



Planning

**MAJOR PROJECT ASSESSMENT:
Commercial Building
89 George Street, Parramatta
(MP 09_0128)**



Director-General's
Environmental Assessment Report
Section 75I of the
Environmental Planning and Assessment Act 1979

November 2011

ABBREVIATIONS

CIV	Capital Investment Value
Department	Department of Planning
DGRs	Director-General's Requirements
Director-General	Director-General of the Department of Planning
EA	Environmental Assessment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
EPI	Environmental Planning Instrument
MD SEPP	State Environmental Planning Policy (Major Development) 2005
Minister	Minister for Planning
PAC	Planning Assessment Commission
Part 3A	Part 3A of the <i>Environmental Planning and Assessment Act 1979</i>
PCA	Principal Certifying Authority
PEA	Preliminary Environmental Assessment
PFM	Planning Focus Meeting
PPR	Preferred Project Report
Proponent	Webb Property Investments Pty Ltd
RtS	Response to Submissions
UPRCT	Upper Parramatta River Catchment Trust
WAE	Works as Executed

Cover Photograph: Photomontage of the proposed building from George Street looking east towards the site.

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Published November 2011
NSW Department of Planning
www.planning.nsw.gov.au

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EXECUTIVE SUMMARY

This report is an assessment of a Project Application lodged by Webb Property Investments Pty Ltd (the proponent) seeking approval for the construction of a 13 storey commercial building at 89 George Street, Parramatta pursuant to Part 3A of the Environmental Planning and Assessment Act 1979.

The CIV of the proposal is \$67 million. The project would create approximately 250 construction jobs and provide sufficient floor space to accommodate approximately 500 workers once complete.

The proposal is a major project under Part 3A of the Environmental Planning and Assessment Act 1979 (EP&A Act) because at the time the proposal was submitted it was for development with a CIV in excess of \$50m for the purpose of residential, commercial or retail projects under clause 13 of Schedule 1 of State Environmental Planning Policy (Major Development). Therefore the Minister for Planning is the approval authority.

The site is zoned B3 by Parramatta Local Environmental Plan 2007 and the construction and operation of business premises is permissible in the zone subject to development approval.

The Environmental Assessment (EA) of the project was exhibited for a 31 day period between 28 July and 27 August 2010. Nine submissions were received during the exhibition of the EA. Six submissions from the general public and three from public authorities. Key issues raised in the submissions include:

- Impacts on the setting of the heritage listed Perth House at 85 George Street
- Potential loss of a heritage significant olive tree within 85 George Street
- Parking provision
- Bulk and scale of the proposal
- Construction impacts
- Significant, inappropriate and unjustified over development of the site.

On 7 February 2011, the proponent submitted a Preferred Project Report (including a Response to Submissions) to address issues raised by the Council, Government agencies and the public.

Officers of Parramatta City Council have assessed the merits of the project

Accordingly Council officers consider the project is in the public interest and recommend that the project be approved, subject to conditions.

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1. BACKGROUND

The site is a mid block site located at 89 George Street, within the Parramatta CBD (refer figure 1). The site currently contains a mechanical workshop and a dry cleaning outlet. The site has an area of 1,354m². It is a rectangular site with a frontage of 18.25m to George Street, an eastern boundary setback of 75.4m, a western boundary setback of 75.7m and a rear boundary setback of 17.5m. The land falls from the rear to the street by approximately 2.9m.

Parramatta is recognised as Sydney's Second CBD with a mix of retail, commercial office and residential uses. The site is located in the eastern portion of the CBD that is the commercial core of Parramatta.

Adjoining the site to the east on George Street is a 7 storey commercial development on a similar sized allotment, with the site to the west on George Street containing a heritage listed cottage, with a commercial building behind. To the rear of the site is a portion of Arthur Phillip High School. The northern side of George Street contains a mixture of commercial buildings including the Ferguson Centre and Colonial Tower.

Figure 1: Project Location (Image Source: Sydney UBD Directory - Universal Publishers)

