

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.

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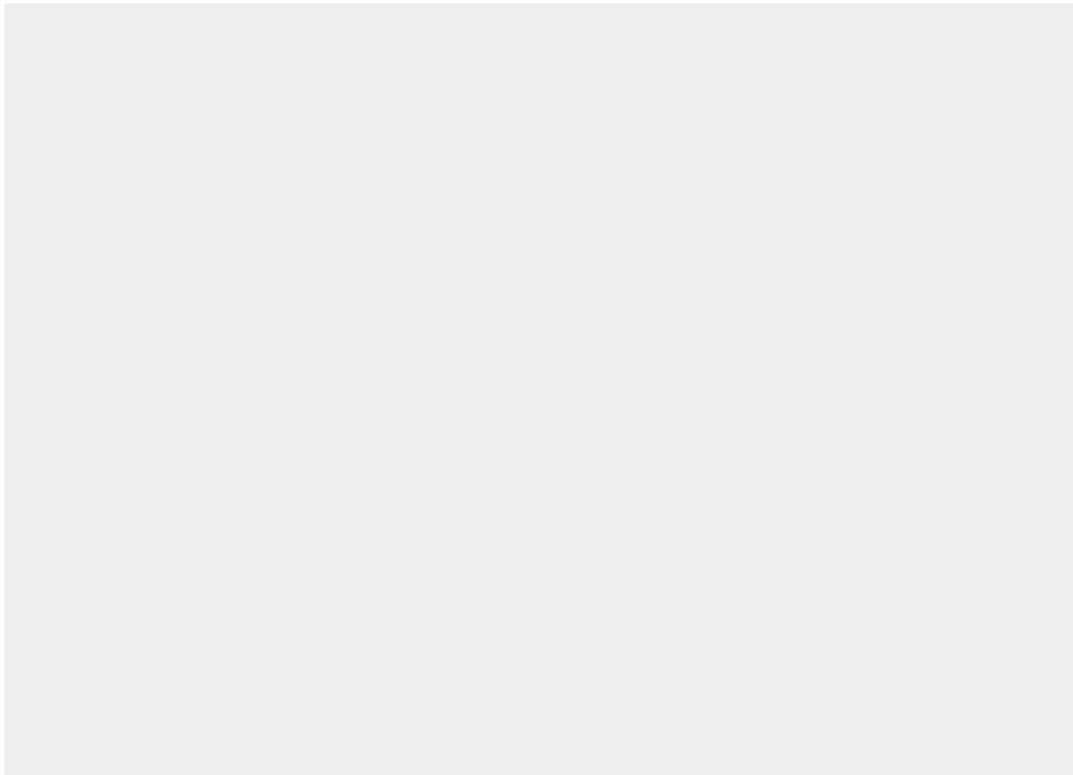
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ATTACHMENTS:

- | | | |
|---|--|-------------|
| 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



Planning Proposal – Amendments to Auburn Local
Environmental Plan Environmental Plan 2010

**1-13 GREY STREET AND 32-46 SILVERWATER ROAD,
SILVERWATER**

Date: July 2015



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Introduction

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1. Introduction

1.1. Purpose of this Report

The Planning Proposal is submitted to Auburn City Council (Council) in support of an amendment to Auburn Local Environmental Plan 2010 (Auburn LEP 2010) to rezone a 7,500m² parcel of land at no. 1-17 Grey Street and 32-48 Silverwater Road, Silverwater (hereafter referred to as the site) from B6 Enterprise Corridor to B2 Local Centre. It is also proposed to amend the development standards that presently apply to the site in relation to height of buildings and floor space ratio to standards commensurate with the proposed B2 Local Centre zone.

The site is generally bound by Silverwater Road to the east, Bligh Street to the south, Grey Street to the west and Carnarvon Street north. It is approximately 2 km north-east of Auburn Central Business District, 260 m to the north of the intersection of the M4 Motorway and Silverwater Road and 1.9 km to the north-east of Auburn Railway Station. Sydney Olympic Park is located approximately 1.6 km to the east. The site and area immediately adjoining the site is presently characterised by one-two storey older style detached dwellings on single allotments of land.

The site is currently developed for predominantly residential purposes, containing 14 single storey detached dwelling houses (12 now vacant) and a single commercial building located on the corner of Bligh Street and Silverwater Road which was previously used as a dry cleaning establishment. The property at 48 Silverwater Road on the corner of Silverwater Road and Carnarvon Street is currently undeveloped.

Existing surrounding development is historically residential with industrial, warehouse and commercial uses to north and east. Under Auburn Local Environmental Plan 2010 (Auburn LEP 2010), surrounding land is zoned B6 Enterprise Corridor, R3 Medium Density and R4 High Density. Despite the rezoning of the precinct and site to B6 Enterprise Corridor in 2008, more than 7 years ago, no properties within the immediate context of the site have been developed in accordance with the land use zone or controls for this part of Silverwater (i.e. business premises, light industries and warehouse or distribution centres). The majority of the precinct still contains detached dwellings on single allotments of land in fragmented ownership. This Planning Proposal consolidates fourteen (14) lots within the broader precinct into a single parcel of land and facilitates the orderly and economic development of land. The site provides a critical area and mass of land to realise a local centre in a coordinated fashion. Other areas within the precinct are fragmented and in multiple ownership. It is not reasonable to consider that they will be consolidated in a timely fashion.

This Planning Proposal demonstrates that residential development in the form of 'shop top' housing and residential flat buildings with a modest component of ground floor retail / commercial floor space can be developed on the site. Hilfor Property Pty Ltd are in a position to fulfil an identified need for retail and commercial space within the precinct and provide residential accommodation for some two hundred and fifty (250) households close to places of work at a time when investment certainty, housing affordability and land supply are key issues of concern at the national, state and local level.

The Planning Proposal would deliver the following social and economic benefits:

- The redevelopment opportunities on site facilitated by this Planning Proposal will revitalise the immediate area, particularly the western side of Silverwater Road which remains undeveloped;

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- Deliver 524 new jobs (143 direct and 381 indirect) throughout the construction phase and 189 permanent full and part time new job opportunities when operational will be contributed to the Auburn LGA and the 2031 employment targets of 12,000 jobs;
- Deliver new housing and contribute to diversity of housing stock within Auburn LGA by enabling a mixed use development integrating housing and employment opportunities to include 4,000m² of retail/commercial space and in the order of 250 new dwellings;
- Deliver new retail and commercial opportunities and services to meet the daily needs of existing residents in the area, additional incoming residents as a result of density increases under the existing Auburn LEP 2010, existing and future workers in the Silverwater Industrial Area and within the main area of B6 Enterprise Corridor zoned land on the opposite side of the M4 Motorway needs of current and future residents and workers without compromising established centres and trade areas;
- Locate new housing and jobs within an area accessible by public transport that will also benefit from the current plans to upgrade access to the Parramatta Road Corridor as part of WestConnex and the Department of Planning and Environment's 'A Plan for Growing Sydney' (December 2014); and
- Deliver public benefits in the form of a new publicly accessible through-site link with the potential for active uses fronting onto it.

This report has been prepared by APP Corporation Pty Ltd on behalf of Hilfer Property Pty Ltd and is based on plans and information provided by Mosca Pserras Architects and other supporting technical documents. It has been prepared in accordance with the Department of Planning and Infrastructure's 'A guide to preparing local Planning Proposals' (April 2013) and includes the following:

- a statement of the objectives;
- an explanation of the provisions proposed;
- the justification for those objectives, outcomes and provisions and the process for their implementation; and
- acknowledges that community consultation will be undertaken.

1.2. Structure of this Report

The Planning Proposal is structured as follows:

- Section 2 provides a detailed description of the site and surrounds;
- Section 3 presents the Planning Proposal;
- Section 4 provides an assessment of the needs and justification;
- Section 5 provides a detailed planning and environmental assessment of the proposal; and
- Section 6 is a conclusion.

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Site Analysis

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2. Site Analysis

2.1. Existing and Future Context

The site is located on the western of Silverwater Road, approximately 260 m to the north of the major cross-road / gateway intersection of M4 Motorway and Silverwater Road. It is approximately 2 km north-east of Auburn Central Business District and approximately 1.9 km north-east of Auburn Railway Station (refer to Figure 1). An aerial photograph of the site and its surrounding context is shown in Figure 2.

Silverwater, traditionally an established residential suburb, now contains large areas of land occupied by industrial / warehouse uses, particularly to the north of Carnarvon Street. The area immediately adjoining the site is presently characterised by one-two storey older style detached dwellings on single allotments of land. The area has a relatively low level of permeability and public domain.

Silverwater comprises an eclectic mix of residential properties of varying height, age, construction and design. There is not a consistent theme or character of the local area. It is not uncommon to come across a cluster of taller buildings or a single residential flat building surrounded by single storey detached dwellings. The surrounding area contains a number of stand-alone taller buildings. These include:

- 7 storey commercial building, approximately 530 m south of the site on the north-eastern corner of Silverwater Road and Parramatta Road;
- 4-5 storey residential flat buildings within Newington Town Centre (approximately 650m to the east of the site); and
- 4-30 storey buildings within Sydney Olympic Park (approximately 1.5 km to the east of the site) including the Novotel Hotel Tower at 15 storeys and 'One Australia Avenue' at 30 storeys).

Silverwater Road Industrial Area, located to the north of the site, on the opposite side of Carnarvon Street, is characterised by warehouses and distribution centres and light and heavy industrial developments. There is also a limited amount of commercial / industrial development to the east of the site, on the opposite side of Silverwater Road.

The immediate area is now zoned to allow redevelopment for a mix of commercial, industrial and higher density residential development. The site itself is located within a pocket of B6 Enterprise Corridor zoned land which is bound by Carnarvon Street to the north, residential properties on Barker Street to the east, the M4 Motorway to the south and existing open space (Hume Park and Deakin Park) to the west. The B6 Enterprise Corridor zone area is isolated from Auburn's main area of B6 zoned land which is located to the south of the M4 Motorway and fronting onto Parramatta Road (refer to Figure 2).

The future character the site and surrounding area, under the current B6 Enterprise Corridor zoning under Auburn LEP 2010 will comprise a mix of commercial and modern industrial development with heights of up to 14 m (equivalent 4-5 residential storeys) with limited opportunities for any retailing and multiple dwellings and residential flat buildings of between 3 and 5 storeys on residential zoned land. Within the B6 zoned land to the south of the M4 Motorway and within the 'Parramatta Road Precinct', Auburn LEP 2010 permits office, hotel and motel developments of up to 27 m in height (equivalent 9 residential storeys). The 'Parramatta Road Precinct' is 60 m to the south of the site.



Development consent has been granted for redevelopment of surrounding sites for medium and high rise buildings including residential, short-term accommodation and commercial/retail uses. Approval was granted for 3-4 storey mixed use development comprising 118 units and 23 commercial/retail units at 79-83 Beaconsfield Road, which is approximately 465 m east of the site. An approved 9 storey mixed used development comprising a hotel with ground floor commercial units is located at 188-194 Parramatta Road, which is approximately 740 m south-west of the site. Approximately 425 m south of the site and on the eastern side of Silverwater Road is an approved 6 storey commercial building.

Notwithstanding the above, there has been no large scale redevelopment at Silverwater or within the B6 Enterprise Corridor zone along Silverwater Road at this time.



Figure 1 – Locality Map (site indicated with red star)

2 



Figure 2 – Aerial photograph

2 



Figure 3 – Extract of Existing Zoning Map (Auburn LEP 2010)

The site is located relatively close to Auburn and Sydney Olympic Park Railway Stations and is serviced by Sydney Bus Route 544 that connects to Auburn Station and Macquarie, North Ryde (refer to Figure 4). Services run every 30 minutes on weekdays and are wheelchair accessible. Bus stops are located on eastern and western sides of Carnarvon Street, near Stanley Street approximately 105 metres walk from the site (refer to Figure 5). A journey from the subject site to Auburn Train Station takes approximately 9 minutes.



Figure 4 - Aerial image showing distance of the site from Auburn Rail Station and Sydney Olympic Park (source: www.nearmap.com)

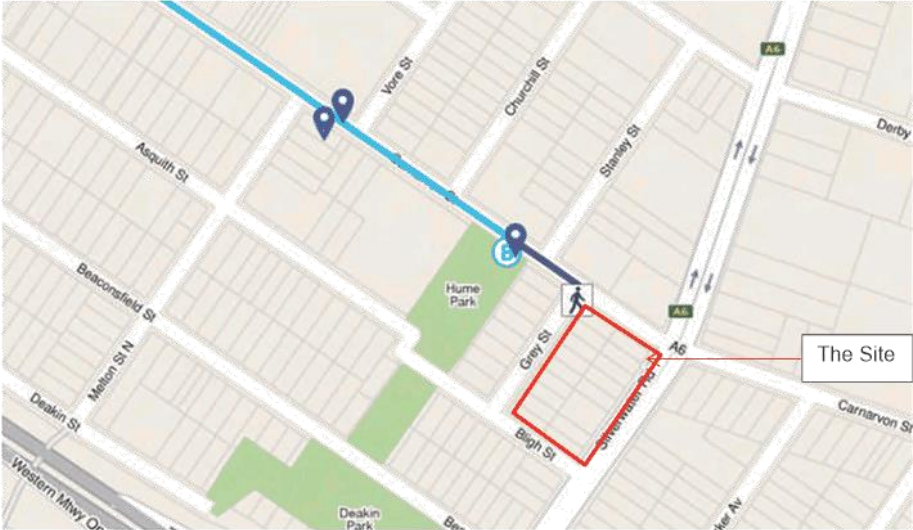


Figure 5 - Cadastral image showing location of bus stop for services connecting to Auburn Station

2.2. Site Description

The site comprises 14 lots and is legally described as:

- Lot 18 in DP 77341;
- Lots 8, 14, 15, 16 and 17, Section 5 in DP 979426;
- Lot 13 Section 5 in DP 75209;
- Lot 12 in DP 76894;
- Lots 5, 6 and 7 in DP 89550;
- Lot 1 in DP 90071; and
- Lots 1 and 2 in DP 1110059.



It is rectangular in shape and has an approximate area of 6,277 m² with a 107 m frontage to Silverwater Road, a 67 m frontage to Carnarvon Street, a 70 m frontage to Bligh Street and a 106 m frontage to Grey Street (refer to **Figure 6**). The site is currently owned by Hilfor Property Pty Ltd.

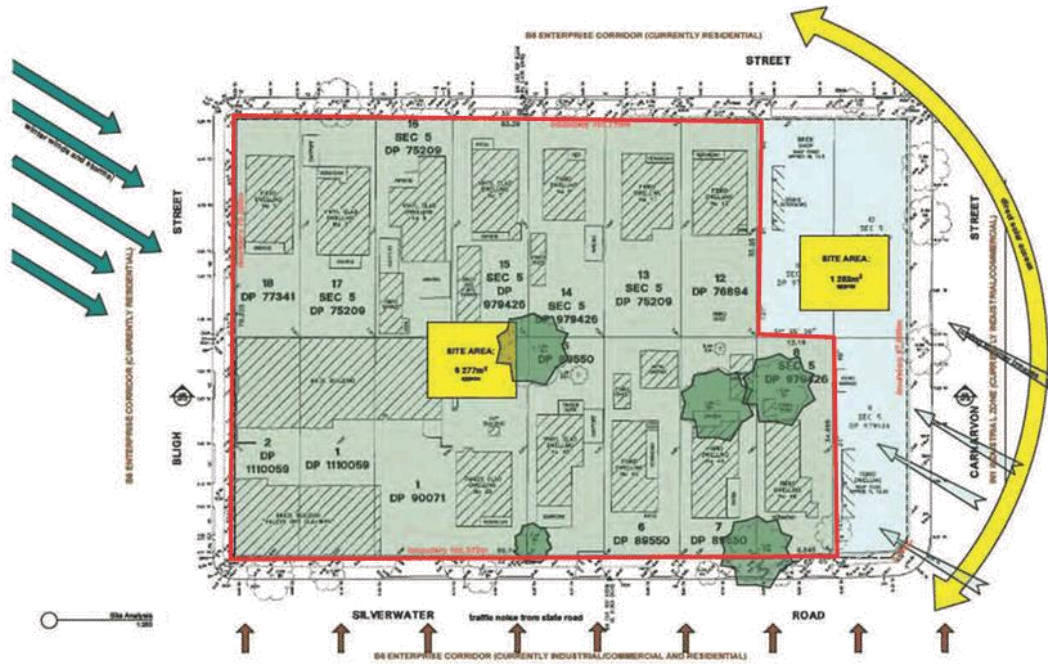


Figure 6 – Site Plan

2.3. Existing development

The site comprises 12 single storey detached dwelling houses (now vacant), a commercial building located on the corner of Bligh Street and Silverwater Road which was previously used as a dry cleaning establishment (refer to **Figures 7 and 8**).

