The Planning Proposal Application includes an indicative development concept which illustrates the type of development which could occur as a result of this planning proposal. The Applicant's concept includes a 5 and 8 storey mixed use development (250 apartments) and 4,000m² of retail space at street level.

Conceptual drawings of the proposed development are provided in Section 3 and Appendix 4 of the attached Assessment Report (at Attachment 1 of this report). It is noted that the Assessment Report provides an assessment of the proposed zoning and planning controls only, and not the indicative concept design provided. No detailed assessment of a concept design has been undertaken, as this would be the subject of a detailed assessment during the development application process, should the planning proposal proceed.

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4. ASSESSMENT OF THE PLANNING PROPOSAL

The Planning Proposal Application assessment report prepared by Council staff (Attachment 1 of this report) provides an assessment of the application in accordance with the following:

- State and Sub-regional plans;
- Department of Planning and Environment's guidelines for local plan-making;
- NSW planning legislation;
- Section 117 directions issued by the Minister for Planning and Environment;
- *Auburn Employment Lands Strategy (AEC Group, 2015)*;
- *Auburn Residential Development Strategy, (AECOM, 2015)*;
- *Auburn Local Environmental Plan 2010*; and
- Applicable parts of the Auburn Development Control Plan 2010.

It also summarises the application, and the community consultation undertaken.

4.1 How the Application for a Planning Proposal addresses the Gateway Determination

The Gateway Determination (*PP_2014_AUBUR_003_00*) issued on 18 December 2014 (received by Council on 22 December) for the applicant's previous planning proposal for the subject land determined that the planning proposal should not proceed for a number of reasons.

In assessing the current proposal for the subject land, an assessment of how the current proposal addresses the Gateway Determination's reasons for the previous planning proposal (rezone to B2; maximum height of buildings between 3.75:1 and 4:1; not proceeding is summarised below.

Gateway Determination:

1. *"The planning proposal is inconsistent with the Auburn Employment Land Study 2008*. The Study identifies the subject site as part of a broader strategic employment precinct that should be retained and protected for new and emerging industries and to avoid rezoning speculation which could undermine the viability of industrial land"*.

**Note the Employment Lands Strategy 2015 was not completed at the time of the Gateway Determination.*

Assessment:

The planning proposal application does not address how the proposed rezoning to B2 Local Centre will address this issue, specifically how B2 Local Centre zoned land (which includes residential development) will relate to the IN1 zoned land of the significant Silverwater Industrial Precinct, immediately north of the subject site. It also does not address the issue of protection of employment land, and viability of industrial land.

Gateway Determination:

2. *"The proposal to rezone the subject land from B6 Enterprise Corridor to B2 Local Centre would reduce land considered to be strategically and regionally important employment land and permit non-employment generating uses. This has the potential to create*

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significant land use conflict within the area but also undermine the role of the B6 Enterprise Corridor zone in Auburn City and ensures that employment land is protected during a period of high residential growth across the local government area”.

Assessment:

The planning proposal application and supporting economic study, focuses on justification of B2 Local Centre land from a retail catchment perspective, and argues that the proposed retail on the subject site will not draw retail trade away from other retail centres such as Newington Neighbourhood Centre, Lidcombe and Auburn Town Centres.

However, it does not address the reduction in strategically and regionally significant employment-generating land, potential land use conflicts that may arise, nor does it address the cumulative impact of the loss of B6 Enterprise Corridor zoned land/protection of employment land during the current high growth period.

Gateway Determination

3. *“Proposed rezoning of the subject site to B2 Local Centre is unlikely to contribute to strengthening or maintaining the existing industry cluster, and the introduction of a centre that provides for land uses that are inconsistent with the objectives of this cluster may impact the long term provision of freight and industrial land in Auburn City”.*

Assessment:

The planning proposal application and supporting economic study submitted by the applicant does not address the issue of strengthening or maintaining industry clusters, which play an important role for employment generating land in both the B6 Enterprise Corridor and IN1 General Industrial zones.