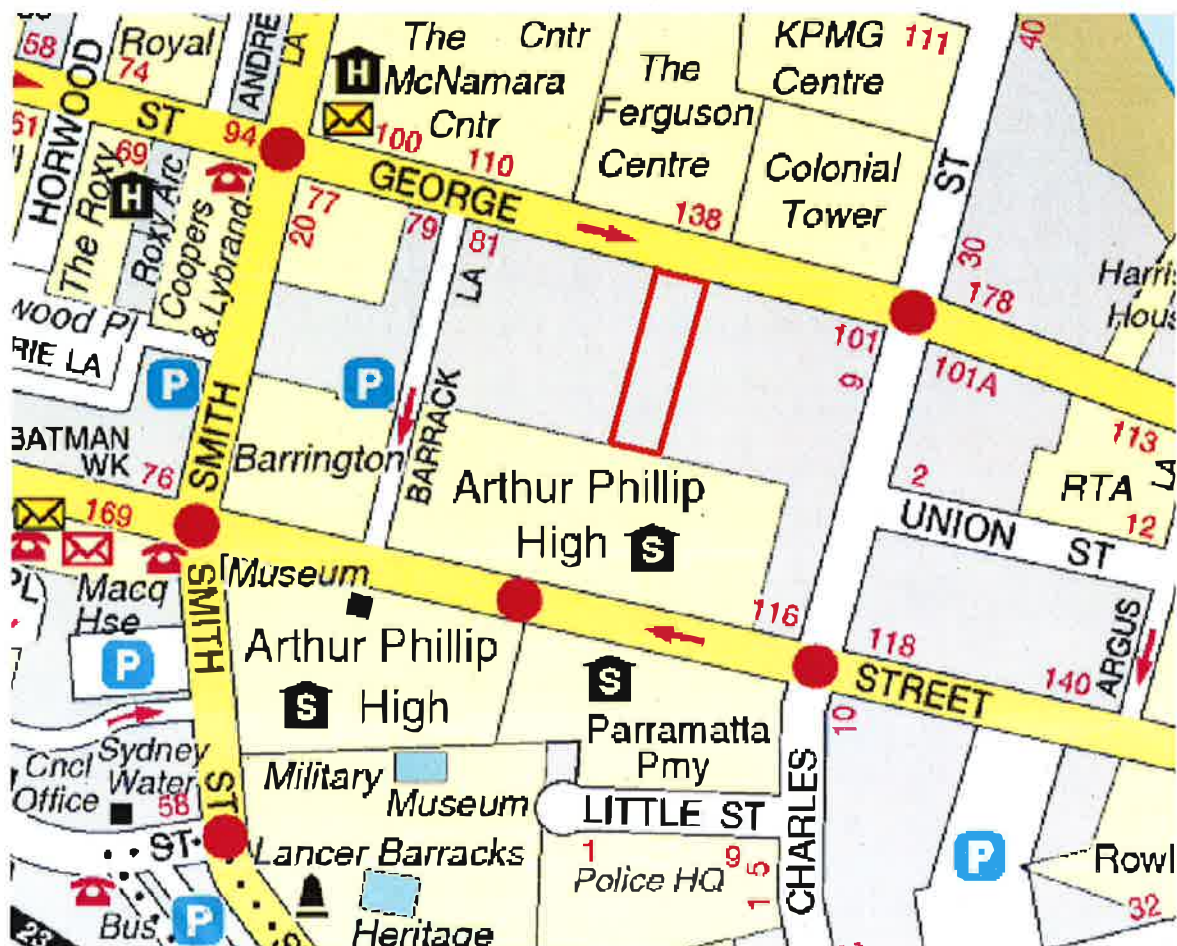
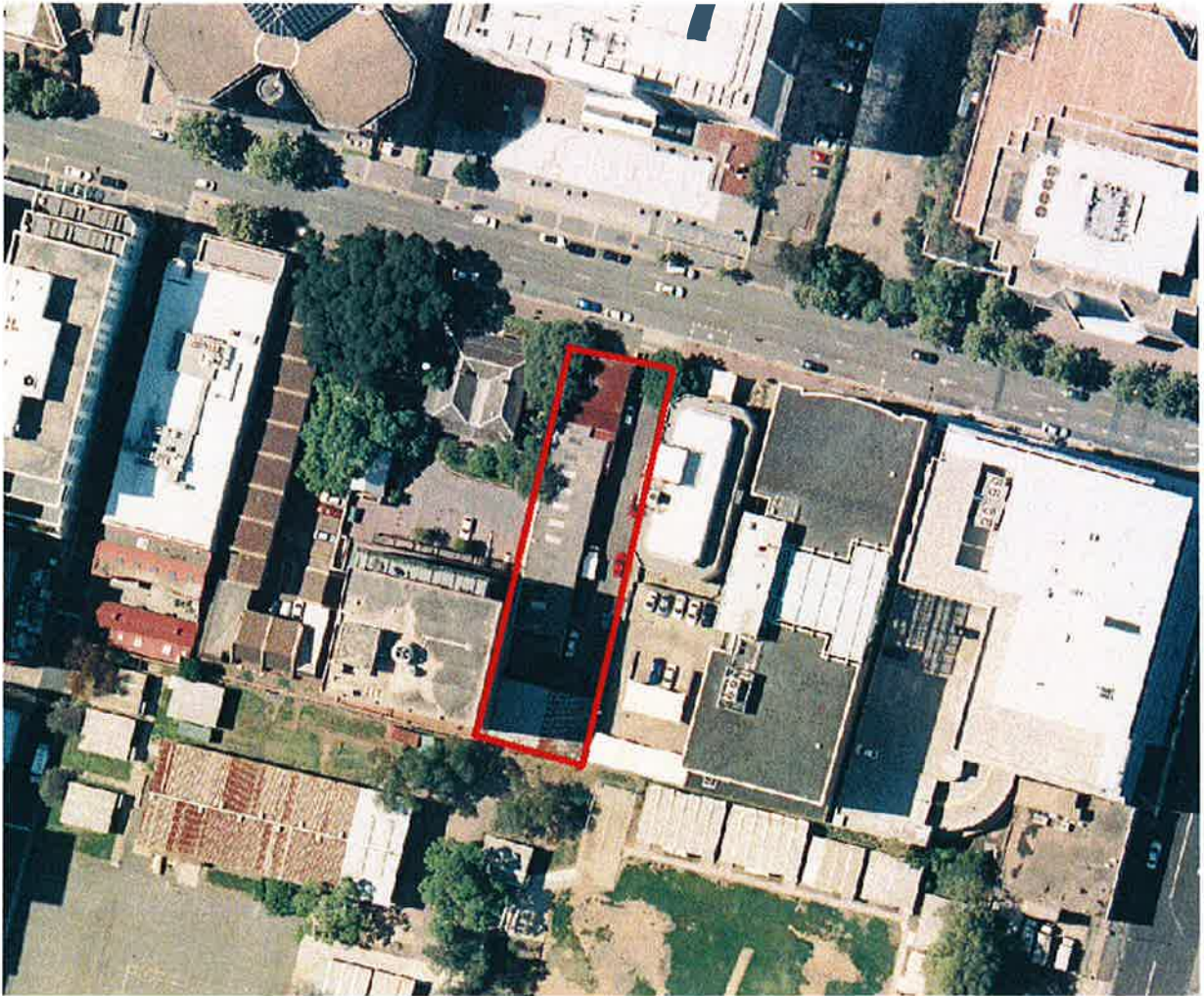