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Figure 7 – Existing Development on the site

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Figure 8 – View of existing development on the site – vacant dry cleaner premises on corner of Silverwater Road and Bligh Street (top left), dwelling houses fronting Silverwater Road (top right) and dwelling houses fronting Grey Street (bottom left)

2.4. Landform and Topography

The topography of the area is characterised by a gently sloping to flat terrain.

2.5. Vegetation

The site is generally devoid of any significant vegetation. Street trees and grass ground covers are within the road reserve.

2.6. Vehicular Access and Transport

Silverwater Road is a principal arterial road forming a key north-south route in north western Sydney. It is a six lane divided carriageway with three traffic lanes in each direction with a 70 kilometre per hour speed limit. Silverwater Road includes clearways operating in both directions during weekday peak periods. Silverwater Road carries some 3,200 to 4,500 vehicles per hour in each direction during weekday peak periods.

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Carnarvon Street (north of the site) intersects Silverwater Road at a signalised intersection which permits both left and right turns into Silverwater Road. Carnarvon Street provides one traffic lane and another lane devoted to on-street parking in each direction. Carnarvon Street carries some 500 to 600 vehicles per hour in each direction during weekday peak periods.

Bligh Street (south of the site) connects to Silverwater Road at a non-signalised t-intersection, which only permits left in and left out turns into Silverwater Road. Bligh Street provides one traffic lane and another lane devoted to on-street parking in each direction.

Grey Street (west of the site) connects Carnarvon Street with Bligh Street. The intersections are non-signalised and permits all turns. Grey Street provides one traffic lane and another lane devoted to on-street parking in each direction. It also has a three tonne load limit.

Bus stops are located on either side of Carnarvon Street approximately 84 m west of the site. Route 544, operated by Sydney Buses, provides an hourly service with more frequent services operating during weekday peak periods. This route connects the site to Auburn Railway Station and Macquarie Centre. The site is approximately 80 m west of a north-south cycle route connecting Auburn and Sydney Olympic Park.

2.7. Open Space and the Public Domain

The site has excellent access to both active and passive areas of open space. The main areas of landscaped open space and public domain in close proximity to the site include:

- Hume Park – approximately 60 m to the west of the site;
- Deakin Park - approximately 130 m to the south-west of the site; and
- a linear park connecting Hume Park and Deakin Park.

In addition, there are a number of existing open space areas within Auburn and Sydney Olympic Park in the vicinity.

2.8. Surrounding Development

The land surrounding the site forms part of the B6 Enterprise Corridor. There are no properties in the immediate vicinity of the site that have been developed in accordance with the zone objectives for this part of Silverwater and the majority of sites contain detached dwellings on single allotments of land. The realisation of the types of uses identified in the B6 zone objectives in the future will change the character of this locality significantly.

2.8.1. To the North

Immediately north of the site and on the opposite side of Carnarvon Street is a two-storey commercial office and warehouse complex, which is occupied by 'EMG Express Media Group' (refer to **Figure 9**). Further north of the site and along Silverwater Road are warehouse, distribution centre and commercial office developments. These areas are zoned IN1 – General Industrial and are envisaged to maintain low-intensity industrial development, such as warehouse and distribution centre that incorporate commercial office development.

2



2.8.2. To the South

Immediately south of the site and on the opposite side of Bligh Street are single-storey detached dwelling houses (refer to **Figure 9**). Further south of the site is Deakin Park (110 m), Parramatta Road (560 m) and the Auburn Urban Centre (1.4 km). Areas to the south are zoned B6 Enterprise Corridor and RE1 Public Recreation. The adjoining block to the south of the site, comprised of single residential allotments, is expected under the B6 Enterprise Corridor to be consolidated and redeveloped into medium and high rise commercial/ retail roadside development that could be used for bulky goods retailing and/or hotel and motel accommodation.



Figure 9 – view of commercial office and warehouse development on the corner of Carnarvon Street and Silverwater Road (to the north of the site) (left) and dwelling houses on the opposite side of Bligh Street to the south of the site (right)

2.8.3. To the East

Immediately east of the site and on the opposite side of Silverwater Road are two and three storey commercial showroom and warehouse developments (refer to **Figure 10**) and single and double storey detached dwelling houses. Further east of the site is Newington Village, the former Olympic Village (320 m) and Sydney Olympic Park (1.5 km). Newington Village is comprised of a balance of low and medium density residential development in the form of detached and attached two storey dwellings and residential flat buildings. It features a commercial centre that is immediately surrounded by four and five storey residential flat buildings.

2.8.4. To the West

Immediately west of the site and on the opposite side of Grey Street are single-storey detached dwellings and a single-storey shop and warehouse, which is occupied by a meat products wholesaler (refer to **Figure 8**). This area is zoned R3 Medium Density Residential. The aim of the R3 zone is to encourage consolidation and redevelopment of individual residential allotments that are currently comprised of single detached dwelling houses to enable redevelopment to accommodate three and four storey residential flat buildings.

2



Figure 10 – Showrooms and warehouses on the opposite side of Silverwater Road to the east of the site (left) and Surrounding development on the opposite side of Grey Street to the west of the site (looking north-west (right))



Concept Planning

3



3. Concept Planning

A concept plan for the site has been developed by Mosca Pserras Architects to demonstrate the capability of the site to accommodate infill development (refer to concept drawings included at **Appendix A** and Figure 11).

3.1. Land use

The concept plan provides for a mixed use residential development with a maximum GFA of 23,539 m² comprising:

- 19,539 m² of residential floor space; and
- 4,000 m² of non-residential / retail floor space.

3.2. Site Planning and Layout

The long axis of two of these buildings is oriented towards, and built to the edge of Carnarvon and Bligh Streets (Buildings A and B). The third building (Building C) is situated between Carnarvon and Bligh Streets, and has its long axis running in east-west direction with frontages to both Grey Street and Silverwater Road. Building D sits between Building A and C and is built to Silverwater Road. Buildings A, C and D are connected by a single storey commercial podium, which is built to part of the site's Bligh Street and Silverwater Road frontages. Building A also sits above a single storey commercial / retail podium. Buildings A, C and D are separated from Building B by shared through-site link (refer to Figure 11 and 12).

The residential towers above the single storey commercial podium are setback between 3.5 m and 6 m from the site's property boundaries. Buildings A and D are separated by a distance of 24 m to accommodate an area of communal open space over the southern commercial podium. This separation distance is consistent with the building separation rules of thumb for buildings over 25 m in height as set out in the Residential Flat Design Code (SEPP 65). Buildings D and B are separated by a distance of approximately 21.8 m. Within this separation distance is the road and pedestrian link.

Concept elevations for site frontages are reproduced in **Figures 13-15**.

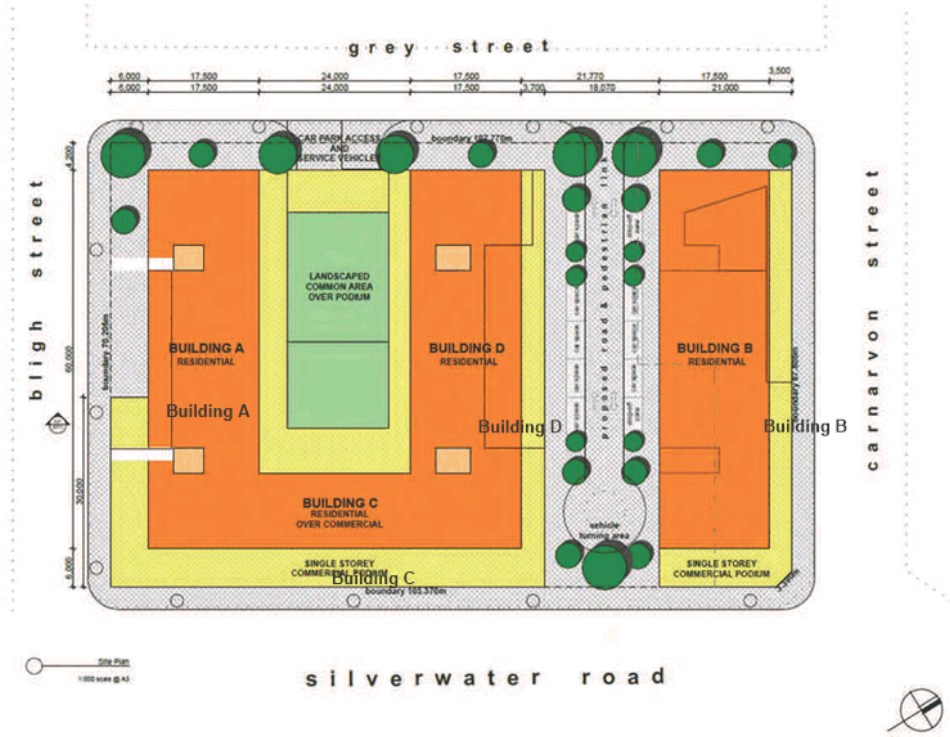


Figure 11 – Concept Plan

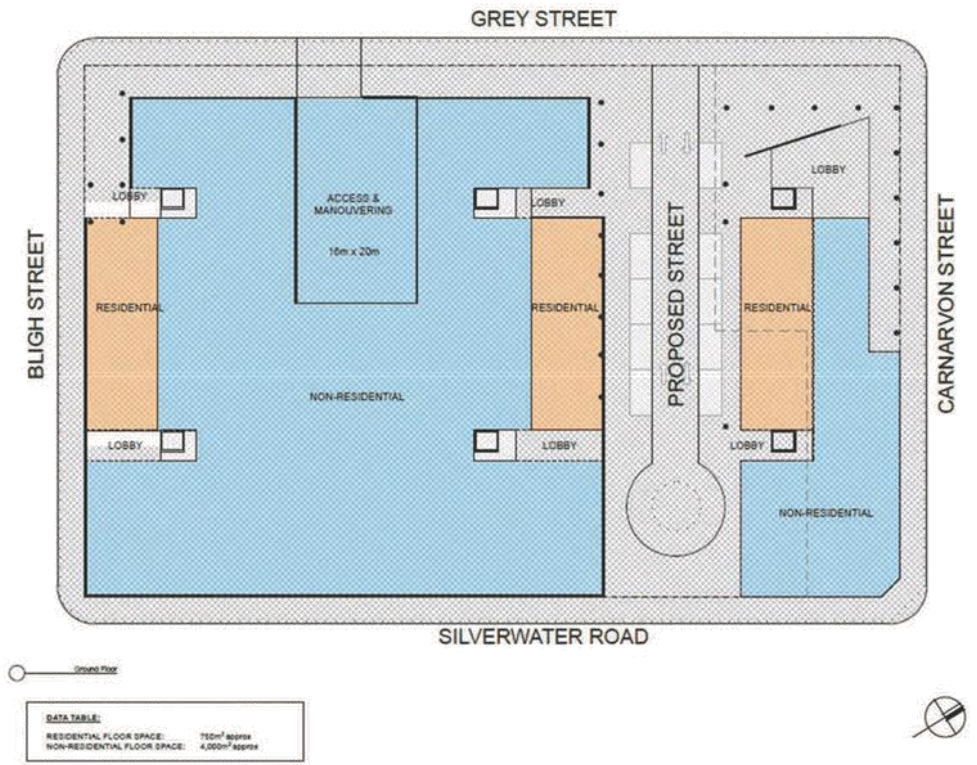


Figure 12 – Ground Floor Concept

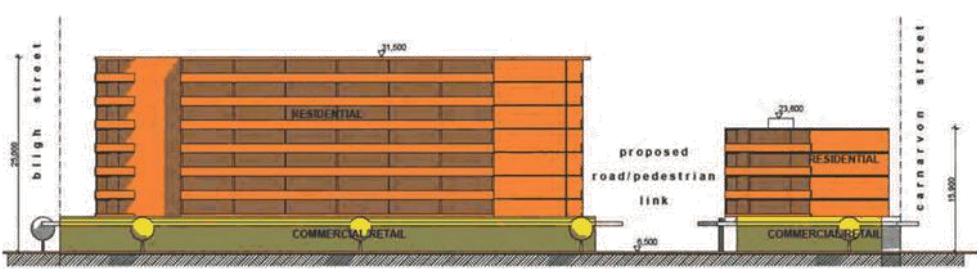


Figure 13 – Silverwater Road Concept Elevation

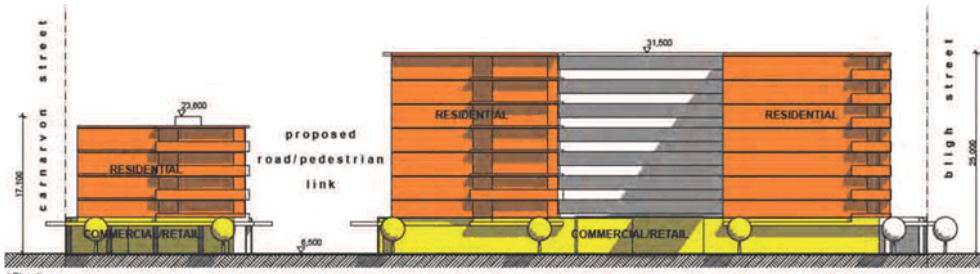
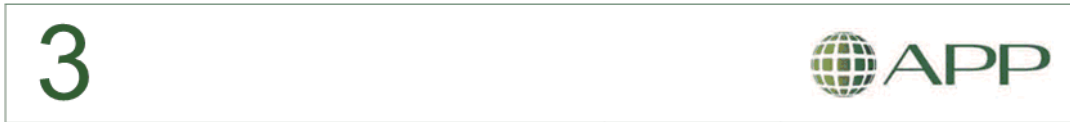


Figure 14 – Grey Street Concept Elevation

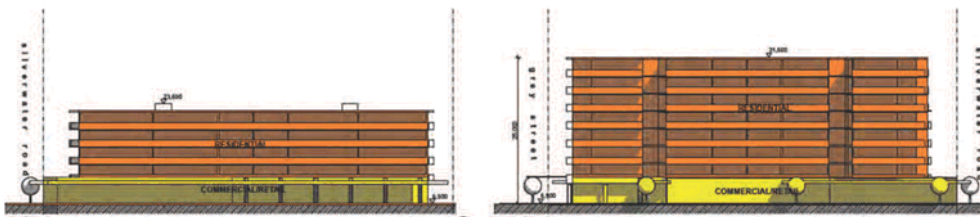


Figure 15 – Carnarvon (left) and Bligh Street (right) Concept Elevations

3.3. Residential Apartments

The concept proposal envisages approximately 250 apartments.