Gateway Determination:

4. *“The planning proposal is inconsistent with section 117 Direction 1.1 Business and Industrial Zones as it will reduce the potential floor space for employment generating land uses. Permitting residential development at the proposed density will undermine the ongoing operation of the Silverwater Industrial Precinct and set an undesirable precedent for rezoning industrial land for residential purposes”.*

Assessment:

The planning proposal application does not satisfactorily address inconsistency with the section 117 Direction 1.1 Business and Industrial zones, which seeks to protect employment land in business and industrial zones. The application does not provide sufficient justification for the proposed zone change, nor for the introduction of residential development and the potential impact it may have on the ongoing operation of the regionally significant Silverwater Industrial estate, immediately to the north of the subject land.

Gateway Determination:

5. *“The planning proposal application is inconsistent with strategic objective B4 of the West Central Draft Subregional Strategy, Strategic Objective B4 – Action B4.1 supports the “concentration of retail activity in centres, business development zones and enterprise*

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corridor zones". The planning proposal is inconsistent with Action B4.1 as it would facilitate the development of out-of-centre retail uses".

Assessment:

The current application for a planning proposal proposes an out-of-centre retail development, which is considered to be inconsistent with the *West Central Draft Subregional Strategy*, Strategic Objective B4 of the – Action B4.1 *"Concentrate retail activity in Centres Business Development zones and Enterprise Corridor zones"*. The subject land to which the application applies is located some distance (approximately 1.5 and 2.6 kms) from Auburn and Lidcombe Town Centres, both of which are located around railway stations.

Gateway Determination:

6. *"The planning proposal is also inconsistent with the Strategic Objective C1-Action C1.3 which supports "increased housing capacity targets in existing areas". The proposal is inconsistent as it is not located within the existing area that supports residential development, focused around a local centre or a corridor that permits residential uses and has good access to public transport"*.

Assessment:

The application involves residential development (via rezoning) in an area currently zoned B6 Enterprise Corridor, with a clear employment-generating focus, which does not sufficiently address this Strategic Objective. The proposal seeks high density residential development in an out-of-centre location (beyond a walking catchment of a centre), which has limited access to public transport.

Council's *Auburn Residential Development Strategy 2015* established that land zoned R4 High Density Residential and B4 Mixed Use within Auburn City currently has the potential capacity to accommodate anticipated growth, based on population forecasts for the area, as well as meet State government dwelling targets. The proposal, as submitted, does not provide sufficiently justification to address this issue raised in the Gateway Determination.

5. AUBURN EMPLOYMENT LANDS STRATEGY 2015 (Auburn ELS 2015)

Council adopted the *Auburn Employment Lands Strategy 2015* prepared by AEC Group at its meeting of 20 May 2015. The *Auburn ELS 2015* provided an updated strategic framework for employment land (industrial, business and commercial zones) within Auburn City. The subject land to which the proposal applies is located within Precinct 14 of the *Auburn ELS 2015*. The application considers the earlier draft of this strategy, although the final document was available prior to the lodgement of the proposal.

The final *Auburn ELS 2015* recommended that a new neighbourhood centre located within the area bound by Beaconsfield Street, Carnarvon Street, Deakin Park, and Hume Park, Silverwater could be considered (page 79, *Auburn ELS 2015*). The *Auburn ELS 2015* 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 2015 recommended that a new centre be zoned B1 Neighbourhood Centre, and envisaged that the role of this centre would be one of local convenience.

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The *Auburn ELS 2015* further recommended that if residential development was to be permitted within Precinct 14 (which includes the subject lands), 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 B6 corridor zoning).

The current planning proposal application seeks a B2 Local Centre within the B6 zone.