Figure 2: Existing Site Layout (Image source: Parramatta City Council).

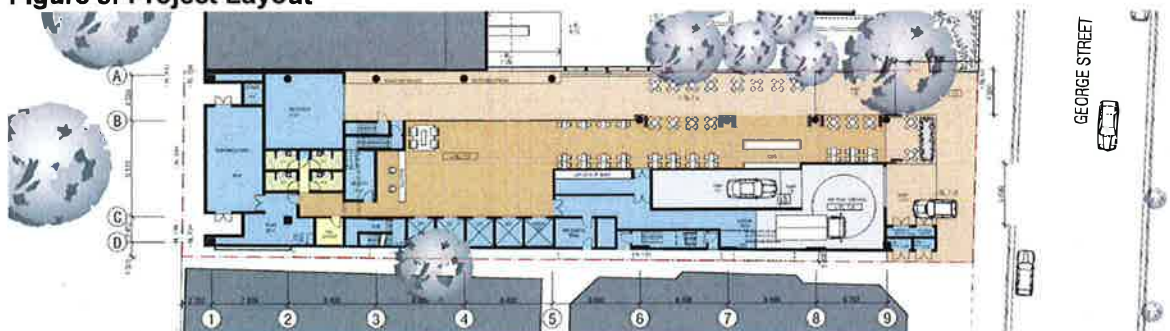


2. PROPOSED PROJECT

2.1 Project Description

Consent is sought for development involving demolition of an existing building, the construction of a 13-storey commercial office building with ground floor retail uses, off-street loading facilities and 4 levels of below-ground car parking for 63 vehicles. The project layout is shown in Figure 3.

The key components of the project are listed in Table 1.

Figure 3: Project Layout**Table 1: Key Project Components**

Aspect	Description
<i>Project Summary</i>	Project application for a mixed use building.
<i>Building</i>	<p>Construction of a 13 storey building comprising:</p> <ul style="list-style-type: none"> • Ground floor café and reception area containing 399m² of floor space (The occupation and fit-out of the café will be the subject of a separate approval) • 11,567m² of commercial floor space over level 1 -12 • Rooftop plant
<i>Access</i>	<ul style="list-style-type: none"> • Vehicular access to the site is provided from a new 5.8m wide driveway on the eastern side of the site. • Pedestrian access is available to the ground floor lobby from the western side of the site.
<i>Parking</i>	<p>A four level basement carpark containing:</p> <ul style="list-style-type: none"> • 63 carparking spaces • 75 bicycle parking spaces

2.2 Project Need and Justification

Metropolitan Plan for Sydney 2036

The Metropolitan Plan aims to sustainably manage growth, enhance Sydney's position in the global economy, achieve greater housing affordability, enhance liveability and ensure equity for future generations.

The Metropolitan Plan sets an employment target of 2.85 million jobs in Sydney by 2036, which requires the creation of an additional 760,000 jobs. In order to provide the required jobs, it is estimated that Sydney will require up to 10,000,000m² of commercial floor space.

The Metropolitan Plan sets revised job targets for subregions and centres, aiming to provide more jobs in centres and more jobs near housing. The Plan sets a target for Parramatta of an additional 18,000 jobs by 2036.

Key objectives of the Metropolitan Plan relevant to the proposal are:

- provide more jobs in centres, more houses in centres and more houses near jobs;
- target development around transport; and
- concentrating commercial activity and job destinations in centres.

The proposal will make a contribution to the achievement of a number of the Metropolitan Plan targets. Specifically, the proposal will contribute approximately 500 new operational jobs within the Parramatta CBD, making a modest contribution to the overall jobs target of 18,000.

The proposal will also contribute to the achievement of the Plan's environmental targets, specifically by providing employment opportunities within a major centre with excellent access to public transport and local services.

Draft West Central Subregional Strategy

The draft West Central Subregional Strategy identifies Parramatta as a "Regional Centre and is considered to be the economic hub and a gateway to western Sydney.

The Metropolitan Plan provides updated targets for the draft Subregional Strategy, setting a target of an additional 18,000 jobs within the centre by 2036.

A key action in the draft Strategy is to protect and strengthen the existing commercial areas in the Parramatta CBD. The draft Strategy sets a target for Parramatta of providing an additional 18,000 jobs by 2036, requiring approximately 300,000m² of additional office / retail floor space.

