



New South Wales Government
Independent Planning Commission

TRANSCRIPT OF PROCEEDINGS

**RE: 355 & 375 CHURCH STREET, PARRAMATTA –
GATEWAY DETERMINATION REVIEW (GR-2022-5)**

PROPONENT MEETING AGENDA

COMMISSION PANEL: CHRIS WILSON (Panel Chair)

OFFICE OF THE IPC: BRADLEY JAMES
 PHOEBE JARVIS

PROPONENT'S
REPRESENTATIVE: BEN CRAIG
 SCOTT FORBES
 JESSICA NAKHOUL
 JOSH MILSTON
 BEN CANTWELL
 DANA CELESTINO
 BEN PORGES

LOCATION: VIA VIDEO CONFERENCE

DATE: 1.00PM, MONDAY, 4 APRIL 2022

TRANSCRIBED AND RECORDED BY APT TRANSCRIPTIONS

MR WILSON: Good afternoon and welcome everybody. Before we begin, I would like to acknowledge the traditional owners of the land from which we virtually meet today, pay my respects to their Elders, past, present and emerging. Welcome to the meeting today to discuss the Gateway Determination Review of 355 and 375 Church Street, Parramatta which is currently before the Commission for advice. The objective of the planning proposal seeks to introduce a site-specific maximum car parking rate for takeaway food and drink premises. My name is Chris Wilson and I'm the Chair of this Commission panel. We're also joined by Phoebe Jarvis and Brad James from the Office of the Independent Planning Commission.

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In the interests of openness and transparency and to ensure the full capture of information today's meeting is being recorded and a complete transcript will be produced and made available on the Commission's website. This meeting is one part of the Commission's consideration of this matter and will form one of several sources of information upon which the Commission will base its advice. It is important for the Commissioner to ask questions of attendees and to clarify issues whenever it is considered appropriate. If you are asked a question and not in a position to answer, please feel free to take it on notice and provide any subsequent information provided we will put on our website. I request that all members here today introduce

20 themselves before speaking for the first time and for all members to ensure that they do not speak over the top of each other just to ensure the accuracy of the transcript. We will now begin. Who's going to talk initially on behalf of the applicant? Is it Ben?

MR CANTWELL: Yes, Chris. Yes, Ben Cantwell.

MR WILSON: Away you go, Ben.

MR CANTWELL: Great. Thanks, Chris, Phoebe and Brad for having us this

30 afternoon. My name's Ben Cantwell, I'm the National General Manager for Development for Stockland. Just wanted to provide an introduction to our team and also to the project that we're talking to today. We'll have – unfortunately Josh Bannister from McDonald's is unable to be here today but we have got a video recording given his long history with this site. In terms of introducing the team, got from Stockland Scott Forbes and Jessica Nakhoul. From McDonald's we have Dana Celestino. From Ethos Urban we've got Ben Craig and Ben Porges and Josh Milston from J and T Consulting for traffic but as I mentioned, John Bannister's an apology.

40 Firstly, just wanted to just introduce the development. You know, the vision we have is for really high quality mixed use development spanning across two towers we believe will play a key role in activating the northern end of the Parramatta CBD. The

site's located on the corner of Church Street and Victoria Road, 355 and 375 Church Street, Parramatta in the northern part of the Parramatta CBD. It's just to the north of the Prince Alfred Square, if you can see there in the little red colour. McDonald's has owned and operated the site since 1978 which includes a drive-through facility and some 60 at grade car parking spaces. Stockland and McDonald's entered into a joint venture agreement back in 2016 with a common view of redeveloping the site following the JRPP's 2015 deferral of the DA lodged by McDonald's for redevelopment of the existing restaurant on the basis that it didn't maximise the site's potential.

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The current scheme includes demolition of the existing buildings on site including the disused retail on the corner of Church Street and Victoria Road which is importance to council and construction of a mixed use development comprising 360 apartments within two towers with the dual lane drive-through wholly contained within the podium. It's a significant improvement from the existing context. The disuse retail has been vandalised with graffiti over time, this is something council is eager to see removed from such a prominent corner. We believe we've worked diligently with council over a lengthy process to prepare a site-specific planning proposal and DCP that addresses their requirements including reduced car parking rates.

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However, council's very late attempt to introduce a new condition prohibiting the existing drive-through in any future development of the site has destroyed the viability of this development or redevelopment. I'd now like to hand over to a video introduction from Josh before Ben Craig will take us through the history of the redevelopment and present the facts in response to the points that council has raised in its application. If we can play the video.