6. ADDITIONAL FEASIBILITY ANALYSIS

To assist with the assessment of the current planning proposal application, additional feasibility advice was sought by Council Staff. This advice was sought from the AEC Group, the economic consultants who prepared Council's *Auburn ELS 2015*. This advice was sought to assist with a assessment of the planning proposal, particularly as:

- the current application for a planning proposal is almost identical to the previous planning proposal refused at Gateway by the Department of Planning, and does not sufficiently address the issues raised in the Gateway Determination as reasons for refusal; and
- the current planning proposal application seeks a B2 Local Centre zoning within the current B6 zone, fronting Silverwater Road, rather than a B1 zoned centre in the area immediately to the west of the B6 zone, as recommended by the *Auburn ELS 2015*. The Auburn ELS 2015 envisages the role of the new centre as a local convenience service role, supporting the surrounding B6 and IN1 zoned land.

The purpose of the additional feasibility analysis sought from the AEC Group was to assess how much residential development would be required to make the provision of retail (as proposed) in this location feasible. A summary of this assessment is provided below. A copy of the AEC Group's Feasibility Assessment is provided in Attachment 1 (Appendix 8).

The analysis provided further clarification to the Auburn ELS and recommended that land fronting Silverwater Road be maintained for business uses, and that residential uses be limited to that which is required to enable viable development into a centre.

Two scenarios were tested:

- Scenario 1 – residential units as proposed (250 units, 4,000 sqm retail); and
- Scenario 2 – minimum residential required for feasible mixed use development, with 4,000 sqm of retail.

For both scenarios, it was assumed that the 4,000 sqm of retail would comprise a 3,500 sqm supermarket and 500sqm specialty shops).

In both scenarios, two car parking rates were tested:

- Council's DCP parking rates (1 space per 40 sqm retail GFA), which was 100 spaces; and
- Increased retail parking rates (1 space per 25 sqm retail GFA) which is 160 spaces (noting that supermarkets may seek higher parking rates, for example 4 spaces per 100 sqm, depending on the site, location, characteristics etc).

The testing of these scenarios found that in order to develop a mixed use development incorporating 4,000sqm retail floor space, a minimum of 178 residential units are required. This assumes retail car parking rates as per Council's DCP (1 space per 40 sqm GFA).

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Should a higher car parking rate be required (ie higher than Council's DCP rate), a minimum of 211 residential units would be required to make 4,000 sqm of retail floor space feasible. The AEC Group advised that this analysis would translate into indicative FSRs equivalent to 2.7:1 – 3.1:1 as outlined below:

Development	Indicative equivalent FSR
Mixed use development: <ul style="list-style-type: none"> • 178 units, 4,000 sqm retail • Council DCP parking rates (1 space per 40 sqm retail GFA) 	2.7:1
Mixed use development: <ul style="list-style-type: none"> • 211 units, 4,000 sqm retail • Alternative (higher) parking rates than Council's DCP (1 space per 25 sqm retail GFA) 	3.1:1

The AEC Group's analysis concluded that an FSR of 2.7:1 would be the minimum required to provide feasible mixed use development on the subject land. This recommendation supplements the *Auburn ELS 2015* which recommended that any new residential component in Precinct 14 be limited to that which is required to enable the viable development of a centre.

The AEC Group's report further recommended that should Council wish to proceed with the planning proposal as is (ie 250 units), that Council pursue contributions for public benefit via planning agreement. AEC's analysis of the scheme as proposed suggests that it would deliver an increase to site value in the order of \$4 million - \$6 million (depending on retail parking requirements). AEC's report recommends that some of the increase in site value could be captured for public benefit.

7. COMMUNITY CONSULTATION

The Planning Proposal application was publicly exhibited from 4 August to 8 September 2015 (inclusive) in accordance with *Council's Communication Plan for Planning Proposals* as adopted by Council.

A total of 13 submissions (including 2 petitions) were received (refer Table 3 below). Of these submissions, 9 submissions and 2 petitions objected to the application. The petitions were signed by 119 residents and businesses located near the site and its surrounds. 1 submission was received in support of the application.