3.4. Retail /Commercial Space

The concept plan includes approximately 4,000m² of commercial / retail floor space at street level. The concept plan envisages that smaller shops will front and address the road and pedestrian link to assist with the activation of the building frontages to this link. These shops would accommodate smaller speciality stores, cafes, food and drink premises and restaurants to meet every day needs for urban living.

3.5. Vehicular Access and Parking

Two vehicular access points to the development would be provided from Grey Street. Driveways will provide for two-way traffic, with all movements permitted, and should be provided with widths and grades in accordance with the Australian Standard for Parking Facilities (Part 1: Off-street car parking), AS 2890.1:2004. The driveways will include maximum grades of 1:20 for six metres inside the property line for appropriate visibility between pedestrians and exiting vehicles. Specific details on driveway gradients would be required at the development application stage for the detailed design of the concept proposal.

3.6. Pedestrian Access

The residential foyers will be provided at street level to enable seamless pedestrian access to residential apartments from the street and other public areas. The road and pedestrian link provides direct pedestrian site-through access between Grey Street and Silverwater Road. Main entries to the commercial/retail podiums would be provided along the road and pedestrian link. Secondary entries would then be provided along the site’s Silverwater Road frontage.

4

APP Corporation



Planning Proposal

4



4. Planning Proposal

4.1. Part 1 - Objectives and Intended Outcomes

The objective of the Planning Proposal is to rezone the site from B6 Enterprise Corridor to B2 Local Centre under Auburn LEP 2010 to enable the redevelopment of the site for a mixture of compatible land uses including the a maximum 4,000m² GFA. The intended outcome of the Planning Proposal is to facilitate redevelopment and urban renewal of the site in a coordinated fashion and in doing so achieve the site's highest and best use. The Planning Proposal will achieve a mixed used development comprising 4,000m² retail / commercial floor space, with residential accommodation in the form of shop top housing and residential flat buildings above basement level car parking and common open space.

The proposed amendment to the Auburn LEP 2010 will facilitate development that will meet the daily needs of residents and workers within the area by generating new housing, diversity housing choice and local employment opportunity as well as providing for new retail offering that will improve competitive pricing options without significantly affecting the viability of established centres.

4.2. Part 2 - Explanation of Provisions

This Planning Proposal seeks to amend the Auburn LEP 2010 as it applies to the subject site, as per Tables 1 - 5 below.

- Amend the Land Zoning (LZN) Map (Sheet LZN_006) as per Table 1.

Table 1 – LZN Map changes

<i>Current (Auburn LEP 2010)</i>	<i>Proposed amendment</i>
B6 Enterprise Corridor zone	B2 Local Centre zone

- Amend the Lot Size (LSZ) Map (LSZ_006) as per Table 2.

Table 2 – LSZ changes

<i>Current (Auburn LEP 2010)</i>	<i>Proposed amendment</i>
Shaded light red and marked "u"	Land excluded from application Lot Size requirements

- Amend the Height of Buildings (HOB) Map (HOB_006) as per Table 3.

Table 3 – HOB Map changes

<i>Current (Auburn LEP 2010)</i>	<i>Proposed amendment</i>
14 metres	25 metres

- Amend the Floor Space Ratio (FSR) Map (FSR_006) as per Table 4.

Table 4 – FSR Map changes

<i>Current (Auburn LEP 2010)</i>	<i>Proposed amendment</i>
1.0:1	4.0:1



- Amend the Key Sites Map (KYS_006) as per Table 5

Table 5 – Key Sites Map changes

Current (Auburn LEP 2010)	Proposed amendment
Land not identified	Identify 14 lots bound by Silverwater Rd, Grey Street, Bligh Street and Carnarvon Street (legally described as Lot 18 DP77341, Lots 8, 9, 10, 11, 14, 15, 16 and 17 Section 5 DP979426, Lot 13 Section 5 DP75209, Lot 12 DP76894, Lots 5, 6 and 7 DP89550, Lot 1 DP90071 and Lots 1 and 2 DP1110059) as a “Key Site”

- Amend the written instrument to insert a new clause under Part 6 Additional Local Provisions as follows:

“6.X *Development in the Silverwater Road Commercial Precinct*

- (1) *This clause applies to the land known as the Silverwater Road Precinct, as shown edged dark blue and marked “Silverwater Road Commercial Precinct” on the Key Sites Map.*
- (2) *Despite any other provisions within this plan development consent may only be granted to development of the Silverwater Road Commercial Precinct where the consent authority is satisfied that a minimum of 2,500 square metres of gross floor area will be available for the purpose of retail/commercial premises on the land.*
- (3) *Despite Clause 4.3 consent may be granted to a building with a building height up to but not exceeding 32 metres, where the consent authority is satisfied that the development reflects design merit.*

4.2.1. Proposed Land Use zone

The B2 Local Centre zone is considered an appropriate zone for the site. It is proposed to adopt the land use table for the B2 Local Centre zone as currently set out in Auburn LEP 2010. It is not proposed to nominate any additional permitted uses on the site.

Auburn LEP 2010 identifies development that is prohibited and specifies that all development not otherwise specified is permissible. The zone objectives and permissible uses within the B2 Local Centre zone as set out in Auburn LEP 2010 are as follows:

1 Objectives of zone

- *To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.*
- *To encourage employment opportunities in accessible locations.*
- *To maximise public transport patronage and encourage walking and cycling.*
- *To encourage high density residential development.*
- *To encourage appropriate businesses that contribute to economic growth.*
- *To achieve an accessible, attractive and safe public domain.*

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**2 Permitted without consent**

Nil

3 Permitted with consent

Boarding houses; Child care centres; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Function centres; Group homes; Information and education facilities; Medical centres; Passenger transport facilities; Recreation facilities (indoor); Registered clubs; Residential flat buildings; Respite day care centres; Restricted premises; Roads; Self-storage units; Service stations; Serviced apartments; Shop top housing; Tourist and visitor accommodation; Warehouse or distribution centres; Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; Air transport facilities; Animal boarding or training establishments; Boat building and repair facilities; Boat sheds; Camping grounds; Caravan parks; Cemeteries; Charter and tourism boating facilities; Correctional centres; Crematoria; Depots; Eco-tourist facilities; Electricity generating works; Environmental facilities; Exhibition homes; Exhibition villages; Extractive industries; Farm buildings; Forestry; Freight transport facilities; Heavy industrial storage establishments; Highway service centres; Home occupations (sex services); Industrial retail outlets; Industrial training facilities; Industries; Marinas; Mooring pens; Moorings; Open cut mining; Port facilities; Recreation facilities (major); Research stations; Residential accommodation; Rural industries; Sewerage systems; Sex services premises; Storage premises; Transport depots; Waste or resource management facilities; Water recreation structures; Water supply systems; Wharf or boating facilities; Wholesale supplies

4.2.2. Explanation of land use zone selection

It is proposed to apply the B2 Local Centre zone to the site as it appropriately reflects the intended outcome of the Planning Proposal and the site to provide a range of non-residential retail / commercial uses as well as residential uses.

As described in the DoP's LEP Practice Note PN 06-002 the B2 Local Centre Zone is intended for "...centres that provide a range of retail, business, entertainment and community functions that typically service a wider catchment than a neighbourhood centre."

The Planning Proposal will deliver new retail and commercial opportunities and services to meet the daily needs of existing residents in the area, additional incoming residents as a result of density increases under the existing Auburn LEP 2010, existing and future workers in the Silverwater Industrial Area and within the main area of B6 Enterprise Corridor zoned land on the opposite side of the M4 Motorway and the needs of current and future residents and workers without compromising established centres and trade areas. The use of the B2 Local Centre zone is also consistent with the recommendations set out in the *Draft Auburn Employment Lands Strategy* (October 2014) which nominates a B2 Local Centre within the precinct within which the site is located. This study was endorsed by the elected Council on 20 May 2015. The majority of the precinct still contains detached dwellings on single allotments of land in fragmented ownership. This Planning Proposal consolidates fourteen (14) lots within the broader precinct into a single parcel of land. The site provides a critical area and mass of land to realise a local

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centre in a coordinated fashion. Other areas within the precinct are fragmented and in multiple ownership. It is not reasonable to consider that they will be consolidated in a timely fashion.

4.2.3. Principal Development Standards

It is intended that the LEP Amendment will contain principal development standards for:

- Maximum height of buildings; and
- Maximum floor space ratio.

It is not proposed to retain the existing development standard for minimum subdivision lot size on the site.

Maximum Height of Buildings

Currently, a maximum building height of 14 metres applies to the site. It is considered that increasing the general maximum permitted height on the site to predominantly 25 m is required to facilitate the establishment of a landmark development. The inclusion of a site specific local provision within Part 6 of Auburn LEP 2010 to permit a building with a height of up to but not exceeding 32 m is permitted subject to the consent authority being satisfied that the proposed development reflects design merit.

The proposed increase in building height is considered appropriate in that:

- It is located along a buffer strip and along a distinctive 'gateway' location;
- the height of buildings on the site is of a scale that is compatible with the desired future character of surrounding development to the south of the site (60 m), on the opposite side of the M4 Motorway which permits buildings of up to 27 m in height);
- it will provide visual interest and opportunities to enhance the existing skyline;
- the proposed heights enables the provision of generous floor to ceiling heights which will promote high levels of internal amenity;
- the proposal will not result in any material or significant adverse environmental impacts to adjoining properties or the public domain; and
- the proposed building forms are consistent with a number of buildings approved, built or currently under construction within the broader area including Newington and Sydney Olympic Park.

Maximum Floor Space Ratio

The maximum FSR proposed for the site is 4:1. It is proposed that the Planning Proposal include a local provision that a minimum 2,500m² of gross floor area be available for the purpose of retail / commercial GFA.

4.2.4. Development Control

It is proposed to apply the relevant provisions of Auburn Development Control Plan 2010.

4.3. Part 3 - Justification

The justification of the Planning Proposal is set out under the following probe questions asked in the Department of Planning and Infrastructure's *Guide on Preparing Planning Proposals*.

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Need for the Planning Proposal

The Planning Proposal is not the result of any strategic study. It is proposed to replace the B6 Enterprise Corridor zoning with a B2 Local Centre zone, on the basis that the detailed planning for the site and economic report prepared in support of the Planning Proposal has identified that the quantum of B6 Enterprise Corridor land as provided for under Auburn LEP 2010 is not required. The Planning Proposal responds to the site context to provide integrated employment and housing opportunities within an existing urban context accessible to public transport, pedestrian and cycle routes and road networks.

The most appropriate land use and built form for the site is a mixed use development providing services to meet the daily needs of workers and residents, including a minimum 2,500m² of retail / commercial space including a supermarket and residential accommodation. All forms of "Residential Accommodation" and "Retail Premises" are currently prohibited within the B6 Enterprise Corridor zone under the Auburn LEP 2010.

The range of uses and built form envisaged for the site:

- Provides an intentionally limited retail/commercial floor area to achieve economic viability of the site without compromising the economic dominance or viability of identified centres;
- Ensures that the future intensity of the mixed use development and likely traffic generation can be accommodated within the existing traffic network without adversely affecting current Levels of Service at nearby intersections;
- Adopts a site layout that:
 - reduces the number vehicular cross overs to Silverwater Road, thereby improving potential traffic flows along a major arterial road;
 - will maintain a reasonable level of residential amenity along the western side of Grey Street, in the short term or until it is redeveloped in accordance with the Auburn LEP 2010 zoning for the land;
 - will facilitate a building footprint and variable building height to effectively define and activate street edges along Silverwater Road, Camarvon Street and Bligh Street of the local area;
 - will improve pedestrian permeability through the provision of site through links connecting Grey Street and Silverwater Road.
- Will provide a suitable scale/intensity retail offerings to meet the daily needs of residents and employees;
- Will achieve an intensity of non-residential use, suitable to achieve, in part, the new jobs targeted for the site under Auburn Council's strategic land review; and
- Will contribute to the quantum of housing stock available within the Auburn LGA and diversity housing choice.

Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

Auburn LEP 2010 is the principal environmental planning instrument applying to the site. Auburn LEP 2010 was prepared in accordance with the *Standard Instrument—Principal Local Environmental Plan* (Standard Instrument) and was gazetted on 29 October 2010. It is considered that a stand-alone Planning Proposal is the best means of achieving the objective and intended outcome for the site. If the Planning Proposal is supported, the Auburn LEP 2010 maps (land zoning; height of buildings and floor space ratio) would need to be amended accordingly.

Is there a net community benefit?

The Planning Proposal would deliver the following community benefits:

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- 524 new jobs, direct and indirect throughout the construction phase and a 189 permanent full and part time new job opportunities when operational will be contributed to the Auburn LGA and the 2031 employment targets of 12,000 jobs;
- Deliver new housing and contribute to diversity of housing stock within the LGA by enabling a mixed use development integrating housing and employment opportunities to include 4,000m² of retail/commercial space and in the order of 250 new dwellings;
- Deliver new retail opportunities and services to meet the needs of current and future residents and workers without compromising established centres and trade areas; and
- Locate new housing and jobs within an area accessible by public transport under the current Metropolitan Plan for Sydney 2036 that will also benefit from the current plans to upgrade access to the Parramatta Road Corridor as part of the West Connex Project and the Department of Planning and Environment's 'A Plan for Growing Sydney' (December 2014).

Relationship to strategic planning framework

NSW 2021- A Plan to Make NSW Number 1 (2011)

The NSW 2021 Plan aims to rebuild the NSW economy, provide quality services, renovate infrastructure, restore government accountability and strengthen NSW's local environment and communities. The Plan comprises five sub-strategies. The main sub-strategy that is of relevance to this Study is Rebuild the Economy as it encourages more land to be made available for housing. The Plan sets a target for the delivery of +25,000 new dwellings in Sydney per year to 2021. The Plan aims to increase the percentage of the population who can travel less than 30 minutes by public transport to a city or major centre in metropolitan Sydney. More specifically the Plan identifies that there should be an increase in the proportion of total journeys to work by public transport in the Sydney Metropolitan Region.

A Plan for Growing Sydney (2014)

A Plan for Growing Sydney, released in December 2014, sets the broad targets of 664,000 new homes and 689,000 new jobs in the Sydney region by 2031. It defines six new subregions but the housing and job targets for each of the subregions will not be established until the strategies have been prepared. These will replace the former 2007 subregional strategies. A Plan for Growing Sydney designates Sydney Olympic Park as a Strategic Centre. It also establishes a new Priority Growth Area – the Greater Parramatta to the Olympic Peninsula. The aim is to ensure long term employment growth, to provide capacity for additional mixed use development which includes offices, retail, services and higher density housing and to identify and deliver enabling infrastructure to support that growth and urban renewal.

The redevelopment of the site for predominantly high density residential development has the potential to contribute to housing affordability (through unit size and product) and will also provide housing near jobs and future business investment, in the Silverwater Industrial Area to the north and increase in non-residential development anticipated in the B6 Enterprise Corridor, particularly to the south of the site within the Parramatta Road Precinct which comprises the largest tract of B6 Enterprise Corridor zoned land. The emphasis on improving access to and within the corridor (public transport, vehicular, pedestrian and cycle) will encourage further public transport patronage, assist to combat car dependency, and provide an impetus to boost development densities. The planning proposal is not considered inconsistent with this policy. In relation to employment, the site is not currently used for commercial / retail / industrial purposes, nor has it accommodated an industrial use in the past and does

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not contribute to job numbers in the subregion. Providing additional housing as part of the development of the site and up to 4,000m² of retail floor space will introduce an employment function of the site. Retail offerings in the future development of the site will need to be limited to complement rather than compete with established retail areas of Auburn and Sydney as a whole. The Planning Proposal seeks to limit the amount of non-residential floor space on the site, to approximately 4,000m² of GFA. It is expected that this will comprise a small scale supermarket, specialities and a major liquor store.