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MR BANNISTER: Good afternoon. My name's Josh Bannister and I'm the Senior Director of Growth Platforms here at McDonald's Australia. I've been associated with the Parramatta North project for around eight years and was previously the Head of Development and have carried through into my current role responsibility for this project and working hand in hand with Stockland. I'm really sorry I can't be there today but didn't want to miss the opportunity to share with you the McDonald's perspective and ensure that that's heard before you hear from the team of experts and, of course, Stockland as to the merits of the Gateway Review and the support that we're seeking from you.

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McDonald's have continued to work with council and the department, I would say, collaboratively. We've been really open to feedback and we've made a number of decisions including bringing Stockland on, Australia's most reputable developer, to ensure that we can deliver a development that is of the high scale and prestige from a

design point of view which is fitting for the gateway site that it is in Parramatta. However, we simply have to have a drive-through. We've had drive-through as part of our business there for over 40 years and we continue to hold a right to operate a drive-through. If we can't find a balance of delivering the design ambition that Parramatta and also the people of Parramatta deserve but being able to protect and maintain the McDonald's restaurant we simply can't proceed and we will continue to operate the restaurant as it stands today which is not the right outcome for Parramatta and frankly it's not the right outcome for our customers in order to meet the McDonald's brand but we have to balance the merits of that site with the commercial viability and drive-through is crucial to that.

You will hear from the team today as to the logical and simple reasons which, in fact, have been supported by council and the council assessing officers that took our planning proposal to the point of getting it into the chamber late last year was supportive of where we got to. Again, we've made a number of concessions and compromises in regards to the proposal; however, the chamber didn't agree and we're back here talking about the drive-through which we've done previously a number of times. The investment of time, the investment of money and the investment of effort cannot go on into infinitum. We simply have to make a decision that allows us to redevelop this site but maintain the drive-through for McDonald's and again the team will take you through those reasonings today.

I really look forward to a positive outcome from today and ultimately getting to a development application stage where some of the challenges and issues that we're faced with can be explored in greater detail but the first step of that is getting a positive outcome with the Gateway Review and ensuring that both McDonald's and Stockland partnering with council and the department can deliver a development of the high scale and design prestige that this gateway site deserves. That, however, must contain a drive-through. Thanks in advance for your support and apologies again I couldn't be with you today.

MR CANTWELL: So I'll hand over to Ben Craig now who will take us through the history of the development.

MR CRAIG: Thanks. Thanks very much. As mentioned my name is Ben Craig, I'm a Director in the Planning Group at Ethos Urban and I've been working on this project for a number of years now. Commissioner, before we get into the sort of more technical merits of our discussion today I thought it might be useful to give you an overview of the history of the project because it's quite relevant and important in the shaping and context of why we're meeting with you today to discuss the council's gateway review on the drive-through facility.

As you may be aware, the project's been progressing for quite a number of years and during this time there have been some throughout the long journey and there's been a few today and you heard from Ben Cantwell before about Stockland entering into a development agreement with McDonald's in 2016. That was after McDonald's had a staged DA that they have submitted in 2013 that was then supported by council in 2015 but then it was deferred by the Regional Planning Panel and the reason it was deferred was because at the time it was considered an undevelopment of the site and "a lost opportunity to present a major architectural feature".

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So McDonald's teamed up with Stockland after that and then sort of went on this journey to do a planning proposal to rezone the site. That planning proposal was then lodged in 2018 and that was the original planning proposal that this site was subject to. In July 2020 after a long period of sort of negotiation on the design outcome of the site the council resolved to endorse the site-specific planning proposal and forward it to the Department of Planning and on receipt of that planning proposal the department issued a gateway determination which we were all very happy about but unfortunately included conditions requiring removal of the proposed site-specific parking rate for the takeaway food and drink premises and you'll recall that in April of 2021, I think it was yourself that was the Commissioner on that post-gateway review on the parking rate and that – so we're a year today since that time and the recommendation was made from the Independent Planning Commission following consideration of all that material to delete condition 1C relating to the site-specific parking provision and also to delete condition 1D relating to site isolation.

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So following that, the department then issued an updated gateway determination that factored in that recommendation from the IPC but importantly it didn't amend the timing requirements for the gateway determination. So we received a gateway determination at the end of 2020. It then took us five or six months to get a resolution through that sort of review process and for an updated determination to be issued but unfortunately the timeframe for completing the planning proposal didn't change so we lost six months of that timeframe to finalise the planning proposal.