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Type of submission	Submissions received
Support	1
Objections	9
Petitions (objecting)	2
Agency submission	1 (NSW Roads and Maritime Service)

Table 3 - Submissions received during the notification period

Many of the submissions raised concerns that the planning proposal would aggravate existing traffic, car parking and amenity issues surrounding the subject site. The submissions also stated that the planning proposal would allow development which would be out of context, resulting in loss of significant business enterprise corridor land, and potentially resulting in land use conflict. The submissions and petitions that objected to the Planning Proposal application raised common issues including:

- Inconsistency with state government policy which does not identify the residential area of Silverwater (in the vicinity of the subject land) as a growth area;
- Proposal is contrary to the aims of ALEP 2010, does not address the potential cumulative impacts of the proposal;
- Proposal does not justify why the proposed B2 zoning is most suited to the subject site/ the existing B1 neighbourhood centre nearby at Silverwater has a number of vacant retail premises/loss of B6 corridor and threats to regionally significant employment land (zoned IN1), immediately north of the subject land;
- the likely negative impact on traffic movement and congestion in surrounding streets such as Bligh, Grey and Carnarvon Streets which would further exacerbate existing congestion and traffic delay issues already occurring in the area, particularly in Carnarvon Street;
- proposal is likely to generate traffic impacts at the Stubbs St/Parramatta Road intersection, and this has not been assessed in the study;
- the planning proposal will create high density mixed use development which is out of character with its context and surrounding/ the FSR of up to 4:1 proposed is too high when compared to its existing surroundings and other local centres;
- the planning proposal will increase the number of dwellings and households, resulting in an increase in cars parked on the street;
- the planning proposal will create noise pollution, overshadowing and amenity impacts;
- the subject site is not well serviced by public transport and not located within walking distance of a railway station; and
- the 2012 Contamination Assessment concluded that the suit was suitable for commercial/industrial land use only, and not for residential purposes.

A table outlining the key points raised in each submission has been provided at Attachment 1 (see Appendix 11). The applicant's response to the issues raised in submissions is provided at Attachment 1 (see Appendix 12).

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8. SUMMARY

The key issues for Council's consideration are summarised below.

Proposal does not satisfactorily address the reasons for refusal in the Gateway Determination

The planning proposal application continues to be inconsistent with the Draft West Central Subregional Strategy and Ministerial Direction 1.1 Business and Industrial Zones, and fails to provide sufficient justification that employment land would be protected during this current period of high growth.

Proposal is inconsistent with relevant state and local plans and strategies*State plans*

As outlined above, the proposal is inconsistent with key Ministerial directions, state plans, and state environmental planning policies.

If the proposal was to proceed, it could potentially threaten other land zoned B6 Enterprise Corridor within Auburn City. Given the high residential growth Auburn City is currently experiencing, and the State Government's plans for renewal along the Parramatta Road Corridor, it is important to retain land zoned for different types of employment uses, to provide employment options for Auburn City's growing population.

Local plans

The proposal is inconsistent with the recommendations and guiding principles of the *Auburn ELS 2015*, which seeks to retain and protect industrial lands in Precinct 14 (which includes the subject land), and Precinct 5, the Silverwater Industrial Precinct, which is identified as regionally and strategically significant employment land. The guiding principles of this strategy seek to prevent encroachment of sensitive land uses, such as residential development, which could result in land use conflict and threatened viability of industry and businesses in the area. The guiding principles also seek to retain land values at an affordable price for large format employment uses, which is important for employment in the long term, and particularly during periods of high population growth.

However, notwithstanding the above, the *Auburn ELS 2015* noted that if a new centre was to be considered in Precinct 14; that a B1 Neighbourhood Centre zone was recommended, reflecting the centre's envisaged role as one of local convenience. The *Auburn ELS 2015* also recommended that if residential was to be included as part of the new neighbourhood centre, that it be '*limited to that which is required to enable viable development for a centre*' (p 79 AELS 2015).

Traffic and transport impacts

Both the RMS and Council's engineers have raised concerns about the impact of the proposal on the road network and potential traffic congestion from the proposal. The RMS has indicated that additional work is required to properly assess the potential cumulative impact on traffic for the broader network including Silverwater Road, a classified road (not just the immediate precinct). Carnarvon St in particular, experiences excessive queue lengths during peak hours. The RMS also notes the limited accessibility of this precinct to public transport, recommending that Council take a strategic approach to the planning for this whole precinct, including identification of appropriate infrastructure to support development and appropriate developer funding mechanisms.