The proposal involves 11,567m² of new commercial floor space and should provide for approximately 500 new employment opportunities in the Parramatta CBD. The provision of this commercial floorspace in close proximity to public transport services makes a modest contribution to the employment target of 18,000 additional jobs by 2036.

The proposal is consistent with the key directions and will assist in meeting the employment target set out within the draft West Central Subregional Strategy.

3. STATUTORY CONTEXT

3.1 Major Project

The proposal being considered was a major project under Part 3A of the Environmental Planning and Assessment Act 1979 (EP&A Act) because it is for a development to which Clause 13 of Schedule 1 of *State Environmental Planning Policy (Major Development) 2005* (Major Development SEPP) applied.

On 26 August 2009, the Director General delegated his assessment functions under Section 23(1) (d) of the Act for this project to Parramatta City Council (Council). Council was required to undertake an environmental assessment of all aspects of the project application under Part 3A and forward a copy of the draft report and instrument of approval to the Department for comment on behalf of the Minister. A copy of the draft instrument for approval and proponent's statement of commitments was required to be agreed to by the Department on behalf of the Minister prior to approval.

The Major Development SEPP was amended on 13 May 2011. This amendment removed the commercial development category from the operation of the instrument. However, Part

3A of the EP&A Act, as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A to the Act, continues to apply to transitional Part 3A projects. Director-General's environmental assessment requirements (DGRs) have been issued in respect of this project and the environmental assessment report was lodged prior to 8 April 2011. The project is therefore a transitional Part 3A project and therefore environmental assessment can proceed on the basis that the amendments do not apply in this instance.

On 14 September 2011, the Minister for Planning and Infrastructure delegated the determination of project applications under Part 3A of the EP&A Act to the Deputy-Director General, Development Assessment and Systems Performance where:

- the relevant local council has not made an objection;
- a political disclosure statement has not been made; and
- there are fewer than 25 submissions in the nature of objections in respect of the project application.

The Deputy Director-General is to note:

- Parramatta City Council undertook assessment of the project and recommend approval subject to conditions;
- a total of 6 submissions have been made on the application;
- the proposal is not a major infrastructure project; and
- no reportable political donation has been made on the application.

In accordance with the Minister's delegation, the Deputy Director General may determine this project under delegated authority.

3.2 Permissibility

The site is zoned B3 Commercial Core by the Parramatta City Centre Local Environmental Plan 2007. The proposed development will be a commercial building capable of accommodating both business and office premises. A retail use (café) is proposed on the ground floor. These land uses are all are permissible in the zone.

3.3 Environmental Planning Instruments

This assessment has given consideration and due regard to the provisions of the following State Environmental Planning Policies relevant to the project:

- SEPP No 55 – Remediation of Land
- SEPP No 64 – Advertising and Signage
- SEPP (Infrastructure) 2007

Consideration of relevant SEPPs and EPIs is provided in Appendix D.

3.4 Objects of the EP&A Act

Decisions made under the Environmental Planning and Assessment Act must have regard to the objects of the Act, as set out in Section 5 of the Act. The relevant objects are:

- (a) *to encourage:*
- the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,*
 - the promotion and co-ordination of the orderly and economic use and development of land,*
 - the protection, provision and co-ordination of communication and utility services,*
 - the provision of land for public purposes,*

- (v) *the provision and co-ordination of community services and facilities, and*
- (vi) *the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
- (vii) *ecologically sustainable development, and*
- (viii) *the provision and maintenance of affordable housing, and*
- (b) *to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and*
- (c) *to provide increased opportunity for public involvement and participation in environmental planning and assessment.*

On balance, it is considered that the proposal is consistent with the Objects of the Act in the following respects:

- The benefits provided by the proposal include an increase in commercial office space in the Parramatta city centre and will contribute to increased use of public transport.
- The development of a highly sustainable building (5 star Green Star rating) that demonstrates leadership in the provision of ESD development in Parramatta.
- A high standard of architectural design that shows design excellence and contributes towards achieving the urban design outcomes that were intended by the Cities Taskforce.
- Contribution to the vibrancy of Parramatta on a site that is currently under-developed.

3.5 Ecologically Sustainable Development

The EP&A Act adopts the definition of Ecologically Sustainable Development (ESD) found in the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD requires the effective integration of economic and environmental considerations in decision-making processes and that ESD can be achieved through the implementation of:

- (a) *the precautionary principle,*
- (b) *inter-generational equity,*
- (c) *conservation of biological diversity and ecological integrity,*
- (d) *improved valuation, pricing and incentive mechanisms.*

ESD issues have been fully considered within the assessment section of this report (Appendix D).

3.6 Statement of Compliance

In accordance with section 75I of the EP&A Act, Parramatta City Council is satisfied that the Director-General's environmental assessment requirements have been complied with.

4. CONSULTATION AND SUBMISSIONS

4.1 Exhibition

Under section 75H(3) of the EP&A Act, the Director-General is required to make the environmental assessment (EA) of an application publicly available for at least 30 days. After accepting the EA, the Department publicly exhibited it from 28 July until 27 August 2010 (31 days) on the Department's website, Parramatta City Council, Parramatta City Library, and Department's Information Centre. The Department also advertised the public exhibition in the Sydney Morning Herald, Daily Telegraph and Parramatta Advertiser on 28 July 2010 and notified adjoining owners and relevant State Government agencies in writing.