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In June both council and Stockland attempted to convince the Department of Planning to extend the gateway determination and to allow a further six months for that finalisation process to occur but the Department of Planning said that couldn't be done and we had to progress with the current timeframe. That had quite significant implications because the department then – subsequent to that the department wrote to the council in July on two occasions. The first time they wrote to the council was to advise them that the planning proposal had to remove elements that were consistent with the CBD planning proposal because the CBD planning proposal at the same time

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was progressing towards finalisation and it included elements in there relating to FSR and building height and all sorts of things which were in duplicate of the planning proposal that we had at the time.

10 So rightly so, the department said take that stuff away and leave it just so there's the car parking rate planning proposal but then after that they wrote to council again and said that the only way that you can do that was to resubmit a fresh planning proposal and this is the event that changed everything. So the requirement to resubmit a fresh planning proposal meant that we had to effectively withdraw the planning proposal that you considered in April last year and resubmit an entirely new one and the
implications of that meant that the council – the elected council had to vote on the planning proposal again.

20 So we went away and we did the updated planning proposal in August on the instruction of council and that updated planning proposal, the one before you today which just focuses on the car parking rate. That paired back planning proposal was sent to the council in September to make a decision on it and that council was fully briefed but they deferred the matter at the time and at this time we were in the lead-up to the council elections so as you can imagine the onset of Delta as well at the time shifted everything in terms of the council elections so it became in, we put ourselves
out hearing where the council was, I guess, vying for being re-elected at the time.

30 So it got deferred and it went back in October after the councillors were fully briefed. Again the recommendation from the officers was to support the planning proposal as it was but a councillor was able to secure a majority support for an amended motion in the October meeting to preclude retention of a drive-through under a redeveloped scenario and that's how that aspect of the planning proposal was inserted. So in November the council staff had to update that planning proposal in response to the council resolution and submit that to the Department of Planning and following that in
December the Department of Planning issued a gateway determination on this revised planning proposal that stated prior to exhibition the planning proposal is to be amended to remove reference to any provision seeking to prohibit or restrict a drive-through facility. The council then formally requested a review of the gateway determination in January and that's where we're here now in April.

40 So you can see that the council officers from our discussions with them, they're carrying out an instruction that is given to them on the back of a resolution that was made by council in October and you will see – you probably will have read in the council's submission, and we'll talk to this further down the track, that no actual technical evidence base or anything that's informed the decision to then include this amendment. So council's review request is based on three key reasons that you'll see

set out in their determination review request and they are number 1, that the traffic impacts as a result of maintaining the drive-through will be adverse on the local road network. That the drive-through facility represents an inappropriate use of the site and that the drive-through facility will lead to poor environmental outcomes. So we're just going to step through each of these in turn just to address each of them and hopefully provide some clarity and some evidence around these. I'll hand over to Josh who's going to talk through the first section.

10 MR MILSTON: Thanks, Ben and thanks, Commissioner. So my name's Josh Milston, I'm the Transport Planner at JMT Consulting and it was about a year to the day, I think, since we were last sitting here in this virtual room talking about this project in relation to car parking as Ben just talked about. I've personally been involved with this project over a couple of years now assisting Stockland and McDonald's on various aspects of the planning proposal. Today I just want to run you through initially what council's concerns were that they've stated in their advice to the Department of Planning and then we just want to go through each of those matters one by one and provide a bit more of an evidence-based approach as to how we believe the traffic impacts from this development, or this planning proposal, I should say, have been mitigated by our proposed approach.

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MR WILSON: Just before you continue.

MR MILSTON: Yes.

MR WILSON: Is it possible to show myself and my colleagues the actual concept plan layout you had for the ground floor in terms of the drive-through?

MR MILSTON: Yes, we will. I think the next item or the one after does that.

30 MR WILSON: Sorry.

MR MILSTON: We go through that when we talk about the queuing so we'll be able to show that to you then as well. I should've said at the start, Commissioner, more than happy for you to jump in with any questions along the way as well. Don't wait for me to finish speaking. If there's a question that you have as I'm talking please feel free to jump in and ask away. I won't dwell in this slide for too long. This is word for word what council's submission states and we essentially broken down as three separate issues all related obviously. First item is the drive-through will increase traffic movements at the site access points. Second one being that the drive-through will – or that additional traffic from the drive-through will impact adjoining intersections on the road network.