Auburn LGA Residential Development Strategy (2014)

This purpose of this document prepared by AECOM is to provide a 20 year strategy to guide planning for future housing needs in Auburn City. It estimates a need for almost 20,000 more dwellings to house the forecast 53,000 new residents from 2011 to 2031. The document recognises the Planning Proposal for the subject site as contributing to the LGA target.

Draft Auburn Employment Lands Study (2014)

This document prepared by AEC Group provides a strategy for employment lands, including commercial centres, in the Auburn LGA. The strategy identifies the need for a further 102,000sqm of retail floor space in the LGA from 2013 to 2031 of which almost 70% is required in the northern suburbs (north of the M4 Motorway). This area will require the equivalent of 3 to 4 full-line supermarkets over this period. The recommended retail hierarchy includes a proposed local centre on the subject site on Silverwater Road.

The state and regional planning policies have designated the Parramatta to Olympic Park as a priority growth corridor and Sydney Olympic Park as a strategic centre. Significant priorities are to ensure employment growth, and to provide capacity for additional mixed use development which includes offices, retail, services and higher density housing. As such the proposed development which will provide 250 residential apartments and 4,000sqm of employment generating uses accords with the regional planning policies and draft local strategies.

Is the Planning Proposal consistent with the local council's Community Strategic Plan, or other local strategic plan?

The adopted Auburn City Community Strategic Plan 2011 - 2021, provides a vision, themes and outcomes for Auburn City that are to be achieved by Council within the next 10 years. The proposed Planning Proposal and new development standards for the site is consistent with Council's vision to provide high quality development providing new housing and jobs within areas accessible by public transport. Specifically the Planning Proposal responds to Council's Strategic visions outlined under the strategic themes for "Our community" and "Our places", through the following:

- Generation of local employment, direct and indirect, through construction and into operation. The provision for 4,000m² of non-residential floor space, allowing for a mix of commercial and retail offerings will provide 189 permanent new full and part time jobs for mix of skill levels (unskilled, semi-skilled & skilled).
- Rezoning the land B2 Local Centre zone will allow for Residential Accommodation, in the form of shop top housing and residential flat buildings, facilitating new housing for Auburn LGAs rapidly growing population, whilst contributing to the quantum of housing available and the diversification of housing type.
- The delivery of new housing may contribute to housing affordability within the LGA.

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- Delivery of a quality redevelopment that will contribute to enhancing the public domain and streetscape, through architectural evolution of development along Silverwater Road and diversification of building types.
- Provision for a mixed use development, containing ground floor active uses and upper level residential accommodation, will improve casual surveillance of the public domain and contribute positively to safety and security of the immediate area.
- The Planning Proposal responds to the physical and socio-economic environment of the area and will contribute to achieving the objectives and aims of Auburn Council and the Community as expressed through the themes of "our community" and "our place".

Is the Planning Proposal consistent with applicable State/Regional Environmental Planning Policies?

None of the Sydney Regional Environmental Plans (deemed SEPP) are applicable to the site.

SEPP No. 55 – Remediation of Land

The majority of land within the subject site has a known history for residential use. A Phase I and II Environmental Site Audit was undertaken on land known as Nos. 1- 13 Grey Street and Nos. 32 – 46 Silverwater Road which resolved the site was suitable for its intended residential use (refer to **Appendix B**). In addition to S.149 Certificates were obtained from Auburn Council in relation to properties at No. 15 – 17 Grey Street and No. 48 Silverwater Road, which indicate the land is not registered as contaminated and has no known history of contaminating uses. This is confirmed by 1943 Aerial images from six viewer that shows the land in the early stages of residential subdivision.

Notwithstanding the above, future development of the land, to provide basement level parking will require the substantial excavation of the land. Subsequent construction, to provide a predominantly commercial/retail ground level use will further prevent any potential adverse effects arising from a continued residential use. The Planning Proposal has addressed the provisions of the SEPP 55 and will not hinder the application of SEPP.

SEPP No. 59 - Central Western Sydney Regional Open Space and Residential

The Planning Proposal does not relate to land currently zoned for the purpose of Regional Open Space or as a Residential zone. The proposal will not hinder the application of the SEPP.

SEPP No. 62 – Sustainable Aquaculture

The Planning Proposal will not hinder the application of the SEPP

SEPP 64 - Advertising and Signage

The Planning Proposal will not hinder the application of the SEPP.

SEPP No.65 – Design Quality of Residential Flat Development

SEPP 65 applies to all new residential flat buildings across the State. The Planning Proposal envisages the site would accommodate residential flat buildings. The detailed design of future residential flat buildings will be subject to the provisions of SEPP 65 and the Residential Flat Design Code (RFDC) as part of the development application process. A full assessment of the Planning Proposal against SEPP 65 and RFDC cannot be undertaken at this stage. The concepts presented in the Planning Proposal broadly have regard to the rules of thumb set out in the RFDC, such as building separation distances to respect privacy and solar access for each building.

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SEPP No. 70 - Affordable Housing (Revised Scheme)

The Planning Proposal will not hinder the application of the SEPP.

SEPP No. 71 – Coastal Protection

The Planning Proposal will not hinder the application of the SEPP.

State Environmental Planning Policy (Affordable Rental Housing) 2009

The Planning Proposal will not hinder the application of the SEPP.

State Environmental Planning Policy (Building sustainability Index: BASIX) 2004

The Planning Proposal will not hinder the application of the SEPP.

State Environmental Planning Policy (Exempt and Complying Codes) 2008

The Planning Proposal will not hinder the application of the SEPP.

State Environmental Planning Policy (Housing for Seniors and People with a Disability) 2004

The Planning Proposal will not hinder the application of the SEPP.

State Environmental Planning Policy (Infrastructure) 2007

The Planning Proposal will not hinder the application of the SEPP. Future redevelopment of the land is guided by the concept plan developed as part of the proposal that would reduce the number of driveway crossings onto the, major arterial road, Silverwater Road. A transport study has been submitted in support of the Planning Proposal, to demonstrate that there is adequate capacity within the existing road network to support the land use and zoning change. Detailed consideration would be given to road traffic noise and detailed traffic generation as part of DA. The future development would be designed and constructed to ensure suitable internal noise amenity.

Is the Planning Proposal consistent with applicable Ministerial Directions (s.117 directions)?

The following section 117 Directions are relevant to the Planning Proposal:

Direction 1.1: Business and Industrial Zones

The objectives of this direction are to:

- a) encourage employment growth in suitable locations,
- b) protect employment land in business and industrial zones, and
- c) support the viability of identified strategic centres.

The site is zoned B6 Enterprise Corridor with an FSR control of 1:1. The Planning Proposal will maintain a business zone, as B2 Local Centre and will achieve retail/commercial space of 4,000m² GFA. As such the rezoning will not reduce the quantum of employment generating floor space. Instead delivering a potential increase in new job opportunities due to the higher end use permitted within B2 Local Centre to include retail and commercial floor space. The rezoning does not affect the delivery of industrial land and provides for a suitable transition zone between the adjacent industrial zone to the north of the site and residential to the west and south.

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The Hill PDA report into the economic viability of the site and potential impacts on surrounding centres resolves that the establishment of a B2 Local Centre at the site will meet local resident and worker demand without affecting the dominance and viability of identified centres and create positive competition between providers.

The Planning Proposal delivers employment land in both business and retail sectors to the site, thereby encouraging employment growth in Silverwater and in the Auburn LGA as a whole.

Direction 3.1: Residential Zones

The objectives of this direction area:

- a) *to encourage a variety and choice of housing types to provide for existing and future housing needs,*
- b) *to make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and*
- c) *to minimise the impact of residential development on the environment and resource lands.*

Rezoning the land from B6 Enterprise Corridor to B2 Local Centre will, in part, facilitate redevelopment of the site for the purpose of a mixed use development containing shop top housing and residential flat building forms of residential accommodation.

The site is located within an established urban area, supported by infrastructure, services and public transport.

The rezoning will facilitate the redevelopment of the site, delivering new and additional housing as well as diversifying the local housing types that is dominated by detached and semi-detached dwellings, which accounts for 66.1 per cent of all housing in Auburn LGA (Auburn City Council, Community Profile, Housing Dwelling Structure).

The Planning Proposal will facilitate the delivery of new housing and alternate housing types/structures to the market in a mix of sizes making a positive contribution to affordability for housing within the LGA.

The Planning Proposal includes provisions to alter the principal development standards applying to the land. Maximising the development potential is contingent on the future design demonstrating design merit.

The Planning Proposal is consistent with the Direction 3.1.

Direction 3.4: Integrating Land Use and Transport

The objective of this direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives:

- a) *improving access to housing, jobs and services by walking, cycling and public transport, and*
- b) *increasing the choice of available transport and reducing dependence on cars, and*
- c) *reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and*
- d) *supporting the efficient and viable operation of public transport services, and*
- e) *providing for the efficient movement of freight.*

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The site is existing urban land proposed to be rezoned from B6 Enterprise Corridor to B2 Local Centre. The site is supported by existing transport options including a local bus service connecting to Auburn Rail Station thereby providing access to the broader metropolitan region. The site is a 25 minute walk from the station, connected by a formalised and maintained pedestrian path and the north-south cycle link to the specialised centre of the Sydney Olympic Park is a short 80 metre walk from the site. 'A Plan for Growing Sydney' (December 2014) has identified land within the Parramatta Road Corridor for future improvement in accessibility through delivery of improved public transport, cycling and pedestrian routes. Hill PDA has analysed the potential impacts of the rezoning on neighbouring centres and determined that the delivery of 4,000m² of retail/commercial floor space in an out of centre location will not adversely affect existing infrastructure investment into centres or their economic viability.

A traffic impact statement has been prepared by Colston Budd Hunt and Kafes Pty Ltd indicates that there is sufficient capacity within the road network and intersections to absorb additional traffic likely to be generated by the alteration in land use types and mix. The proposal is consistent with Principle 3 of the Improving Transport Choice - Guidelines for planning and development. The sites proximity to the Parramatta Road Corridor and future public transport upgrades will, on rezoning, establish a new centre along an urban corridor making the site more accessible for workers and residents. Principal 5 is achieved through planning for pedestrian permeability through the site with the establishment of a new access road and site through link from Grey Street to Silverwater Road.

Direction 4.1: Acid Sulfate Soils

The site is identified as containing Class 5 Acid Sulfate Soils (ASS), reflecting the lowest probability for the presence of ASS. These matters will be addressed as part of a construction management plan at DA stage.

Direction 4.3 - Flood Prone Land

The site is not identified as a flood control lot. The Planning Proposal not inconsistent with this direction.

Direction 6.1: Approval and Referral Requirements

The Planning Proposal does not include provisions requiring concurrence, consultation or referral of development applications to a Minister or public authority.

Direction 6.3: Site Specific Provisions

The objective of this direction is to discourage unnecessarily restrictive site specific planning controls.

The Planning Proposal seeks to rezone the site from B6 Enterprise Corridor to B2 Local Centre where retail and commercial premise are permitted. The inclusion of a local provision to ensure a minimum retail/commercial gross floor area is to ensure the viability of the land, as supported by the economic report prepared by Hill PDA. The inclusion of the local provision in particular a requirement for a minimum 2,500m² of retail space is not inconsistent with the direction as it ensures critical mass of retail space to ensure economic viability that will complement surrounding centres without affecting existing investment or viability.

Direction 7.1: Implementation of the Metropolitan Plan for Sydney 2036

The objective of this direction is to give legal effect to the vision, transport and land use strategy, policies, outcomes and actions contained in the Metropolitan Plan for Sydney 2036.

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The Metropolitan Plan for Sydney 2036 identifies Silverwater as forming part of the “significant freight industry” that extends from Chullora and Enfield to south up to Silverwater in the north. Notably, the subject site does not identified as employment land that forms part of this industry cluster and therefore is not part of the Metro Plans vision for the Silverwater area. The primary objectives of the Metropolitan Plan is to deliver new housing and jobs within established urban environments with access to public transport networks. The rezoning of the subject site to B2 Local Centre, will deliver an integrated mixed use development providing new housing and jobs on land within an established urban context, that is within proximity to and served by local bus routes and is positioned to benefit from the West Connex project that will contribute to the renewal of Parramatta Road and improvement to local transport networks further strengthening the position of the land and its suitability for the proposed development. The Planning Proposal is not inconsistent with the broad aims and objectives of the Metropolitan Plan for Sydney 2036.

Is the Planning Proposal consistent with a Council’s local strategy or other strategic plan?

A detailed discussion of the Planning Proposal’s relationship to the relevant strategies is included at Section 5. The site forms part of an established Parramatta Road Corridor and Investigation for Transport and Urban Renewal area. The Parramatta Road Corridor offers prime regeneration opportunities to create lively, well-designed centres with improved north-south and east-west linkages. Providing additional housing as part of the development of the site is aligned with the priorities of the corridor, particularly providing higher population density in proximity to future business investment. The emphasis on improving access to and within the corridor (public transport, vehicular, pedestrian and cycle) will encourage further public transport patronage, assist to combat car dependency, and provide an impetus to boost development densities. Whilst the Draft West Central Subregional Strategy has been superseded, the policy does set housing capacity targets of 95,000 new dwelling from 2004 to 2031. Of these additional dwellings, Auburn LGA would accommodate 17,000 additional dwellings with at least 50 per cent of those dwellings to be located within 30 minutes by public transport to a Strategic Centre (i.e. Auburn). These housing targets were devised to assist Council in nominating land use zones and appropriate development standards to sites during the preparation of comprehensive LEPs. This means the remaining 50 per cent of additional dwellings can be accommodated through infill development. The Draft Subregional Strategy also projects an increase of 61,000 jobs in the West Central Subregion by 2031. Of these, it is anticipated that 12,000 jobs will be provided locally in the Auburn LGA. In relation to employment in Silverwater, existing sites which presently function as industrial areas and provide a regional / national economic role (including heavy and light manufacturing or major freight activities have been identified as needing to be retained under the Draft West Central Strategy (page 30). The site is not currently used for industrial purposes, nor has it accommodated an industrial use in the past and does not contribute to job numbers in the subregion. Providing additional housing as part of the development of the site and up to 4,000m² of retail floor space will introduce an employment function of the site. Retail offerings in the future development of the site will need to be limited to complement rather than compete with established retail areas of Auburn, the West Central Subregion and Sydney as a whole. The Planning Proposal seeks to limit the amount of non-residential floor space on the site, to approximately 4,000m² of GFA. It is expected that this will comprise a small scale supermarket, specialities and a major liquor store. The Planning Proposal is not inconsistent with any s.117 directions.

Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

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The site is occupied by a number of built structures. It is highly unlikely that the site would contain any critical habitat for threatened species, populations or ecological communities, or their habitats and it is not expected that any threatened species, populations or ecological communities will be adversely affected as a result of the proposal.

Has the Planning Proposal adequately addressed any social and economic effects?

In summary, the proposal has a number of positive social impacts, namely:

- encourages pedestrian circulation throughout the site and surrounding areas;
- will provide high quality residential space that can contribute to housing affordability, provides housing in proximity to employment areas and through local spending will have flow on effects to local retailers and other service providers;
- will provide quality office and retail space (proposed to be limited) that complements existing centres within Auburn;
- provides permanent and construction employment opportunities;
- allows for greater natural surveillance of internal and external spaces on the site promoting safety;
- provides day and night time activation of the site through the introduction of a mix of retail and commercial uses at street level and along envisaged through-site link;
- promotes state government initiatives by providing high quality residential, commercial and modest component of retail space in close proximity to other services and facilities, in particular public transport;
- provides services and facilities to satisfy the needs of workers in the surrounding area (existing and future); and
- is a catalyst for future redevelopment within the area.