A total of 9 submissions (being 3 submissions from public authorities and 6 submissions from the general public) were received during the exhibition of the EA. A summary of the issues raised in submissions is provided below.

4.2 Public Authority Submissions

Three submissions were received from public authorities.

Roads and Traffic Authority does not object to the project and provided its comments to be taken into consideration in the determination of the application. The main issues raised are in respect of the vehicular access arrangements into the building and the adequacy of those arrangements to operate safely and efficiently. The RTA recommended widening the access ramp into the basement car park to allow for simultaneous two way movements. It also required that Council be satisfied that the operation of the loading dock and turntable will not conflict with cars entering and exiting the site.

Heritage Council of New South Wales provided comments to Council as the project is in the vicinity of an item listed on the State Heritage Register. The Heritage Council is of the view that the project in its current form will have a detrimental impact on the setting of Perth House and its views from along George Street. It has made a recommendation that the building design requires amendments in line with the detailed advice provided in order to mitigate the impacts of the development.

The Heritage Council has acknowledged that the project has been designed to address some of the urban design issues associated with the historically significant section of George Street, however the measures were not adequate enough to mitigate the impacts on the setting of Perth House and its views from George Street. It regards the changes made to the design between the request for DGRs and the project application to have failed to address the concerns raised by the Heritage Council. Additional concern was raised regarding the impact of the development on an Olive tree present on the site in the vicinity of the common boundary between the sites.

In the time since the project was formally submitted for approval, the proponent held discussions with staff of the Heritage Branch to provide further information about the design. Subsequent to these discussions, amended advice was received from the Heritage Branch. This advice states:-

"That subject to the Olive Tree being suitably protected during construction (and excavation not having any substantive impact on the tree's root system), the applicant should resubmit amended designs to the western and northern elevations that respond more appropriately to the heritage setting and character of Perth House. The elevations should present a calmer and simpler visual backdrop to Perth House"

Revised plans have been provided by the proponent have sought to address the specific matters described above in order to satisfy the impact of the project on the heritage listed Perth House. It is considered that adequate protection measures can be implemented during the construction phase of the project in order to ensure the retention of the Olive tree. These measures will be imposed by way of a condition of consent.

Office of Water does not object to the project and has informed Council that based on the information provided will not be requiring any subsequent approvals as a consequence of carrying out the proposed works.

4.3 Public Submissions

A total of 6 submissions were received from the public. There were 2 submissions where insufficient detail was provided to understand the specific nature of the objection. It is not

clear from these submissions whether the writers will personally be impacted by the development. The remaining 4 public submissions have been provided either by owners of adjoining properties or individuals concerned with the project's impact on the adjacent heritage item. A summary of the key issues raised in the submissions is listed in Table 2.

Table 2: Summary of Issues Raised in Public Submissions

Issue	Proportion of submissions (%)
Heritage impact	100%
Overdevelopment / Inappropriate built form	100%
Impact on significant tree	75%
Pedestrian circulation across neighbouring land	75%
Improper use of Part 3A provisions of EP&A Act	50%
Overshadowing to neighbouring property	50%
Inadequate car parking provision	50%
Justification for providing new office space in Parramatta	25%

Parramatta City Council has considered the issues that were raised in the submissions within the assessment of the project in Section 5.

4.4 Proponent's Response to Submissions

The proponent has provided a response to the key issues that were raised in the public submissions. The proponent's response is considered below:

Heritage Impacts

The issue of heritage impact has been raised by the owners of the adjoining Perth House and also the Heritage Council. As it is listed on the State Heritage Register, Perth House and its curtilage are afforded protection under 79C of the Environmental Planning and Assessment Act. Consideration of the heritage impact of the project is also a requirement of Parramatta City Centre LEP 2007. The proponent has provided a Statement of Heritage Impact and a supplementary report addressing the public submissions.

Although the project was first presented to the Heritage Council Approvals Committee as part of preparing the Director Generals' Requirements (DGR), the comments of the committee were not included in the response that was provided to the proponent. Despite detailed concerns about the project being identified, the DGR only required the preparation of a Heritage Impact Statement for the project.

Following the formal submission of the Major Project application, the Heritage Council informed Parramatta City Council that the project application in its current form would have a detrimental impact on the setting of Perth House and its views from along George Street. The recommendation was for major amendments to the building design in line with detailed advice provided in order to mitigate the impacts of the project. A process of consultation between the proponent and the Heritage Branch and Parramatta City Council followed in order to negotiate a resolution of the heritage issues. This led to the issuing of revised advice from the Heritage Council as follows:-

"the Heritage Council having considered the proposal in light of the additional information presented by the applicant, advises Parramatta City Council that the proposal is generally

considered acceptable. It is further advised that consideration should be given to the following matters in the Council's recommendations to the determining authority:

1. *The applicant should resubmit amended designs for the western and northern elevations that respond more appropriately to the heritage setting and character of Perth House. The elevations should present a calmer and simpler visual backdrop to Perth House; and*
2. *The Olive tree adjacent to the Perth House boundary is to be protected during construction to ensure the viability of the tree and its ongoing retention”.*

On the basis of this advice, the initial concerns that were expressed by the Heritage Council have been resolved with the provision of further information and a cleared understanding of the project. The proponent has prepared considerable design documentation at this early stage of the project and this has given the Heritage Council a clearer impression of what the building's façade treatment will look. The proponent has submitted details of the colonnade/undercroft area that will open up views of Perth House from the east and a commitment to protect the significant Olive tree.