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Point number 3 is that there's insufficient queuing space within the site, queue past the drive-through and that may have flow-on implications to surrounding streets, in particular to Victoria Road and the fourth dot point was just an overarching statement to say it may be manageable in a suburban context but not a CBD context. So today we'll go through each of those items around the suitability of the queuing, the traffic impacts and then also the negative implications for not providing a drive-through and what would happen in a theoretical world if no drive-through were provided on this site.

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So we'll go to the next slide. And here's that ground floor layout for you, Commissioner. So this slide actually shows the queuing but what we'll start off with is on the right-hand side shows the – under the reference scheme for the planning proposal. Remember this is just the reference scheme being planning proposal phase and not a DA, showing what the layout would look like. Bottom, you've got Victoria Road on the right and you've got Church Street mirroring the aerial image of the existing site on the left-hand side there. Before I get into the technical details did you have any questions around that layout, in particular?

20 MR WILSON: That's the parking for McDonald's that we can see in the concept?

MR MILSTON: Correct.

MR WILSON: Is that correct? Yes. Is there around about 30 spaces there, yes?

MR MILSTON: 30 spaces, yes.

MR WILSON: Okay.

30 MR MILSON: Yes. And then you'll have parking for the residential underneath.

MR WILSON: And there's no right-hand turn from Victoria Road into - - -

MR MILSTON: Yes, that's been brought on as part of this proposal. So we'll go through that in a minute as well. So there is currently a right-hand turn from Victoria Road into the site. As of today you can turn right into the site from Victoria Road but under the proposal that right turn will be prohibited. Can we just go back to – just probably go onto this one – if we just go back to the previous ones, sorry. So just on the queuing first because that was one of the items council raised. I mean, I do want to point out this is a reference scheme for a planning proposal, not a DA level set of concept drawings but what we've got on the left-hand side the existing situation where

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you've got space for 12 – sorry, 14 cars queued on the site prior to the point of order. So initially where you drive up to your car and you place your order for a Big Mac and some chips and on the right-hand side shows the proposal layout and you've got the exact same number of spaces for queued cars, 14, and that 14 doesn't allow for traffic to enter and exit the site unimpeded.

10 So there's actually physically more space within the site for queued cars but the 14 spaces allows cars to enter and exit the site unimpeded from people doing an order through the drive-through. RMS traffic guidelines recommends a minimum of 12 spaces for queueing for McDonald's drive-throughs, not just general fast food stores, specifically for McDonald's drive-through. So we've got more space than what the RMS guidelines actually recommend for McDonald's drive-through stores. Now we can go to the next one. And what we've done – council may have done some analysis or work behind the scenes, we certainly haven't seen it. We've done our own assessment and modelling to confirm that the amount of queueing space provided on the site is sufficient.

20 You know, Stockland and McDonald's they don't want this site to be full of cars and queued all the way back to Victoria Road because at the end of the day no one comes to get food at McDonald's. So we want to make sure there is sufficient space that is provided on the site that can accommodate the expected demand. So we've done a queueing assessment, I won't go into the details of what all that means but effectively looking at the peak hour of the day, the busiest hour of the day, how many cars are projected to come into the drive-through, how long it takes for them to place an order, how long it takes for the order to be prepared and then to be picked up and then based on that distribution across that peak hour what certain probabilities are of different levels of vehicle queues and what that shows is that there's the probability for an average queue, the 50 per cent aisle queue effectively, of three cars at any one time at the pick-up point where you pick up your food and what we've then looked at is in the extreme scenario, 99 percentile probability. So effectively in that peak hour of the day, that happening once every hundred days, once every three months what would that queue be and that queue would be 18 vehicles.

30 Now, remember I said we've got 14 vehicle queue capacity from the point of order, where you order your food, that 18 extends back beyond that point of order, that's still within the site. So even under that extreme scenario which you never actually design for there's still more than sufficient capacity within the site to accommodate that level of queueing. Of course, these matters will be considered more as part of the DA phase but what we've got is a reference scheme here that clearly shows there's sufficient capacity within the site to accommodate that level of demand for the McDonald's pick-up and for the McDonald's drive-through offering. Go to the next one please.

In terms of the site access this all relates to the general drive-through. On the left-hand side you can see this is how the site's currently accessed. You can turn left and right into the site from Victoria Road. You can also turn left and right out of the site from Victoria Road. So there's merely four points of conflict at that driveway access on Victoria Road. On the right-hand side is what would be proposed under the site development. That point of conflict reduces down to one movement, left in only and that has implications for the Church Street light rail corridor which I'll go to in a minute but what it does it significantly simplifies the level of traffic movements at that driveway and it has flow-on implications and significant benefits in terms of safety, efficiency of the road network with respect to Victoria Road.