In relation to economic impacts:

- The potential impact of the proposed development on existing centres would be relatively modest ranging between -1.1% (Rhodes) to -10% (Newington). The impacts on centres such as the Auburn Town Centre and Rydalmere are estimated to be in the order of - 5.0% to -5.1%. Impacts of less than 5% generally are classified by retail analysts as being in the 'very low' category of impact. Accordingly, the impacts on the Auburn Town Centre and Rydalmere would be classified as being borderline between 'low' and 'very low'. The impact on the existing retail facilities at Newington of -10% would be classified as being in the 'medium' category of impact. Impacts of this order are unlikely to lead to any increase in retail vacancies and would not undermine the role or function of any centre—particularly one like Newington Marketplace which is anchored by a Woolworths supermarket and enjoys the patronage of a substantial adjacent workforce. Specifically, impacts such as those estimated would not lead to any reduction in the availability of retail services provided in established centres to residents of the trade area, or those living outside the trade area. All of the centres identified will continue to trade in a viable manner.
- The proposed development at Silverwater will create additional employment both during the project's construction phase and over the longer term once the residential apartments are occupied and the retail centre operational. In relation to the construction phase, it is expected that 463 direct jobs will be created over the construction life of the development. In addition, it is expected that 578 indirect jobs will be created relating to supply industries (i.e. project architects, quantity surveyors, building suppliers, builders and the like). In relation to the proposed retail development of approximately 4,000m² on the subject site, it is estimated that approximately 143 positions would be created by the proposal on a combined full- and part-time basis.

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- The site forms part of a precinct rezoned to B6 Enterprise Corridor in 2008. The precinct includes land on both sides of Silverwater Road which previously had a residential zoning, which permitted medium / high density housing. The overall intention of a B6 Enterprise Corridor zoning is to encourage commercial or industrial development along main roads like Silverwater Road. A specific objective of the B6 Enterprise Corridor is to limit retail development so as not to detract from the surrounding activity centre hierarchy. Since 2008, there has been virtually no redevelopment in this particular precinct for the types of uses envisaged under the B6 Enterprise Corridor zoning. These uses included:
 - bulky goods retailing
 - business premises
 - food and drink premises
 - hardware and building supplies
 - hotel and motel accommodation
 - light industries
 - warehouse and distribution centres.

- The absence of any significant redevelopment in this precinct since 2008 is explained by a number of factors including:
 - The Global Financial Crisis (GFC) - slowed suburban commercial and industrial development throughout the Sydney Region;
 - The Silverwater B6 precinct is competing with very extensive areas also zoned B6 along Parramatta Road. These areas contain major sites with significant redevelopment capacity and offer superior locational attributes for potential retail and commercial tenants than is the case with Silverwater Road; and
 - The Silverwater precinct, in which the subject site is located, has limited potential as far as bulky goods retailing is concerned. This is primarily because of the existing major concentration of bulky goods retailing along Parramatta Road particularly that to the west of Silverwater Road.

- Bulky goods retailers perform optimally when they are located within precincts with similar retailers. Consequently, these types of tenants are unlikely to be attracted to a location on Silverwater Road where there is no existing critical mass of bulky goods retailing. In relation to the potential of the precinct to accommodate hardware and building supply premises, specifically, 'Bunnings' is already well established in the Auburn area on Parramatta Road. While Woolworths Masters might be viewed as a potential occupier it is understood that Masters' stores require a site area of approximately 3 hectares. This is approximately three times the size of the subject site at Silverwater. Hotel and motel demand in this subregion of Sydney is primarily concentrated in established centres such as Parramatta and Sydney Olympic Park. A location such as the subject site, without access to significant public transport, and on a major road carrying large volumes of industrial traffic, is always likely to be less preferable to other better located sites as far as the accommodation industry is concerned. It should also be noted that the demand for land in the Sydney Region for light industries is subdued at present due to the decline in the manufacturing sector in Australia. In addition, demand for new warehouses or distribution centres, while it does exist, favours locations further to the west of Auburn, and in particular in and around the significant logistics hub, which is developing in the Eastern Creek-Erskine Park corridor.

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- There is merit in a proposal to replace the B6 Enterprise Corridor zoning with a B2 Local Centre which permits medium / high density residential development on the basis that:
 - The subject site was zoned for residential development prior to 2009. Hence, permitting residential development on the subject site would not be significantly out of context in terms of the established planning intention for this area.
 - There is no certainty that the land has been identified by Council for such housing in and around centres will in fact be taken up and developed for housing. For a range of reasons, that such land is not developed for residential purposes.
 - There is no particular reason why Council should refuse the subject rezoning and adhere strictly to a target of 17,000 additional dwellings if there is such existing demand for the provision of housing within Auburn LGA that might result in the target set in 2009 being exceeded.
 - The subject site is in single ownership and is able to be developed expeditiously whereas meeting of the departmental target in and around established centres in Auburn may take a significant time to be realised, or in fact, may never be achieved for a range of reasons.
 - Given the location of the subject site, it is likely residential units developed on it will be competitively priced thus contributing to improving overall housing affordability in Auburn LGA.
 - There is clearly strong demand for multi-unit housing in Auburn LGA. We note the Metropolitan Development Program 2012 prepared by the Department of Planning and Infrastructure identifies that in 2012, fully 97% of net dwelling completions in Auburn LGA were in the form of multi-unit housing—particularly in buildings of four storeys or more.

In summary, there appears to be limited demand for the types of uses envisaged under the B6 Enterprise Corridor in the Silverwater locality. By contrast, there appears to be a strong ongoing demand for multi-unit housing in Auburn LGA and the subject site (if rezoned to B2 Local Centre) can make a positive contribution to both meeting the overall housing targets for Auburn LGA and increasing the supply of affordable dwellings in the short- to medium-term.

Is there adequate public infrastructure for the Planning Proposal?

The site is located within an established urban environment served by infrastructure, roads, utilities, public transport and open space. The proposed development will result in an increase in the number of dwellings and commercial/retail floor space within the Silverwater Road Precinct. Impacts on public infrastructure such as increased traffic volumes on state and local roads, increased enrolments in local schools, increased passenger trips on bus and rail routes, increased demand on community facilities and services and increased demand on electricity and other utility networks are anticipated. However, these can be accommodated by the networks and services available.

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What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

No consultation has been undertaken at this stage. The views of State and Commonwealth public authorities will be obtained after the Planning Proposal has been considered by the Department of Planning and Environment's Gateway Determination process. It is not expected that there will be any significant Commonwealth and State interests in the Planning Proposal other than providing a simplified planning framework and development outcome on the site. Relevant public authorities will be consulted during the post gateway determination process.

Part 4 – Supporting Maps

Maps illustrating the current and proposed Auburn LEP 2010 land zoning, minimum lot size, maximum height of buildings, floor space ratio controls and key site identification for the Planning Proposal are provided in Figures 16 – 19 below.

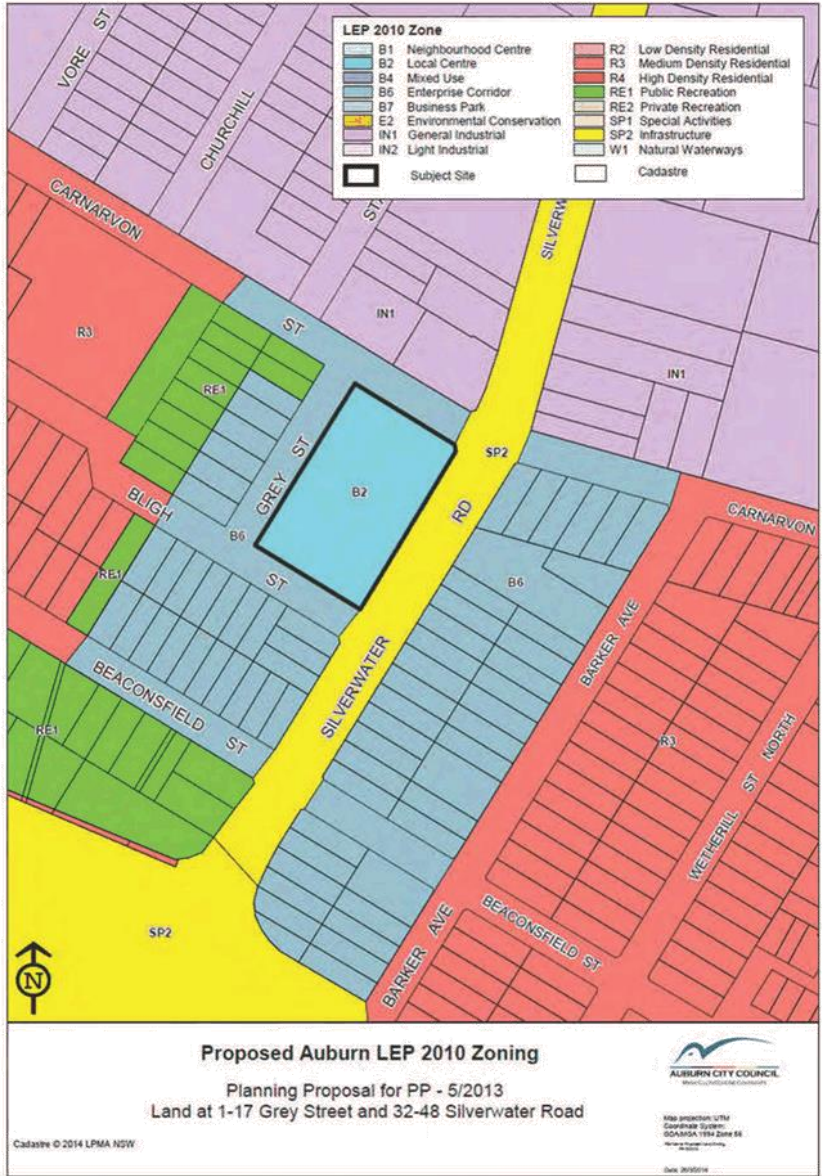


Figure 16 – Proposed Zoning Map

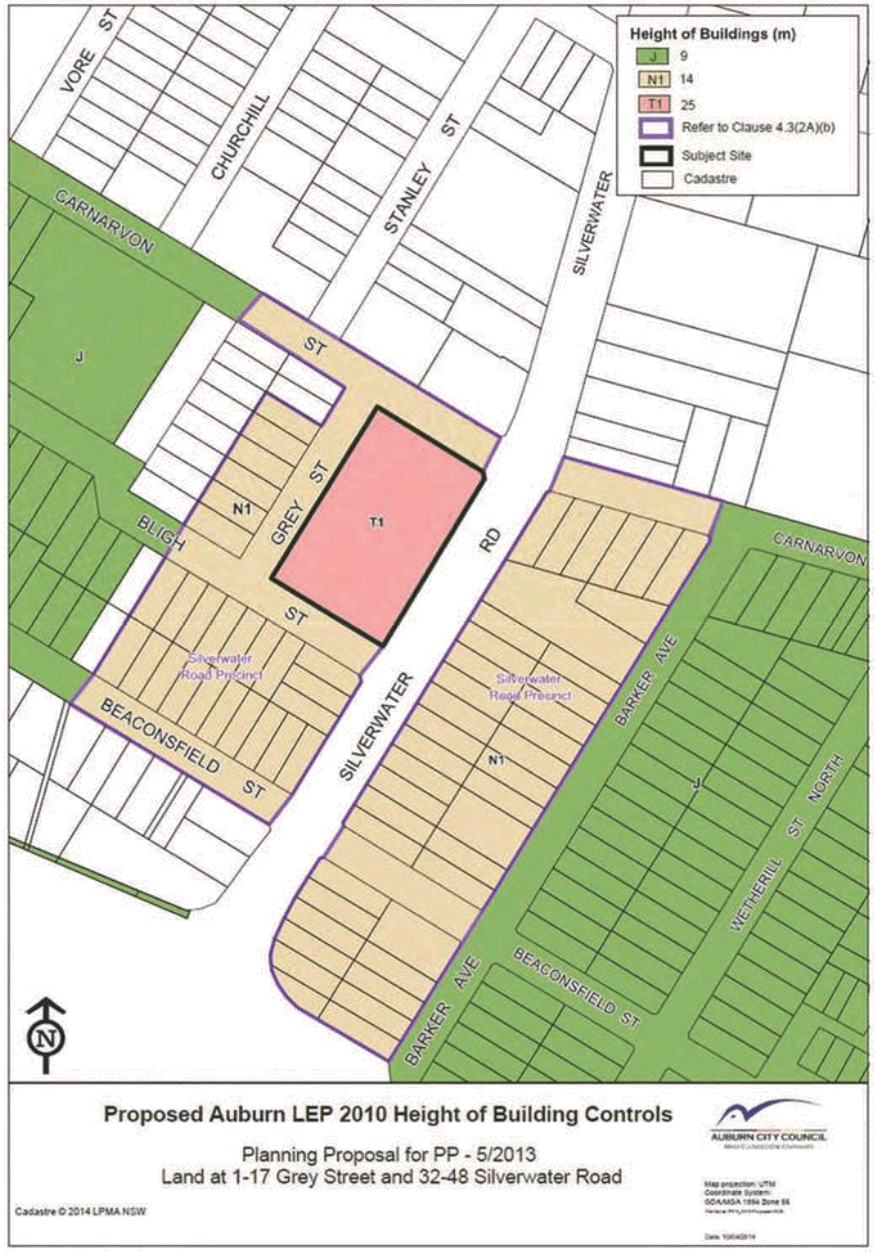


Figure 17 – Proposed Height of Buildings Map



Figure 18 – Proposed FSR Map

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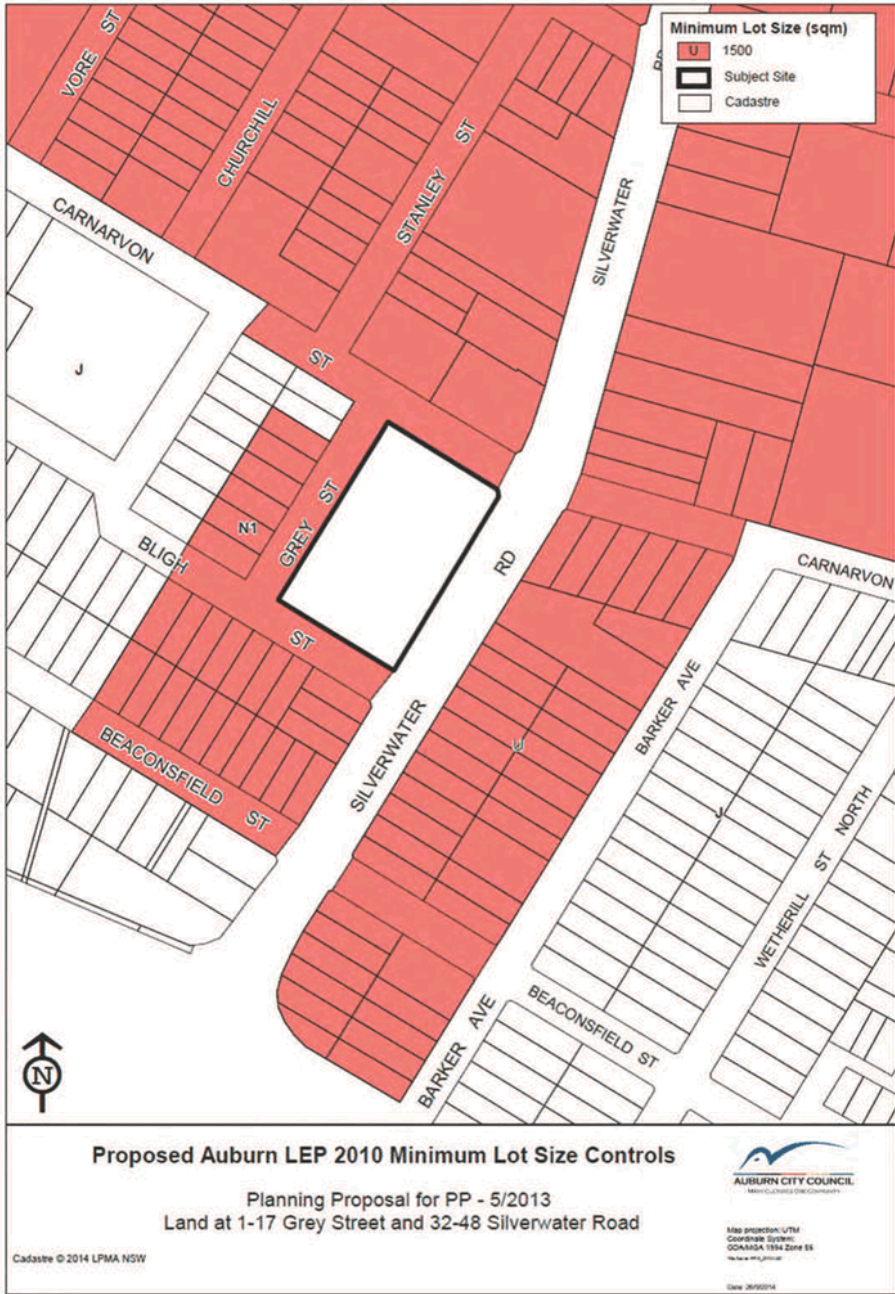