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Appropriateness of a B2 Local Centre Zone in this location

Concerns associated with loss of B6 Enterprise Corridor zoned-land have been outlined. Rezoning of the subject land would also remove a zoning buffer (B6) between Silverwater Road and residential properties to the west of the site. However, in line with the resolution of December 2013 [380/13], Council may still wish to pursue the creation of a new small centre in this location. The *Auburn ELS 2015* recommended that a new neighbourhood centre could be considered west of Silverwater Road, located somewhere in the area bound by Carnarvon Street, Beaconsfield Street, and Deakin and Hume Parks. This strategy recommends a B1 Neighbourhood Centre zone, and envisages the centre would have a local convenience role, similar to that of centres such as Botanica, Silverwater, and Wellington Road (which sit below the larger local centres zoned B2 such as Berala, Newington and Regents Park, in the retail hierarchy).

The *Auburn ELS 2015* further recommended that if residential was to be permitted within Precinct 14, that the land which fronts Silverwater Road be maintained for business uses, and that residential development is limited to that which is required to enable viable development of a neighbourhood centre (page 79, *Auburn ELS 2015*). This is further supported by Council's recently adopted *Residential Development Strategy 2015*, which indicates that Council has more than sufficient capacity to meet dwelling targets.

Feasibility Analysis

Additional feasibility analysis of the current proposal, undertaken by the AEC Group on behalf of Council to assist with the assessment of this proposal, was sought following the refusal of an almost identical planning proposal at Gateway by the Department of Planning in December 2014. This feasibility analysis was also undertaken to address the recommendations of Council's subsequently adopted *Auburn ELS 2015* (May 2015), relating to limiting residential development to that required to enable viable development of a new centre. This feasibility analysis concluded that an FSR of 2.7:1 would be the minimum required to provide feasible mixed use development on the subject land. This FSR of 2.7:1 assumes the application of Council's standard DCP car parking rate of 1 space per 40 sqm of retail floor space, and the provision of 4,000 sqm of retail floor space (comprising a 3,500 sqm supermarket, and 500 sqm of specialty retail).

The proposal as it currently stands, seeks a significantly higher FSR. This is contrary to the recommendations of Council's adopted *Auburn ELS 2015*, which recommended the protection of B6 zoned land. This strategy further recommended that if residential uses were to be considered within Precinct 14 as part of a new mixed use development, that residential uses be limited to that which is required to enable viable mixed use development.

Council could therefore proceed with a recommendation to amend the current planning proposal to reflect the recommendations of this Feasibility Analysis (AEC Group), which directly responds to the recommendations of Council's *Auburn ELS 2015*.

9. MATTERS FOR CONSIDERATION IF COUNCIL RESOLVES NOT TO PROCEED WITH THE PLANNING PROPOSAL

If Council resolves not to support the planning proposal application, Council could do so on the following grounds, noting that feasibility is one of a number of considerations:

- (i) ***the application does not sufficiently address the reasons for refusal in the Department's Gateway Determination PP_2014_AUBUR_003_00 (18 December 2014);***

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- (ii) *the application is inconsistent with relevant state and local plans and strategies, and does not sufficiently justify the rezoning of the subject land; and***
- (iii) *traffic impacts on the broader traffic network, including Silverwater Road as well a cumulative traffic impacts, have not been sufficiently addressed.***

ATTACHMENTS

ATTACHMENT 1 – Council's Planning Proposal Assessment Report (T100285/2015)

ATTACHMENT 2 – Gateway Determination December 2014 (T122065/2014)

ATTACHMENT 3 – Resolution of 4 December 2013 (Item 380/13) Council Meeting
(T110922/2013)

ATTACHMENT 4 – Resolution of 20 May 2015 Council meeting (Item 086/15) – Adoption of
Auburn Employment Lands Strategy 2015 (T051877/2015)

ATTACHMENT 5 – Planning Proposal flowchart (T096586/2013)