The nature of the changes that the Heritage Council is seeking from the first condition is unclear. While the request for the building height to be lowered has been withdrawn, the suggestion for elevations that respond more appropriately to the heritage setting and character of Perth House and present a calmer and simpler visual backdrop imposes a significant amount of uncertainty upon the proponent. The current elevations exhibit considerable architectural merit and are consistent with the State Government's push for more design excellence in the Parramatta CBD. The Heritage Council's agreement to the 13 storey building height indicates that it does not oppose modern office buildings in the commercial core of the CBD. However calling for considerable amendment to the building elevations to present "a calmer and simpler backdrop to Perth House" imposes an unreasonable restriction on the proponent with no clear expression of the outcome they are seeking to achieve. Accordingly, it is recommended that the Minister as the consent authority for this project application take no action in relation to the first condition requested by the Heritage Council but accept the second condition in relation to the protection of the Olive tree.

The proponent has also provided a detailed response to the heritage issues that were raised by the owners of the neighbouring 85 George Street. The key point of concern that was outlined in the submission made by Tanner Architects (on behalf of the owners of 85 George St) was the scale of the project compared to that of Perth House. In responding to these concerns, the proponent has indicated that the objector has taken a view that a residential or similar scale of construction is necessary on adjacent properties to provide an acceptable scale. The proponent does not support this particular view noting that the character of the locality has undergone vast transformation since the nineteenth century to the effect that Perth House is now located within a major commercial precinct with planning controls now in place that support the development of an emerging CBD. Contrary to the position of the adjoining owners, the proponent regards the setting of Perth House within close proximity to larger commercial buildings to be something to be managed rather than something to be denied. It is claimed that the architectural form and the setbacks of the proposed building provided allow for the required spatial separation of the heritage item to surrounding development.

The public submissions also raise concern about inconsistency with heritage controls in the City Centre DCP, impact of the basement excavation on the significant Olive tree and the impact of construction work upon the structural integrity and fabric of the 1821 convict barracks wall immediately to the south of the development site. In responding to the issue of scale and incompatibility with planning controls, the proponent has pointed to significant

contextual change around Perth House and the changes to the planning controls for future development of the area within the Parramatta City Centre. The argument that the proponent has relied upon is that the height controls in the LEP were developed by the Department of Planning having regard to the heritage sites, their settings, their views and their visual connections. Some heritage sites have been provided with height planes but this is not the case with Perth House. The proponent is of the view that this is due to the existing nearby development. The impact the development will have on the Olive tree is considered in detail below.

Overdevelopment / Inappropriate built form

A number of the public submissions have raised the scale of the project to be a significant issue. In particular, the height of the building in comparison to the much smaller heritage-listed Perth House, is claimed to be inappropriate. The proponent has responded to this issue both from a heritage perspective and also in terms of the LEP/DCP controls that apply to the site. The heritage related issue has been considered above. In response to the concern that the building form is inappropriate in terms of the existing and likely future character of the area and exceeds the extent of development permitted under the LEP controls, the proponent's response is provided below:-

"The proposed building is similar in height and generally smaller in bulk than many of the nearby office towers. The planning controls envisage buildings up to 120m height with FSR's of up to 10:1 in the CBD core, within which the site is located. Such building will be significantly taller and larger than the proposed building. Reducing the height of the building to achieve reduced FSR would result in the building being less compatible with the tall office tower character envisaged in the planning controls.

The urban design report submitted with the application includes a detailed description of existing and future character and an assessment of the proposal against the existing and desired future character. We concur with this assessment that the proposed building will be compatible with the existing and desired future character. The objector has provided no urban design analysis to support the contrary opinion".

The appropriateness of this building for the site is also supported by Council's Design Review Panel (DRP) which noted in respect of the relationship with Perth House:-

"Directly to the west of the site is the historic Perth House and its curtilage, which needs to be preserved and enhanced by any adjacent development. The proposal addresses this criteria competently in several ways. First it proposes a podium that establishes the scale of the built form and successfully responds to the scale and curtilage of Perth House. Second, the glazed façade to the foyer/café provides an ideal eastern backdrop to Perth House and the surrounding public space".

The area surrounding Perth House is generally characterised by multi-storey office buildings, including an eight storey office tower immediately to the rear. A twelve storey office tower also stands on the northern side of George Street. In addition to a number of large office buildings also stand to the east of the subject site. These buildings have established the context for the project at 89 George Street.

Impact on significant tree

The public submissions have expressed concern for the wellbeing of an Olive tree situated on the adjoining site but located in very close proximity to the proposed development. It would appear that there has been some confusion regarding the age of this tree and whether it is a remnant of the original cottage garden. Further investigations have found that it is more likely to have been planted in the late 1940s or 1950s. Despite the age of the tree, it is a significant visual element of the Perth House site and worth of retention. The proponent has undertaken to ensure that the development does not adversely impact on the

long term health and stability of the tree. This issue is capable of resolution by imposition of conditions of consent that would require the undertaking of exploratory digging supervised by an arborist to determine the location of the subject tree roots. The proponent has signalled a willingness to accept a condition of consent that would increase the setback of the basement if significant roots are found to extend into the development site.