Figure 18 – Proposed Minimum Lot Size Map

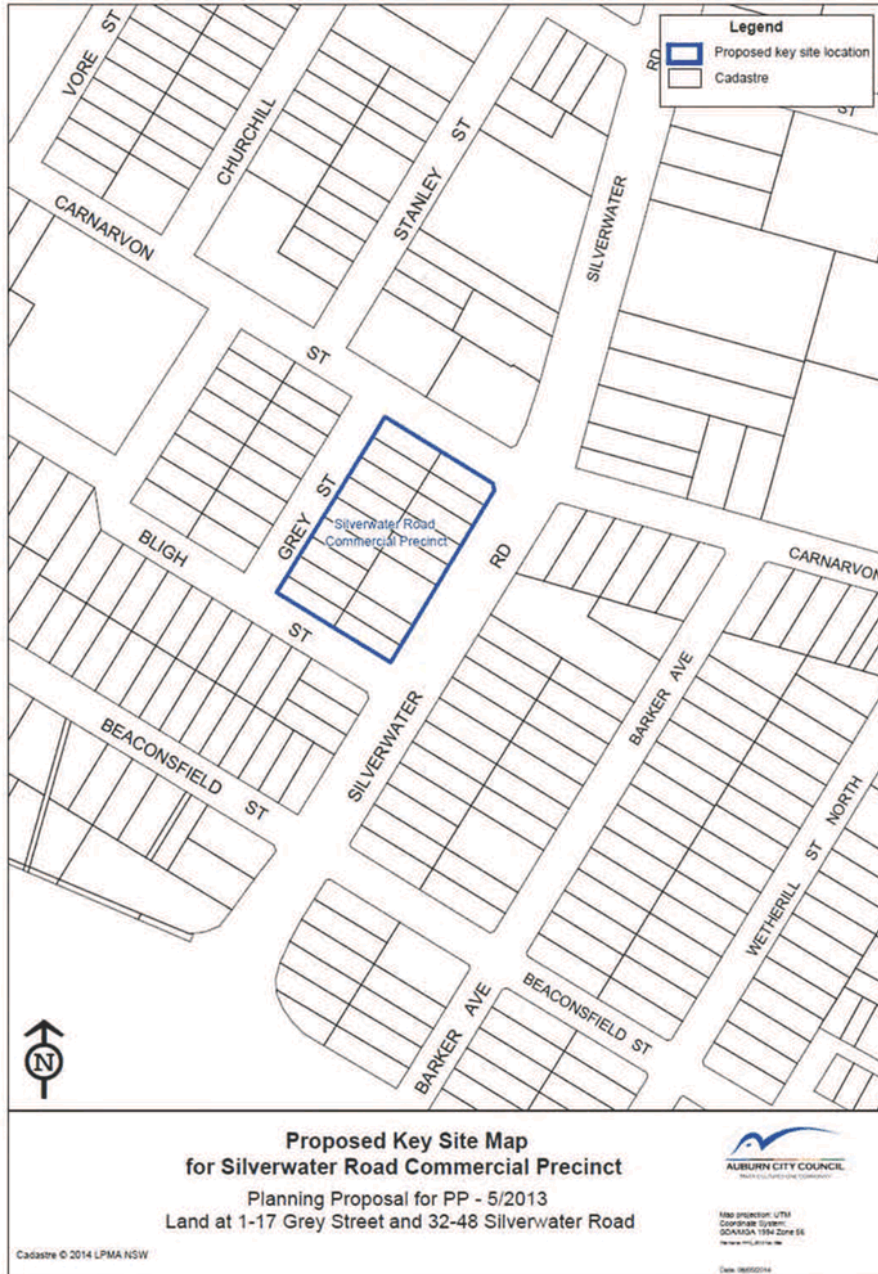


Figure 19 – Proposed Key Site Map

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Part 5 – Community consultation

Community consultation will be undertaken in accordance with the requirements of the Gateway determination.

Part 6 – Project timeline

It is anticipated that an approximate project timeline of seven (7) months to complete and notify the draft Auburn Local Environmental Plan 2010 amendment (draft LEP), after Gateway Determination is issued by the Department of Planning and Environment.

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APP Corporation



Environmental, Social and Economic Impact

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5. Environmental, Social and Economic Impact

This section addresses the environmental assessment of the Planning Proposal in respect to the relevant matters for consideration under section 55(1) of the EP&A Act.

5.1. Traffic

Colston Budd Hunt & Kafes has prepared a Transport Report for the concept plan and is appended to this report at **Appendix C**. The report assesses the projected impact of the concept plan on the existing road network through a review of NSW Government policies and travel access guides by NSW Roads and Maritime Service (RMS).

Access and Servicing

Two vehicular access points to the development would be provided from Grey Street. Driveways will provide for two-way traffic, with all movements permitted, and should be provided with widths and grades in accordance with the Australian Standard for Parking Facilities (Part 1: Off-street car parking), AS 2890.1:2004. The driveways will include maximum grades of 1:20 for six metres inside the property line for appropriate visibility between pedestrians and exiting vehicles. Specific details on driveway gradients would be required at the development application stage for the detailed design of the concept proposal.

Appropriate provision for service vehicles would be included with any future development on the site. Service vehicles will include garbage collection and deliveries to the retail and commercial components. The design should provide for service vehicles to enter and exit the site in a forward direction, with service vehicle areas to be provided in accordance with AS 2890.2 – 2002. The size of trucks will depend on final mix of retail/commercial uses, and may include rigid trucks and semitrailers.

Public Transport, Walking and Cycling

A sealed and level pedestrian path connects the site to Auburn Town Centre and the Rail station (approximately 25 minute walking time to the west of the site). Alternatively a frequent bus service is available from Carnarvon Street that connects with the Auburn and Macquarie Centres and the north-south cycle path to Sydney Olympic Park is 80 metres west of the site. Public transport connections and options are likely to improve in the future under the guidance and delivery of the Department of Planning and Environment's 'A Plan for Growing Sydney' (December 2014) that aims to, among other things, improve access to and within the Parramatta Road Corridor. The programmed delivery of WestConnex will further enhance accessibility to Silverwater and general amenity.

The rezoning of the land B2 Local Centre will permit the establishment of retail premises to meet local resident and workforce demand and potentially contribute to reduction in the number of vehicle trips for customers within the primary catchment and a reduction in travel distance/time for others. The delivery of integrated/mixed use development providing housing and employment opportunities may contribute to a reduction in the number and/or travelled by future employees as it is anticipated that many workers will be local residents.

The appropriate provision of car parking spaces for the development in accordance with car parking rates specified in relevant development control plans will affect the level of public transport patronage and the use of alternative

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modes of transport, i.e. walking and cycling. The provision of bicycle parking in the development will encourage residents and visitors to utilise the nearby Auburn and Sydney Olympic Park cycleway.

Traffic Generation and Effects

The concept proposal, as a medium and high density residential development, would have its strongest impacts on the road network during weekday morning and afternoon peak periods.

Adopting the rates set out in the RMS 'Guide to Traffic Generating Development', the residential component of the development would generate 75 to 100 vehicles per hour in both directions during peak periods. Applying these rates for commercial/retail uses reveals that the commercial/retail component of the development would generate approximately 85 and 430 vehicles per hour in both directions during morning and afternoon peak hours respectively. Twenty five (25) per cent of the total projected traffic generation relative to the commercial/retail component of the development would be 'passing trade'.

Overall, the concept proposal would result in a total of 170 to 195 vehicles per hour (two way) during morning peak period and 515 to 540 vehicles per vehicle (two way) during afternoon peak period. Silverwater Road, Carnarvon Street, Bligh Street and Grey Street would be some 20 to 125 vehicles per hour (two-way) during morning peak periods and some 50 to 375 vehicles per hour (two way) during afternoon peak periods.

The concept proposal would have modest impacts on the operations of intersections of Carnarvon Street and Bligh with Silverwater Road. The level of service of intersections of Grey Street with Carnarvon Street and Bligh Street will be maintained.

5.2. Social Impact

The concept proposal will result in a number of positive social impacts including:

- encourages pedestrian circulation throughout the site and surrounding areas;
- will provide high quality residential space that can contribute to housing affordability, provides housing in proximity to employment areas and through local spending will have flow on effects to local retailers and other service providers;
- will provide quality office and retail space (proposed to be limited) that complements existing centres within Auburn;
- provides permanent and construction employment opportunities (refer to Section 6.3 below);
- allows for greater natural surveillance of internal and external spaces on the site promoting safety;
- provides day and night time activation of the site through the introduction of a mix of retail and commercial uses at street level and along envisaged through-site link;
- promotes state government initiatives by providing high quality residential, commercial and modest component of retail space in close proximity to other services and facilities, in particular public transport;
- delivery of services and facilities to satisfy the needs of workers in the surrounding area (existing and future); and
- providing a catalyst for future redevelopment within the area.

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5.3. Economic Impact

An earlier Economic Assessment was prepared by Leyshon Consulting to examine the need for, and economic implications of, the retail component of the proposed development (a copy of this report is included at

Appendix D). This assessment considered the following matters:

- identification a likely trade area for the project's retail component;
- preparation of estimates of population growth and annual available retail spending in the trade area for the period 2011-21;
- review of existing retail services in and adjacent to the trade area;
- estimate of the likely demand for retail services on the subject site;
- estimate of the likely impact of the retail element of the proposed development on existing retail centres in and adjacent to the trade area.

The report concluded that there is need for a modest provision of retail services on the subject site to meet the needs of both residents of the area and workers in the adjacent Silverwater/Newington industrial area. The impact of the proposed development on existing centres will be minimal; and from an economic perspective, the retail element of the proposed development will result in a net community benefit. A detailed discussion of the economic assessment report is provided below.

A detailed discussion of the economic assessment report is provided below.

Existing retail services

There are a number of very small convenience retail outlets located within the Silverwater Industrial Area. These mainly provide takeaway food and coffee and some limited convenience goods for local workers. The only retail services of any significance in the suburbs of Silverwater/Newington are those provided by Newington Marketplace, comprising some 3,632m² of retail floor space. The centre's anchor tenant is a Woolworths supermarket with a floor area of 2,218m². The centre contains 19 specialty shops together with a Woolworths Petrol Plus outlet. Adjacent to Newington Marketplace are a number of restaurants/cafés which together comprise a further 1,100m². These are located at street level in several residential buildings to the north and east of Newington Marketplace.

To the south of the M4 the largest concentration of retail facilities is the Auburn Town Centre. The Town Centre contains three supermarkets (Coles, Woolworths and ALDI) together with extensive strip shopping. In total we estimate the Auburn Town Centre comprises some 35,000m² of retail floor space. There are a significant number of small retail premises in the centre. The largest individual component of retailing in the Town Centre is the enclosed Auburn Central centre which is located adjacent to the Auburn railway station. Auburn Central contains 17,624m² of retail floor space and is anchored by a Big W discount department store (DDS; 7,159m²) and a Woolworths supermarket (3,650m²). Auburn Central has some 51 specialty shops over two levels.

In 2011, a large (14,000m²) Costco store opened at 12-17 Parramatta Road, Auburn. The Costco store retails groceries, fresh food and a wide range of general merchandise and, being the only Costco within the Sydney Region at present is likely to have a metropolitan-wide catchment.

Retail facilities of around 5,000m² are found at Lidcombe. Strip retailing exists on both Railway Street and Joseph Street adjacent to Lidcombe Railway Station. The Lidcombe centre increasingly is being dominated by Asian-

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owned and operated businesses and does not contain a supermarket of any significance. To the north of Silverwater, the nearest retail facilities are those located in Ermington. The Ermington centre which comprises some 3,600m² is located at the intersection of River and Victoria Roads and is anchored by a Woolworths supermarket of some 2,100m².

Trade Area

Trade areas are usually defined having regard to a number of factors including:

- location of other competing shopping centres;
- the existing road network surrounding the proposed site;
- significant geographic barriers such as rivers, railway lines, major roads.

In this instance, geographic barriers are of particular importance with both the Parramatta River in the north and the Duck River in the west forming significant barriers. In addition, Haslams Creek and Sydney Olympic Park form the eastern boundary of the trade area. To the south of the Silverwater site, the M4 Motorway potentially constitutes a significant boundary although both the overpass at Stubbs Street (not far from the subject site) and Silverwater Road itself allow access from residential areas to the south of the M4 to the subject site and vice versa.

The defined trade area is identified in Figure 2.1 of the Economic Assessment (page 7) and can generally be described as:

- Primary Trade Area (PTA) – incorporates the existing suburb of Silverwater;
- Secondary Trade Area (STA) – comprises the suburb of Newington; and
- STA South – includes part of the suburb of Auburn South of the M4, north of Rawson / Boorea Streets, west of Birrie Avenue and east of Hampstead Road.

Summary of Trade Area Demographic

The Silverwater trade area has below average socio-economic characteristics as revealed by statistics from the 2011 Census. The recently arrived population in the STA East (Newington) are substantially different demographically to the population of "old Silverwater" which make up the PTA or the Auburn area to the south of the M4.

Population

Based on 2011 Census data, Leyshon Consulting estimate 22,245 people resided in the trade area in 2011. By 2021, Leyshon Consulting have forecast the trade area's population at 25,265 persons (an increase of +3,020 residents).

While negligible population growth is expected in the PTA over the forecast period, average annual population growth of between +1.25% and +1.5% per annum is forecast for the STA East and STA South. The average annual growth for the trade area as a whole between 2011-21 is estimated at +1.28 % per annum.

While new housing development in the trade area has slowed following the development of Newington, the younger age profile of that area, as well as the substantial percentage of the population, comprised of young adult couple families. These people are in what is commonly described as being in the "family formation stage" of their lives which will result in a relatively high rate of natural population increase in the trade area over the forthcoming

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decade. In the STA South such growth will be also be enhanced by further medium density housing development in and around the Auburn Town Centre.