MR WILSON: Just while you're there, Josh.

MR MILSTON: Yes.

MR WILSON: The access to the building will be shared?

MR MILSTON: Correct. Correct.

MR WILSON: That's right. So in other words, someone coming in to get breakfast will be coming in at the same time as potentially someone parking to access the commercial tower, yes?

MR MILSTON: Or coming – more likely coming up but, yes, at that time of the day, yes. Residential.

MR WILSON: Yes. I got you. It's missed use. So it's predominantly resi, isn't it?

MR MILSTON: Yes. Go to the next one please.

MR CRAIG: Just worth mentioning also residents can access from the Ross Street side as well.

MR MILSTON: Yes. Go back one second, just a bit on that point that Ben Craig just made. The Ross Street entry will actually be the primary point of entry because you can turn left or right from all directions from Ross Street. The Victoria Road access will only be relevant for eastbound traffic travelling on Victoria Road. Go to the next one. And they're all done here to visually show you what the level of traffic movements are expected to be in future compared to today's conditions but also compared to the proposal that was probably before you about a year ago when left and

right turns were permitted from Victoria Road because that right turn restriction is only quite recent in terms of that restriction that we've been proposing. Under current conditions based on surveys that have been about 140 vehicles per hour, so the Y axis, so that should indicate vehicles per hour, peak hour, access the site from the Victoria Road driveway.

Under the proposal that was before you about a year ago that number drops to about 85 and that's primarily because we're halving the number of car parking spaces on the site as part of the proposal, that reduction. Also the fact that you can't – you're going
10 into the site rather than entering and exit the site. So that went from 140 down to just over 80. Then under the current proposal by restricting access to left turns only that goes to about 50. So we're going from 140 down to about 50, nearly a two-thirds reduction from current arrangements on the site.

MR WILSON: And does this include growth, background growth?

MR MILSTON: This is just for the development for McDonald's. Not for Victoria Road in general, just McDonald's itself.

20 MR WILSON: Thanks.

MR MILSTON: That's okay. And this goes to the no right turn as we say. So there was discussion around the queueing if it ever got to Victoria Road which through analysis we've shown it's extremely unlikely to but if the queueing ever got to Victoria Road it would then have flow implications to the nearby Church Street light rail corridor. By restricting access to left in only or by not allowing vehicles to turn right, any queueing, albeit to occur very, very infrequently, if ever, would only impact Victoria Road to the left-hand side of the screen to the west of the site. No queueing would ever extend back to the east of the site, that would then go onto Church Street.
30 Any queueing, again, modelling shows very, very infrequently, would ever only extend back to the west and not the east and that's important in the context of the Church Street light rail corridor because that has been raised in the past as a reason why that the drive-through may not be appropriate for this site.

In terms of traffic numbers and movements this is one of the exact same slides I think we shared with you last year showing the traffic generation from the site. I won't go into the numbers, the key thing here is that the planning proposal with the reduction in parking numbers on the site would decrease, the overall traffic movements generated by the site, that's when you include the mixed use component on the site as well
40 compared to current conditions and then the more important figure which is only the next line shows traffic modelling that's been done which indicates that those four

intersections all immediately in the vicinity of the site would operate at the same level of service as they do under today's conditions with the planning proposal in place.

A sensitivity test was also done with the traffic modelling which looked at a scenario where the drive-through was not provided, that had no change to the level of service compared to the current proposal. So there's no change with the proposal in place, there's no change if you remove the drive-through in terms of traffic impacts. Zero. And then you can see they all operate at a pretty reasonable level of service there as well between level service A and C which is a good operation and that traffic model, as I said, has been in review by Transport for New South Wales and it's been accepted by Transport for New South Wales as well.

Then lastly – this is where I'll finish off, but I just wanted to take you through what the implications would be by removing the drive-through. There are some key points here in a theoretical world if you did remove a drive-through. That would just require people to park on site because they couldn't collect their orders by driving through the site. So there's an increased demand for parking, that means there's potential for greater queueing impacts to the local road network. Perhaps people realise that they've not going to be find a park on site with no drive-through so they'll go to a local street and park there. So it will increase pressures on residential streets because people are parking on the street and then walking into the site.