Pedestrian circulation across neighbouring land

The proponent has made allowance for a permeable side boundary into the semi-public courtyard at the rear of the adjacent site, 85 George Street. In responding to the public submissions objecting to this aspect of the development, the proponent has indicated that such a pedestrian connection will be a public benefit. As access between the two allotments must be agreed between the owners of the land involved and the owner of 85 George Street appears unwilling to agree to such a link, it cannot be provided at this stage. The proponent has agreed to a condition being imposed that requires the design to be amended to preclude pedestrian access from 89 George Street to the courtyard at the rear of Perth House.

Improper use of Part 3A provisions of EP&A Act

A concern has been raised that the use of Part 3A has been selected to circumvent or avoid local planning controls. The proponent has indicated that the application was appropriately submitted to the Minister for assessment on the basis that the proposal is a major project located within a CBD of regional significance and the value of the project exceeded the then designated minimum threshold for commercial development. The request was considered by the Minister who formed the view that the proposal was appropriate for assessment and determination under Part 3A. It is noted that Parramatta City Council have not objected to the proposal being considered under Part 3A and have been appointed to provide an assessment of the application. Despite the recent amendments to the Major Projects SEPP and the foreshadowed repeal of Part 3A, savings provisions ensure this project may continue to be determined under Part 3A.

5. ASSESSMENT

Parramatta City Council considers the key environmental issues for the project to be:

- Heritage
- Construction impacts on Olive tree
- Built form
- Car parking
- Urban Design and Public Domain (Laneway Strategy)
- Drainage

5.1 Heritage

The development site is located in the vicinity of an item (Perth House) that is listed on the State Heritage Register. As such the assessment of the project must have regard to its likely impact upon the heritage significance of Perth House. In order to make an assessment of the likely heritage impact of the development, the proponent has prepared a Heritage Impact Statement (HIS). The HIS makes the following statement regarding heritage impact:-

"the following aspects of the proposal respect or enhance the heritage significance of the item or conservation area for the following reasons:

- *the site analysis and resulting proposal has taken into account the heritage and urban design issues arising from the adjacent heritage item – Perth House and Stables – and provides an improved setting for the Perth House than that which exists.*

- *the proposal replaces the intrusive backdrop to Perth House when viewed from the east currently provided by 91 George Street with a more articulated façade with increased setbacks and transparency at lower levels.*

There are no aspects which could detrimentally impact on heritage significance”.

The relevant objective for the restriction on the height of buildings in the City Centre LEP is:- *“to require the height of future buildings to have regard to heritage sites, and their settings, their views and their visual interconnections”.* In making an assessment of the proposed development against this objective, there are two key issues that must be considered. These are the scale/height of the building in relation to the adjacent heritage item and the extent the development will allow views of the heritage item from various locations along George Street. Both of these issues are considered in this section.

The design of the project involves a height and a scale that is significantly greater than the nearby heritage item. The proponent has considered the issue of scale within the HIS and argues that the overall scale of the building has been drawn from the heights permitted by the local environmental plan. These heights, it is claimed, were the product of an understanding of the heritage items within the study area, including Perth House. The basis of the proponent's argument is that if a lower building height was envisaged for 89 George Street, it would have been a requirement that would have included in the Parramatta City Centre LEP. Because the City Centre LEP allows a maximum building height of 120 metres on this site and it fails to mention Perth House in the historic view corridors that should be preserved, the proponent suggests that the proposed height of 55 metres is appropriate.

The Heritage Council has given extensive consideration to the issue of the appropriate height of the proposal and although it initially expressed concern with the height of the front section of the building, it subsequently revised its comments and has given conditional support. Council's Design Review Panel also noted that:-

“Directly to the west of the site is the historic Perth House and its curtilage, which needs to be preserved and enhanced by any adjacent development. The proposal addresses this criteria competently in several ways. First it proposes a podium that establishes the scale of the built form and successfully responds to the scale and curtilage of Perth House”.

In light of the context that surrounds Perth House, one that has become dominated by a proliferation of multi-storey office towers, the project at 89 George Street will provide a less intrusive backdrop in comparison to some of the less sensitive structures that occupy the other surrounding sites. There are other examples of taller office buildings being built in close proximity to low rise heritage items, including Kia Ora at 64 Macquarie Street. In each case the heritage item is a remnant type of development existing in streetscape that is characterised by large scale office developments.

In respect of the impact the project has upon the setting and views of the item, the Council has considered the opportunity the proposed development will present compared to the existing situation. Currently there are only very limited views of Perth House from the east of the site on George Street. The heritage item is largely obscured by the existing “Better Brakes” building and the Jacaranda and Olive trees that stand along the George Street frontage as can be seen from Figure 4 below.

Figure 4: View of Perth House from George Street (looking west)



The proponent's heritage consultant has undertaken an extensive visual assessment of the pedestrian views to and from Perth House and the relevant parts of that assessment are as follows:-

"from the east the building has a low visibility due to the existing development and landscaping of the heritage item. The proposal does not have any further impact on these views and has been designed to maintain and enhance its visibility"

At ground level, and up to a height of over 9 metres, the north-west corner of the proposed office building has been set back to allow street views of Perth House and its Olive tree to be restored. By cantilevering a section of the first floor and provision of the ground floor colonnade along the western elevation has opened a view corridor at street level to reveal the front and eastern elevations of Perth House. The perspective view of the front elevation is indicated below in Figure 5.