Floor Space Demand

The growth in available retail spending discussed above will support the additional provision of retail floor space either within the trade area and/or in the surrounding region. Leyshon Consulting estimate an increase in annual available retail spending of \$65.4 million broadly would support an additional 10,900m² of retail floor space at an average sales rate of \$6,000 per m² per annum. An increase in annual available supermarket spending of \$20.9 million meanwhile would support an additional 2,200m² of supermarket floor space at an average sales rate of \$9,500 per m² per annum.

Worker Expenditure

The site is immediately adjacent to a major employment area. The New South Wales Bureau of Transport Studies (BTS) estimated in 2012 that 4,085 workers were employed in the Silverwater/Newington area. It is expected the average employee in the area could spend \$7.00 per day on convenience retail items including take-away food and beverages. On this basis, workers in the Newington and Silverwater area would generate annual work-based retail spending of around \$6.565 million (\$2012) in 2011. In essence, therefore, the workers in the area would add only about 2.9% to the pool of available expenditure generated by trade area residents (\$223.9 million per annum [\$2012]) in 2011.

Supermarket potential assessment

Hill PDA have considered the impact of rezoning the subject site, B2 Local Centre and the provision for a supermarket with up to 3,000m² of floor space, supported by 500m² of speciality stores and 500m² of commercial premises

Supermarket formats and operative business models differ between retailers, these typically include:

- **District supermarkets:** GLA >1,500m² that do not carry a full range and aim to meet day to day needs and some weekly needs of residents. District supermarkets service a local trade area and retailers include IGA/SUPA UGA/Coles express/Harris Farm/ALDI/Woolworths Metro.
- **Full line supermarket:** GLA of a minimum 3,000m² up to 4,500m², Coles and Woolworths are the major retailers in NSW. A full line supermarket serves a large trade area of around 15,000 to 20, 000 residents.

Retailers can vary the from the adopted model dependent upon site availability and market condition.

Council has resolved to rezone the site B2 Local Centre, with the view to achieving a 2,500m² supermarket at the site. Hill PDA in their assessment of economic need and impact recommends that to make the proposition as attractive as possible to retailers a GLA of up to 3,000m² should be planned for. A larger possible floor plate will allow for a full-line supermarket and in the context of an additional 1,000m² of speciality stores and commercial premises the site could be a viable option from a commercial perspective.

Supermarket demand

A full range supermarket is not currently available in the locality. As such a 3,000m² supermarket would provide for a strong retail offering for residents with the Primary and East Secondary Trade Areas. By 2016, the PTA and STA

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East will support a population of 18,900 growing to 32,000 by 2031. The resident population combined with worker population, is currently serviced by only one, 2,000m² district supermarket at Newington. Taking into account the projected population growth and self-contained nature of the trade area, Hill PDA concludes that there is likely to be capacity for a larger (i.e. 3,000m²) supermarket at the site. The estimate of centre sales and market share based on the larger supermarket GLA is around \$50 million in 2016.

Impact Assessment

Urban Activation Precincts

Two (2) Urban Activation Precincts (UAPs) are located within the PTA, these include:

- **Wentworth Point** – to accommodate up to 2,300 new homes, new park, transport infrastructures and community facilities. Upon completion the UAP will accommodate up to 5,000 people and construction will extend over a 15 year period, supported by small scale retail.
- **Carter Street** – Quantum of development yet to be defined, expected to include a mix of retail/commercial and housing complemented by transport services, open space and recreational facilities.

It is unlikely that Wentworth Point will support a full line supermarket. However is it feasible that one be achieved within the Carter Street UAP. If the latter occurs, the trade area of the subject site would be reduced. Notwithstanding, the 2 UAPs support a population uplift, that would be met by an increased retail demand greater than currently quantified and more supermarket floor space would be supportable. HillPDA also note that the timing of the UAPs is currently unknown.

Impact on Centre Sales

The delivery of 3,500m² of retail space, to support a supermarket up to 3,000m² and specialty stores of 500m² has been estimated by Hill PDA to have a turnover of \$34 million. The potential impact of the development on existing centres would be relatively modest ranging between -1.4% (Rhodes) to -10.7% (Newington). The impact on the Auburn Town Centre is estimated to be in the order of -9.3%. While the trade impact on Auburn is greater than previously quantified, the trade level shift between 2012 and 2016 is less than 5% (i.e. -3.3%), which is within an acceptable competitive range.

Employment Creation

The proposed development at Silverwater will create additional employment both during the project's construction phase and over the longer term once the residential apartments are occupied and the retail centre operational.

In relation to the construction phase, Hill PDA has estimated that the construction of the project will create approximately 143 new jobs directly combined with an additional 381, indirect jobs associated with the economic multiplier effect. On completion the 4,000m² of retail/commercial space is estimated to generate an approximate 189 permanent full and part time jobs.

B6 Enterprise Corridor Uses

The subject site currently forms part of a precinct rezoned to B6 Enterprise Corridor in 2008. The precinct includes land on both sides of Silverwater Road which previously had a residential zoning, which permitted medium / high density housing. The overall intention of a B6 Enterprise Corridor zoning is to encourage commercial or industrial

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development along main roads like Silverwater Road. A specific objective of the B6 Enterprise Corridor is to limit retail development so as not to detract from the surrounding activity centre hierarchy.

Since 2008, there has been virtually no redevelopment in this particular precinct for the types of uses envisaged under the B6 Enterprise Corridor zoning. These uses included:

- bulky goods retailing
- business premises
- food and drink premises
- hardware and building supplies
- hotel and motel accommodation
- light industries
- warehouse and distribution centres.

The absence of any significant redevelopment in this precinct since 2008 is explained by a number of factors including:

- The Global Financial Crisis (GFC) - slowed suburban commercial and industrial development throughout the Sydney Region;
- The Silverwater B6 precinct is competing with very extensive areas also zoned B6 along Parramatta Road. These areas contain major sites with significant redevelopment capacity and offer superior locational attributes for potential retail and commercial tenants than is the case with Silverwater Road; and
- The Silverwater precinct, in which the subject site is located, has limited potential as far as bulky goods retailing is concerned. This is primarily because of the existing major concentration of bulky goods retailing along Parramatta Road particularly that to the west of Silverwater Road.

Bulky goods retailers perform optimally when they are located within precincts with similar retailers. Consequently, these types of tenants are unlikely to be attracted to a location on Silverwater Road where there is no existing critical mass of bulky goods retailing. In relation to the potential of the precinct to accommodate hardware and building supply premises, specifically, 'Bunnings' is already well established in the Auburn area on Parramatta Road. While Woolworths Masters might be viewed as a potential occupier it is understood that Masters' stores require a site area of approximately 3 hectares. This is approximately three times the size of the subject site at Silverwater.

Hotel and motel demand in this subregion of Sydney is primarily concentrated in established centres such as Parramatta and Sydney Olympic Park. A location such as the subject site, without access to significant public transport, and on a major road carrying large volumes of industrial traffic, is always likely to be less preferable to other better located sites as far as the accommodation industry is concerned.

It should also be noted that the demand for land in the Sydney Region for light industries is subdued at present due to the decline in the manufacturing sector in Australia. In addition, demand for new warehouses or distribution centres, while it does exist, favours locations further to the west of Auburn, and in particular in and around the significant logistics hub, which is developing in the Eastern Creek-Erskine Park corridor.

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Housing Demand

In 2009 Auburn Council completed an analysis of the potential to accommodate additional residential development in Auburn (Dwelling Target Analysis – March 2009). That report concluded no additional “up zoning” of land was required to meet the target of an additional 17,000 dwellings in Auburn Local Government Area (LGA). This target was established in the Draft West Central Subregional Strategy prepared by the (then) Department of Planning in late 2007. Council officers have indicated that this conclusion would apply to the subject proposal at Silverwater.

The Dwelling Target Analysis report noted that of the 17,000 dwelling target, 6,000 dwellings have been “allocated” to the Olympic Park-Rhodes Specialised centre. The remaining 11,000 dwellings are intended to be provided elsewhere in Auburn LGA. The report concluded that a significant component of the dwelling target could be met through the redevelopment of so-called ‘brown fields’ sites and that development in and around existing centres could also contribute to meeting the target of an additional 11,000 dwellings. The major ‘brown fields’ sites identified in Auburn included the former Lidcombe Hospital site and former industrial sites at Wentworth Point (Homebush Bay North). In total, such sites were estimated to be capable of providing 4,298 dwellings over a 15 year period from 2009 or 39% of the 11,000 allocated dwelling target for Auburn LGA.

Notwithstanding the above, there is merit in a proposal to change the zoning of the subject site at Silverwater so that it permits medium density residential development. The reasoning in this regard is that:

- The subject site was zoned for residential development prior to 2009. Hence, permitting residential development on the subject site would not be significantly out of context in terms of the established planning intention for this area.
- There is no certainty that the land has been identified by Auburn Council for such housing in and around centres will in fact be taken up and developed for housing. For a range of reasons, that such land is not developed for residential purposes.
- There is no particular reason why Auburn Council should refuse the subject rezoning and adhere strictly to a target of 17,000 additional dwellings if there is such existing demand for the provision of housing within Auburn LGA that might result in the target set in 2009 being exceeded.
- The subject site is in single ownership and is able to be developed expeditiously whereas meeting of the departmental target in and around established centres in Auburn may take a significant time to be realised, or in fact, may never be achieved for a range of reasons.
- Given the location of the subject site, it is likely residential units developed on it will be competitively priced thus contributing to improving overall housing affordability in Auburn LGA.
- There is clearly strong demand for multi-unit housing in Auburn LGA. We note the Metropolitan Development Program 2012 prepared by the Department of Planning and Infrastructure identifies that in 2012, fully 97% of net dwelling completions in Auburn LGA were in the form of multi-unit housing—particularly in buildings of four storeys or more.

In summary, there appears to be limited demand for the types of uses envisaged under the B6 Enterprise Corridor in the Silverwater locality. By contrast, there appears to be a strong ongoing demand for multi-unit housing in Auburn LGA and the subject site (if rezoned to B2 Local Centre) can make a positive contribution to both meeting the overall housing targets for Auburn LGA and increasing the supply of affordable dwellings in the short- to medium-term.

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**WestConnex**

The improved amenity and access provided by the West Connex Motorway will facilitate opportunity for urban renewal of land along Parramatta Road and within its immediate proximity, including the subject site that will benefit in respect to:

- Reducing travel times to the Sydney CBD and airport by 20 to 40 minutes respectively;
- Improve access to public transport, amenity improvements will improve liveability and desirability;
- Increase residential demand and consequently influence housing and land values and encourage urban renewal in and around Silverwater.

Demand for apartment living

Hill PDA have prepared a further economic report, the purpose of which was to investigate the demand for apartment living in Silverwater and whether or not the subject Planning Proposal for a site at 1-13 Grey Street and 32-46 Silverwater Road, Silverwater accords with market demand.

Silverwater is a central western Sydney suburb situated approximately 14km west of the Sydney CBD and 3km east of the Parramatta CBD. The closest heavy rail station to the site is Auburn, around 1.8km to the south. The site itself is subject to a rezoning proposal from B6 Enterprise Corridor to B2 Local Centre. The proposal comprises:

- Approximately 250 dwelling units;
- Approximately 4,000sqm of non-residential floorspace, including 3,500sqm of retail space and 500sqm of commercial office space; and
- The retail is likely to include a supermarket somewhere between 2,000sqm and 3,000sqm and speciality store retailing of around 500sqm.

State and Regional Planning Policies and Local Planning Policies applicable to the site include the following:

- A Plan for Growing Sydney (2014);
- NSW 2021 – A plan to make NSW Number 1 (2011);
- West Central Subregion Strategy (2007);
- Draft Centres Policy 2009;
- Auburn LGA Residential Development Strategy (2014); and
- Draft Auburn Employment Lands Study (2014).

The area has been subject to rapid growth in apartments – mostly in the suburbs of Wentworth Point and Auburn. Within the Silverwater SA2 (which includes Newington and Wentworth Point) the population increased from 4,633 in 2001 to more than 12,000 in 2011. Population is expected to increase further to 32,000 by 2031. The key drivers to Sydney's residential property market are:

- Low interest rates underpinning affordability
- This has enabled higher prices and improved development feasibility;
- High cost of ownership leading to a higher propensity for households to rent;
- Downsizing of empty nesters;
- Demographic trends leading to declining household sizes;
- Strong population growth from international migration and natural increase; and
- Strong demand from international investors particularly from Asia.

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There is one development of 118 apartments in Silverwater, at 79-87 Beaconsfield Street, currently pre-selling apartments at a rate of 10 per month with prices in the \$7,000 to \$9,000/sqm range. There are several more development proposals in the suburb of Auburn with each development pre-selling apartments at a rate of around 20 per month – with prices ranging from \$6,000/sqm to almost \$11,000/sqm.

Some of the key trends for developments occurring in the Silverwater and Auburn area are identified below:

- The sale prices were quite varied depending on the size of the apartment, location, apartment height and quality of finishes
- Marketing agents that were selling to overseas buyers were clearly evidencing higher sale prices than other developments
- A desirable attribute was being close to the station
- A high number of buyers are Korean and Chinese, attracted to the area due to the train service and the large Korean church congregation in the area.
- 2 bedroom was the most in demand of all the apartment types
- Although the 1 bedroom apartments were generally at a higher sales rate per sqm than other apartment types, the 1 bedroom apartments experienced a much slower rate of sales
- A desirable feature for apartments was being close to the station and close to the shops.

There are forty-four (44) projects in the pipeline comprising between 10-1,244 apartments per development. The median dwelling yield per apartment development is approximately 107 units. The completion dates for these developments range from June 2015 – Early 2022, with the median completion date for dwellings occurring within late 2017. As a result of the 44 apartment development projects, total amount of dwellings in the pipeline would introduce approximately 10,000 new dwellings over this period.

The requirement for a high proportion of pre-sales to secure project financing means that any condition of oversupply is highly improbable. The strong levels of construction in the past year or two is a result of a large level of pentup demand caused by levels of production of apartments between 2004 and 2012-13 that were too low – almost half the level they needed to be to meet rising demand right across Sydney.

The 600 residents on the site itself will generate around \$2.7m of supermarket spend of which the vast majority of this would be spent in the proposed supermarket. The apartments on the site will contribute to the viability of the retail proposed. Also the more apartments there are on site the less the need for on-site parking to ensure the viability of the retail space because a higher proportion of shoppers will walk.

State and regional planning policies have designated the Parramatta to Olympic Park as a priority growth corridor and Sydney Olympic Park as a strategic centre. Significant priorities are to ensure employment growth, and to provide capacity for additional mixed use development which includes offices, retail, services and higher density housing.

The Draft Auburn LGA Residential Development Strategy (2014) and Draft Auburn Employment Lands Study (2014) both recognise the site for future mixed uses that will make some contribution to the supply of housing and to the supply of retail floor space that will meet strong growth over the next one and half decades.

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As such the proposed development which will provide 250 residential apartments and 4,000sqm of employment generating uses accords with the regional planning policies and draft local strategies.

5.4. Impacts on adjacent zones

The proposed rezoning of the land from B6 Enterprise Corridor to B2 Local Centre provides for a suitable transition from nearby light industrial to the adjacent residential zones, on land in an established and serviced urban area. West of the site land is predominantly zoned R3 Medium Density, in order to encourage consolidation and redevelopment of existing low density residential land for the purpose for storey residential flat buildings. The step up to the site, allowing for up to 8 storeys (32 metres) is compatible with the location of the site on a major arterial road that is capable of accommodating the intended building height and mass. The retail component has been intentional kept to a minimum to complement existing retail, industrial and commercial development within the area. Improving access and price competition for weekly shopping needs through the delivery of the supermarket, amenity of the local community will improve. A mixed use development comprising ground floor active uses will encourage a vibrant streetscape and deliver an improvement in public domain and streetscape amenity as well as ensuring future residential delivery is suitable for its context through the delivery of new pedestrian links, communal open space and improved passive surveillance opportunities through a modern

5.5. Public Interest

The proposed rezoning responds to local needs of the existing and future resident and worker populations in Silverwater through the delivery of retail/commercial floor space providing for improved accessibility of services and shopping opportunities in the MTA, reducing car based travel and improving price competition within the area. The proposal will increase residential density on the site resulting in an approximate net increase of 206 dwellings. The delivery of a range of housing types and new housing may contribute to housing affordability and choice in the area.