The fourth one is an important one. Removing a drive-through doesn't materially change the number of traffic movements on the road itself. What's the reason for that? The reason is most people using the drive-through at McDonald's are people on their way to and from somewhere else, whether it be to and from work, weekend sport, wherever it may be. They're not going to McDonald's as a standalone trip, they're going – and what we call pass-by trips. More than 50 per cent of trips are those pass-by trips. Many of those people if there isn't a drive-through will choose to go into the site anyways.

So taking that all into account at best there would be 15 vehicles per hour reduction on the road network, one vehicle every four minutes on Victoria Road. In the context of the thousands of vehicles per hour on Victoria Road that is negligible, that will have zero impact on the operation of the road network which the modelling has, indeed, shown and then lastly, which hasn't been taken into account in the modelling but we feel certainly through discussions with McDonald's this will occur, is of an increased demand for home delivery service. People can't get to the site to park or go to the drive-through so they'll choose to order via Uber Eats. That still generates vehicles on the road network. So again, not a material difference in terms of the impact on the road network.

I think the last slide is just a bit of a summary of what I've just talked about. So I'll let you read through that but effectively key points, we've got, you know, improved environment in terms of queueing, the analysis shows that we're not going to queue back to Victoria Road. There's going to be significant reduction in traffic movements at the Victoria Road access point. We're reducing the total number of vehicles entering and exiting the site compared to current conditions under the proposal and there are a number of negative impacts associated with removing a drive-through in that theoretical scenario. So I might stop there. Unless you have any questions obviously on this, I'll hand it over to Ben who can talk through the other points that council have raised.

MR WILSON: Thanks.

MR CRAIG: Thanks. I think, Commissioner, it's also worth just highlighting there that that's the angle of the Church and Victoria Road corner looking at the development and the drive-through sits behind the façade so you can't actually see it from the street. The other points that the council raised in their request was that the drive-through represented inappropriate use of the site and if you just bear with me I'll read out what they've said. They said, "Whilst it is appreciated there is an existing drive-through facility on the site it is considered inappropriate to incorporate that facility in an intensive mixed use development on a key corner site. A drive-through may have been appropriate in the past when the Parramatta CBD was developed at a much lower density and when people travelled by car for their shopping and commercial services but as Parramatta develops as a key CBD with high rise elements for commercial and residential purposes and where use of public transport become more the norm there is less place and need for the provision of drive-through facilities." So just in response to that.

MR WILSON: Just on that matter. I understand that when you were preparing the planning proposal that you were having discussions with council on – not alternative uses but other – what I should say.

MR CRAIG: Adaptive reuse.

MR WILSON: Yes, reuse of the drive-through.

MR CRAIG: Yes, that's correct. That was one of the key things when – in the two years that we worked between 2018 and 2020 when they resolved to support the original planning proposal that was one of the key matters for discussion that we had

with them was about the adaptive reuse. So we did testing and schemes to show how that would actually occur.

MR WILSON: So just on that – it's a shame that the other Joshua is not here but is it the argument that the drive-through is essential in the short to mid term or is it essential, full stop, because there is this argument that – and it's a reasonable argument that the CBD is going to change and it will become much more densely developed and built form is going to become quite significant, you're going to have public transport and so forth, so at some stage in the future driveway may, indeed, become redundant.

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MR CRAIG: My understanding – we have Dana here from McDonald's. My understanding is – and, Dana, feel free to jump in if you like.

MS CELESTINO: Yes, I can probably answer that really quickly. Essentially, yes, it is essential, it's core to the business especially at this location. So the answer is yes.

MR MILSTON: And I might just add in from a transport perspective. The CBD might develop and might, you know, increase its density. Victoria Road's always going to be there, Victoria Road's always going to be a major east-west road corridor with significant amounts of passing trade, that's important for a drive-through business such as McDonald's. That's never going to change.

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MR CRAIG: I guess, Commissioner Wilson, the fact is though if we design it in a way which we have demonstrated to the council we can achieve the floor to ceiling heights in there, we'd have a space there that slots in so you can have – it can be used in the future as retail or commercial. If, for whatever unforeseen reason, that the drive-through facility becomes a redundant element of McDonald's or McDonald's chooses to vacate the premises for whatever reason in the future that that space can be adaptively reused in the future and that was something that we had sort of worked through with the council and then prior to this planning proposal agreed for that provision to be included in the DCP that said as any part of any development application you need to show us a plan that demonstrates how that would work in the future.

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MR WILSON: Just on the traffic. You're aware that Transport for New South Wales did raise some concern in their more recent advice to the department?

MR CRAIG: They raised some concern about the impacts on the light rail, I think, was the preface of what their concern was on and that's why Josh just highlighted the fact that we've removed that right-hand turn into the site eliminates any possibility. So

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we actually think that concern has been raised without fully understanding that that right-hand turn has now been approved.

MR WILSON: I thought it was more general than that but they left it to the department to come up with a mechanism in which to test it so anyway, I'll look at that but thanks. I'll let you go. Sorry to interrupt.

MR CRAIG: No worries at all. And just in terms of the assertion that council are making about the inappropriateness of the drive-through I just wanted to sort of
10 highlight a few key points and that is that people will definitely still travel by car today – well, they still travel by car today and they'll continue to travel by car in the future and just because there is the arrival of Parramatta light rail doesn't necessarily mean that everyone will all of a sudden start using public transport to access the store. That's because, as Josh said, a lot of – 50 per cent of trade comes from passing traffic and then the catchment area for McDonald's doesn't necessarily align with that route of the light rail, they'll come from other locations as well and the private vehicles will continue to be a primary form of transport and you can see in that slide there the point that I've bolded that's actually an extract from the council's own CBD car parking
20 strategy, so their own analysis where their study says 56 per cent of workers drive for work and that the number of trips to Parramatta CBD could potentially increase by two or three times at current levels in the future. So in their own studies to inform their own CBD parking strategy they've found one thing but then they're making assertions of a completely different nature in their review.

Josh talked to the passing traffic trade so I'm not going to emphasise that again and then I guess the point about the timeframe and the fact that council's asserting this is a CBD environment at the moment when, in fact, it's probably got 20 to 30 years of evolution and growth before it gets to that point to become a highly dense CBD
30 environment and even if it does that does in itself mean that there is less space or less place and need for the inclusion of a drive-through and the images they have on that slide are actually the drive-through to the McDonald's in Darling Quarter. So I don't know if you know the Darling Quarter.

MR WILSON: I do. It was going to be next question before you put this slide up so you've just answered it.

MR CRAIG: Yes. So, I mean, before last year I wasn't actually aware and I work just around the corner but didn't realise there was a drive-through there and that goes to the point that that it can be quite discreet, doesn't have to be in your face and you can
40 see traffic go in and out and that's the extent. You can't actually make it out very well but that's the extent of the signage there to let you know there's a drive-through there.

The other point that council raised about poor environmental outcomes with cars queueing in the undercroft area and creating a nuisance and hazard. Now, McDonald's provides drive-throughs of all forms including enclosed drive-through facilities on a lot of their sites because a lot of their sites have interface challenges with residential areas surrounding them, so in a lot of instances they're enclosed.

10 There's a range of mitigation measures that you can include to address these issues. They can be sleeve louvres, mechanical ventilation, you know, basement car parks for shopping centres use mechanical ventilation to address this challenge and it's no different in this instance. Noise can be mitigated from a drive-through just sitting behind the building façade in the first instance and then being enclosed pretty much on most of the sites. So I don't think noise is necessarily going to be an issue in terms of its impacts and ultimately this is something that would be addressed at DA stage in terms of the mitigation of these issues as part of the detailed design of the building. So we think that that sort of assertion by council is something that can be quite easily managed.

20 Lastly, the council talked to the idea around LEP versus DCP and talked to the idea that they think it's appropriate for an LEP provision because it has the effect of carrying statutory weight in the decision-making process and then prohibits the drive-through but they also agree site-specific DCP is appropriate and they talk about it being prepared and then looking to include controls that say the same thing and that these controls are intended to support the LEP control. I guess our position on this is that we think that a DCP is the appropriate place for a control of this nature if the council are of a mind to want to prohibit a drive-through and the reason for that it allows a merit-based assessment to be undertaken at the development application stage and that merit-based assessment is informed by technical analysis and evidence.

30 At the moment we don't feel that the council's actually undertaken any analysis or evidence to support their own position and the LEP control that the council is proposing actually denies the opportunity for that technical assessment to be undertaken because it just flat-out prohibits it from happening and that prohibition is based on a council resolution. So it wasn't actually based on a council officer recommendation, it was based on a councillor resolution at the time, October last year. Last slide. So in summary, we think – I just want to point out that, yes, DPIE's gateway determination included a condition requiring council to remove the prohibition. So the Department of Planning agree with our position on this.