Redevelopment of the site will provide for new employment opportunities (direct and indirect) throughout construction phase as well as ensuring permanent employment generation through the ongoing retail/commercial operations, reflecting a significant contribution to the local economy. The implications of not proceeding at this time include a decline in housing affordability in Auburn LGA, a loss of investment and new jobs in the local area and the opportunity lost to make better use of the land that is currently unattractive to the market under the current land use and zoning controls.

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APP Corporation



Conclusion

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6. Conclusion

The Planning Proposal is submitted to Council in support of an amendment to Auburn LEP 2010 to rezone a 6,277m² parcel of land at 32-48 Silverwater Road, Silverwater from B6 Enterprise Corridor to B2 Local Centre. It is also proposed to amend the development standards that presently apply to the site in relation to height of buildings and floor space ratio to standards commensurate with the proposed mixed use zone.

The redevelopment opportunities on site facilitated by this Planning Proposal will revitalise the immediate area, particularly the western side of Silverwater Road which generally remains undeveloped notwithstanding its current B6 enterprise corridor zoning. This area also lacks services and facilities to meet the daily needs of existing residents in the area, additional incoming residents as a result of density increases under the existing LEP and existing and future workers in the Silverwater Industrial Area and within the main area of B6 Enterprise Corridor zoned land on the opposite side of the M4 Motorway.

This Planning Proposal demonstrates that residential development in the form of residential flat buildings with a modest component of ground floor retail / commercial floor space can be developed on the site. The range of land uses permissible within the B2 Local Centre zone have the ability to service and sustain the surrounding residential, business corridor and industrial land uses by providing residential accommodation for people close to places of work and a modest amount of retail / commercial to provide for the needs of existing and future residents and workers. The site redeveloped would also deliver public benefits in the form of a publicly accessible through-site link with the potential for active uses fronting onto it. This has the potential to become an important meeting place / hub for residents, visitors and workers and the like. This Planning Proposal consolidates 14 lots within the broader precinct into a single parcel of land and facilitates the orderly and economic development of land.

The redevelopment of the site for predominantly high density residential development has the potential to contribute to housing affordability (through unit size and product) and will also provide housing near jobs, in the Silverwater Industrial Area to the north and increase in non-residential development anticipated in the B6 Enterprise Corridor, particularly to the south of the site within the Parramatta Road Precinct which comprises the largest tract of B6 Enterprise Corridor zoned land. The Planning Proposal is not considered inconsistent with the Department of Planning and Environment's 'A Plan for Growing Sydney' (December 2014).

The Planning Proposal offers prime regeneration opportunities along Silverwater Road to create lively and well-designed local centre. Providing additional housing as part of the development of the site in proximity to future business investment will improve access to and within the corridor (public transport, vehicular, pedestrian and cycle) will encourage further public transport patronage, assist to combat car dependency, and provide an impetus to boost development densities. Retail offerings in the future development of the site will need to be limited to complement rather than compete with established retail areas of Auburn and Sydney as a whole. The Planning Proposal seeks to limit the amount of non-residential floor space on the site, to approximately 4,000m² of GFA. It is expected that this will comprise a small scale supermarket, specialities and a major liquor store.

The site is occupied by a number of built structures. It is highly unlikely that the site would contain any critical habitat for threatened species, populations or ecological communities, or their habitats and it is not expected that

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any threatened species, populations or ecological communities will be adversely affected as a result of the proposal.

The Planning Proposal has a number of positive social impacts, namely:

- encourages circulation throughout the site and surrounding areas;
- will provide high quality residential space that can contribute to housing affordability, provides housing in proximity to employment areas and through local spending will have flow on effects to local retailers and other service providers;
- will provide quality office and retail space (proposed to be limited) that complements existing centres within Auburn;
- provides permanent and construction employment opportunities;
- allows for greater natural surveillance of internal and external spaces on the site promoting safety;
- provides day and night time activation of the site through the introduction of a mix of retail and commercial uses at street level and along envisaged through-site link;
- promotes state government initiatives by providing high quality residential, commercial and modest component of retail space in close proximity to other services and facilities, in particular public transport;
- provides services and facilities to satisfy the needs of workers in the surrounding area (existing and future); and
- is a catalyst for future redevelopment within the area.

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In relation to economic impacts:

- The potential impact of the proposed development on existing centres would be relatively modest ranging between -1.1% (Rhodes) to -10% (Newington). The impacts on centres such as the Auburn Town Centre and Rydalmere are estimated to be in the order of - 5.0% to -5.1%. Impacts of less than 5% generally are classified by retail analysts as being in the 'very low' category of impact. Accordingly, the impacts on the Auburn Town Centre and Rydalmere would be classified as being borderline between 'low' and 'very low'. The impact on the existing retail facilities at Newington of -10% would be classified as being in the 'medium' category of impact. Impacts of this order are unlikely to lead to any increase in retail vacancies and would not undermine the role or function of any centre—particularly one like Newington Marketplace which is anchored by a Woolworths supermarket and enjoys the patronage of a substantial adjacent workforce. Specifically, impacts such as those estimated would not lead to any reduction in the availability of retail services provided in established centres to residents of the trade area, or those living outside the trade area. All of the centres identified will continue to trade in a viable manner.
- The proposed development at Silverwater will create additional employment both during the project's construction phase and over the longer term once the residential apartments are occupied and the retail centre operational. In relation to the construction phase, it is expected that 463 direct and 578 indirect jobs will be created. In relation to the proposed retail development of approximately 4,000m² on the subject site, it is estimated that approximately 143 positions would be created by the proposal on a combined full- and part-time basis.
- The subject site forms part of a precinct rezoned to B6 Enterprise Corridor in 2008. The precinct includes land on both sides of Silverwater Road which previously had a residential zoning, which permitted medium / high density housing. The overall intention of a B6 Enterprise Corridor zoning is to encourage commercial or industrial development along main roads like Silverwater Road. A specific objective of the B6 Enterprise Corridor is to limit retail development so as not to detract from the surrounding activity centre hierarchy. Since 2008, there has been virtually no redevelopment in this particular precinct for the types of uses envisaged under the B6 Enterprise Corridor zoning. These uses included:
 - bulky goods retailing
 - business premises
 - food and drink premises
 - hardware and building supplies
 - hotel and motel accommodation
 - light industries
 - warehouse and distribution centres.
- The absence of any significant redevelopment in this precinct since 2008 is explained by a number of factors including:
 - The Global Financial Crisis (GFC) - slowed suburban commercial and industrial development throughout the Sydney Region;
 - The Silverwater B6 precinct is competing with very extensive areas also zoned B6 along Parramatta Road. These areas contain major sites with significant redevelopment capacity and offer superior locational attributes for potential retail and commercial tenants than is the case with Silverwater Road; and

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- The Silverwater precinct, in which the subject site is located, has limited potential as far as bulky goods retailing is concerned. This is primarily because of the existing major concentration of bulky goods retailing along Parramatta Road particularly that to the west of Silverwater Road.
- Bulky goods retailers perform optimally when they are located within precincts with similar retailers. Consequently, these types of tenants are unlikely to be attracted to a location on Silverwater Road where there is no existing critical mass of bulky goods retailing. In relation to the potential of the precinct to accommodate hardware and building supply premises, specifically, 'Bunnings' is already well established in the Auburn area on Parramatta Road. While Woolworths Masters might be viewed as a potential occupier it is understood that Masters' stores require a site area of approximately 3 hectares. This is approximately three times the size of the subject site at Silverwater. Hotel and motel demand in this subregion of Sydney is primarily concentrated in established centres such as Parramatta and Sydney Olympic Park. A location such as the subject site, without access to significant public transport, and on a major road carrying large volumes of industrial traffic, is always likely to be less preferable to other better located sites as far as the accommodation industry is concerned. It should also be noted that the demand for land in the Sydney Region for light industries is subdued at present due to the decline in the manufacturing sector in Australia. In addition, demand for new warehouses or distribution centres, while it does exist, favours locations further to the west of Auburn, and in particular in and around the significant logistics hub, which is developing in the Eastern Creek-Erskine Park corridor.
- There is merit in a proposal to replace the B6 Enterprise Corridor zoning with a B2 Local Centre zoning which permits non-residential and residential development on the basis that:
 - The subject site was zoned for residential development prior to 2009. Hence, permitting residential development on the subject site would not be significantly out of context in terms of the established planning intention for this area.
 - There is no certainty that the land has been identified by Council for such housing in and around centres will in fact be taken up and developed for housing. For a range of reasons, that such land is not developed for residential purposes.
 - There is no particular reason why Council should refuse the subject rezoning and adhere strictly to a target of 17,000 additional dwellings if there is such existing demand for the provision of housing within Auburn LGA that might result in the target set in 2009 being exceeded.
 - The subject site is in single ownership and is able to be developed expeditiously whereas meeting of the departmental target in and around established centres in Auburn may take a significant time to be realised, or in fact, may never be achieved for a range of reasons.
 - Given the location of the subject site, it is likely residential units developed on it will be competitively priced thus contributing to improving overall housing affordability in Auburn LGA.
 - There is clearly strong demand for multi-unit housing in Auburn LGA. We note the Metropolitan Development Program 2012 prepared by the then Department of Planning and Infrastructure identifies that in 2012, fully 97% of net dwelling completions in Auburn LGA were in the form of multi-unit housing—particularly in buildings of four storeys or more.

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In summary, there appears to be limited demand for the types of uses envisaged under the B6 Enterprise Corridor in the Silverwater locality. By contrast, there appears to be a strong ongoing demand for multi-unit housing in Auburn LGA and the subject site (if rezoned to B2 Local Centre) can make a positive contribution to both meeting the overall housing targets for Auburn LGA and increasing the supply of affordable dwellings in the short- to medium-term and is worthy of Council's support.

Appendix A – Concept Plans

Appendix B – Contamination Assessment

Appendix C - Transport Report

Appendix D – Economic Assessment

AUBURN CITY COUNCIL
MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD 7 OCTOBER 2015

- high residential growth across the local government area;
- (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) the traffic impacts on the broader traffic network, including Silverwater Road as well as cumulative traffic impacts, have not been sufficiently addressed.

Amendment

An amendment was moved Cllr Attie, seconded Cllr Mehajer:

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:
 - a) zone the site B2 Local Centre;
 - b) allow a maximum floor space ratio of 4:1;
 - c) allow a maximum height of 25 metres; and
 - 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 Employment Lands Strategy, and permit residential uses on the site including land, zoned B2 Local Centre with frontage to Silverwater Road.
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.
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:
 - 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;
 - 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
 - c) the applicant provide a site specific development control plan for the controls identified above.

The amendment was put to the vote and declared carried and became the motion.

For: Councillors Lam, Attie, Mehajer, Oueik, Yang and Zraika.

Against: Councillors Batik-Dundar, Campbell, Oldfield and Simms.

The motion was put to the vote and declared carried.

RESOLVED on the motion of Cllr Attie, seconded Cllr Mehajer:

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:
 - a) zone the site B2 Local Centre;
 - b) allow a maximum floor space ratio of 4:1;
 - c) allow a maximum height of 25 metres; and
 - 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 Employment Lands Strategy, and permit residential

THIS IS PAGE NO. 6 OF THE ORDINARY MEETING OF COUNCIL HELD OCTOBER 7, 2015.....MAYOR



AUBURN CITY COUNCIL
MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD 7 OCTOBER 2015

uses on the site including land, zoned B2 Local Centre with frontage to Silverwater Road.

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.*
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:*
 - 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;*
 - 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*
 - c) *the applicant provide a site specific development control plan for the controls identified above.*

For: Councillors Lam, Attie, Mehajer, Oueik, Yang and Zraika.

Against: Councillors Batik-Dundar, Campbell, Oldfield and Simms.

Note: Voting on the above motion was by way of a division.

229/15 Heavy Vehicle Approvals For Selected Roads - Request For Higher Mass Limits Access In Nyrang Street

T-28-22 SS : EG

Mr A. Stevenson and Mr A. Hopton addressed the Council on this matter.

Moved Clr Zraika, seconded Clr Attie that Council receive and note the report and grant approval for higher mass limits on to Nyrang Street, Lidcombe.

Amendment

An amendment was moved Clr Oldfield, seconded Clr Campbell the further consideration of the matter be deferred until a permanent resolution has been found to the issue of illegal truck use in Boorea Street, Lidcombe.

The amendment was put to the vote and declared lost.

For: Councillors Campbell and Oldfield.

Against: Councillors Lam, Attie, Batik-Dundar, Mehajer, Oueik, Simms, Yang and Zraika.

The motion was put to the vote and declared carried.

RESOLVED on the motion of Clr Zraika, seconded Clr Attie that Council receive and note the report and grant approval for higher mass limits on to Nyrang Street, Lidcombe.

For: Councillors Lam, Attie, Batik-Dundar, Mehajer, Oueik, Simms, Yang and Zraika.

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AUBURN CITY COUNCIL

October 07, 2015

Executive Manager Planning's
Report

To the Ordinary Meeting of Council

**228/15 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

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:
 - (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 DPE'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 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.
 - (h) The applicant provide a site specific development control plan for the controls identified above.
2. Once all required amendments have been made, finalise the planning proposal and send to the Department of Planning for a Gateway Determination.

October 07, 2015

Executive Manager Planning's
Report

To the Ordinary Meeting of Council

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

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	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. 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 2500m ² - 4,000m ² of retail/commercial floor space at the street level.
20 May 2015	<i>Auburn Employment Lands Strategy 2015</i> reported to Council and adopted.
PP-5 /2013 (previous application)	
18 Feb 2015	Gateway Determination reported to Council. Applicant notified. 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.
22 Dec 2014	Gateway Determination (dated 18 December 2014) received by Council staff. 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. <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>
11 July 2014	Planning proposal submitted to the (then) Department of Planning and Environment for the Gateway Determination process. 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 2,500m ² of gross floor area be available for the purpose of shops under a single tenancy on the land'.
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

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	of this report).
4 Dec 2013	Notification of Rescission Motion received.
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 Auburn LEP 2010	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) Auburn LEP 2010 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) Auburn LEP 2010 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, and including 2500m² - 4,000m² of retail/commercial floor space at the street level.</i>

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

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design has been undertaken, as this would be the subject of a detailed assessment during the development application process, should the planning proposal proceed.

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.

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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 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

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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 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.

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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.

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 an 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).

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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).

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

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were signed by 119 residents and businesses located near the site and its surrounds. 1 submission was received in support of the application.

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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Road (PP-3/2015) (cont'd)**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*.

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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), given that it has the potential to result in a cumulative loss of employment lands during a period of high residential growth across the local government area;*
- (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 (to be circulated to Councillors under separate cover)

1. Council's Planning Proposal Assessment Report (T100285/2015)
2. Gateway Determination December 2014 (T122065/2014)
3. Resolution of 4 December 2013 (Item 380/13) Council Meeting (T110922/2013)
4. Resolution of 20 May 2015 Council meeting (Item 086/15) – Adoption of *Auburn Employment Lands Strategy 2015* (T051877/2015)
5. Planning Proposal flowchart (T096586/2013)