40 The strategic and site-specific merit of the proposal was rigorously tested between that period between 2018 and 2021 and was endorsed by council in July 2020, then it was endorsed by the Department of Planning and then the IPC found that it has strategic

site-specific merit as well and then we've obviously – all has to be unravelled through what's occurred last year with having to resubmit, et cetera. The council haven't provided any technical justification of their own right to support their proposition and it's also worth noting that the planning proposal that's before you is not relating to a change in the zoning or anything like that, we're not changing any land use permissibility, we're just seeking a site-specific car parking rate.

The technical analysis that Josh has gone through demonstrates the local traffic conditions will remain the same. The intersection performance remains the same.
10 Actually on Victoria Road the traffic conditions improve because they've got that left in scenario only as opposed to having access in all directions and ultimately the proposal represents a fantastic opportunity to deliver a catalyst development for the Parramatta CBD, north of the Parramatta River in the CBD and we think will stimulate further investment in the area and the prohibition of a drive-through facility really does put a risk that whole proposition because it becomes an untenable outcome for McDonald's having been there since 1978 and you heard from Josh Bannister on that. So that's really summing up our presentation. I don't know, Ben, if you have anything else you wanted to add to that as well.

20 MR CANTWELL: No, I think you covered the key points. It's just obviously it's been a very long journey with our partner McDonald's to get to this point and we think it's a great opportunity to really, you know, and a catalyst redevelopment - to do with that catalyst redevelopment in the norther part of Parramatta but, yes, as you've heard the drive-through is fundamental for McDonald's and our relationship to be able to move that forward.

MR WILSON: Look, I don't have too many questions. There's a lot of technical analysis in there which I guess we're not here to make any determination on. So if I can summarise your position is that the drive-through's critical. You don't agree that
30 there should be a prohibition in the LEP and you want the ability to justify the functionality of a drive-through, it can be done. You just want the ability to provide the technical assessment to be justify that drive-through can function, is that correct?

MR CRAIG: We just want the ability to be able to go through the development assessment process with evidence to demonstrate that it can work and to give us an opportunity to do that. At the moment the way it's worded it just takes that opportunity away from us entirely and it's not really based on the evidence, it's based on a gut feel of the councillors at the time.

40 MR WILSON: Look, I don't have any more questions in relation to that. We met with both the department and council this morning so we have their views and we're

finishing off with yours. It's not an overly complicated issue for the Commission so I don't think our deliberations will take too long. That's not to say we've made our decision at all but it is really just one issue so we hope to make a determination pretty quickly.

MR CRAIG: Commissioner, would you like us to forward you our slides as well?

MR WILSON: Yes, I think so and I think given they were presented to us we probably should put them on our website as well. Is that right?

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MS JARVIS: If you could send them through to me and we'll upload them onto the website and well as a transcript of this meeting.

MR CRAIG: No worries at all, Phoebe, I'll flick that through.

MS JARVIS: Thanks.

MR WILSON: Regardless of which way we go though one thing that makes it difficult for people who need to make decisions on these things is when McDonald's say it's integral to their business we have to accept that, you know what I mean. There's no way of us putting the forensic on that to say, well, it is really that critical? I don't know and, you know, this came up last year as well when we went through the review. We have to take it as gospel but when someone says traffic is critical we've got ways of looking at it and putting the science through it and so forth.

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So it's just something you might want to think about regardless of where this one goes but the same issue came up last year and it's very difficult for us to agree that it is critical when we have no idea whether it's critical or not. It's just a moot point, that's all. Something that we mentioned last year and something which continues to be relevant when we make these decisions and it's easy to say that something's critical but we've got no way of determining that but look, you know, we take it on face value.

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MR CRAIG: I think, Commissioner, in response to that I think the reason why we say it's critical is because McDonald's have agreed a pretty significant concession in their eyes going from 60 car parking spaces to 30 and then removing a drive-through. So they have 60 car parking spaces plus quite an accessible drive-through, it's very visible from the street at the moment. So when drive-through is really visible from the street it means it's hugely – turns over more business than a drive-through that's not visible from the street. So when you halve the number of car parking spaces and then you sleeve the drive-through behind the whole development it has quite a big impact on revenue and then if you take the drive-through out completely and you're left with

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no drive-through and 30 car parking spaces you've shifted from quite a – I guess, a position where it's very visible and they've got 50 car parking spaces to 30 and no drive-through, it becomes a bit untenable with what Josh is alluding to in his video.

MR WILSON: Look, I don't think there's anything else unless my colleagues have any questions. Brad, Phoebe?

MR JAMES: No questions from me, Chris.

10 MR WILSON: Thank you very much for that presentation, I appreciate it.

MR CRAIG: We appreciate your time. Thanks so much.

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