Figure 5: Front elevation with cut-away to allow street views of Perth House.



This aspect of the design represents a significant improvement over the existing situation where there at present is only a limited opportunity to view Perth House from George Street. In terms of its impact upon Perth House, the proposal will provide an acceptable outcome and improved opportunities to view this significant heritage item.

5.2 Construction impacts on Olive Tree

Adjacent to the site is a 10m high Olive tree (*Olea europaea*) standing on the adjacent property 85 George Street on the eastern side of Perth House. The tree is located in the vicinity of the western site boundary and partially overhangs the development site. Although there has been some debate regarding the likely age of this tree, it would appear the tree is at least 50-60 years old. Measures will be required to be implemented in order to ensure the retention of the tree during construction.

A report prepared by a qualified arborist has been provided by the proponent to address the measures necessary to protect the tree. It has been observed that the tree overhangs the site boundary by about 3m and the trunk of the tree is about 0.8m from the boundary wall and 400mm above the floor level of the existing building on the development site. The precise impact of this development on the Olive tree cannot be fully known until the location of the root system is known. It is considered that the root system is constrained by the existing building on the development site. There is likely to have been some cutting of the tree's roots in the past associated with previous construction works and the installation of services. Compared with the existing building, the new development will provide greater opportunity for easterly spread of the tree's canopy. Exploratory digging supervised by an arborist should be carried out after demolition of the existing automotive repair building on the development site. This digging will provide a better understanding of the location of the tree's root system.

The proponent's arborist has found the development may proceed as proposed without any modification to the building or basement setbacks. Subject to appropriate tree protection measures being put into place, the health of the tree is unlikely to be impacted. A tree

protection plan has been proposed and may be included in the Construction Management Plan forming part of any development consent.

5.3 Built Form

A thirteen storey office tower is proposed for the site at 89 George Street, Parramatta, located a precinct that is referred to as the 'Commercial Core' within the Parramatta City Centre DCP 2007. The area that is bound by Macquarie, Charles, Phillip and Church Streets has been designated for significant new commercial office development and provides the greatest building heights and FSR under the Parramatta City Centre LEP. The form of the development as proposed is generally consistent with the future character of the area envisaged under the city centre planning controls.

Aside from the local planning controls that apply to the site and are the subject of detailed consideration in Appendix D, the other matters relevant to built form are the façade, external finishes and articulation. These are addressed in the following section:-

Façade: The Environmental Assessment refers to the façade treatment of the building as a "veil". The proponent has described the veil as:-

"a façade louver system that has been introduced to provide unified articulation to the new building while not distracting from the heritage integrity of Perth House. The approach is also intended as a subtle control of scale while protecting the facades from solar heat gain".

The spacing of the louvers changes between the lower and the upper level of the building with the intention of manipulating both the perceived articulation and bulk of the structure. Council's Design Review Panel supports the proposed design features of the project and commended the quality of architecture adopted for this project. Other significant aspects of the building design are the backdrop to Perth House and the George Street precinct consisting of balconies and wintergardens to activate the façade and visually connect the proposal to George Street.

External finishes: The proponent has provided a detailed material analysis with the project application in Appendix D of the Environmental Assessment. The palette of finishes to be utilised will vary depending on the section of the building involved. The building has been broken down into three sections with a different group of finishes for the lower, middle and upper section of the building. At the lower level of the building the context is Perth House and the finishes are described by the architect as natural, warm, tactile and robust. The middle section of the building has a backdrop context and the key themes for the finishes are light, transparent, selective visibility, winter gardens and regular weave patterns. For the upper level of the building the context is city and the finishes are described as light, transparent, high visibility roof garden and a varying weave pattern. The proponent's strategy for external finishes will deliver an acceptable outcome for an area of the CBD that is beginning a transition towards modern architecture.

Articulation: The proposed building presents limited opportunities for vertical articulation owing to the constraints imposed by the site. The primary area where articulation has been provided is at ground and first floor levels to accommodate an "eroded corner" element that is intended to restore a strong view line to Perth House from the northern side of George Street. Between the second and the fifth levels of the building there is less of a setback to the western boundary there is some façade articulation. The setback to the western boundary is provided with a stepped feature in order to create interest to the elevation. Above level 6 of the building the proponent has indicated there is further alteration to the extent of articulation in western façade. An overhang of the lower building levels has been created to add to the visual interest from within the building and from the public domain.

5.4 Car parking

All vehicle access into this development will be made from a newly widened driveway crossing off George Street. The driveway ascends from street level into the building where there is a loading dock area and truck turntable to allow trucks to enter and exit the building in a forward direction. Cars continue to proceed down a ramp to the first of four basement parking levels. The first basement level provides parking for 5 cars, bicycle parking, waste compactor and associated plant and storage space. The second basement level provides parking for 18 vehicles, bicycle parking and plant areas. The third basement level provides parking for 20 vehicles and areas for plant and services. The fourth basement level also provides parking for 20 vehicles and areas for plant and services.

Despite the site's constrained dimensions the proponent's traffic engineer has indicated that the geometric design layout of the proposed vehicular and car parking facilities have been prepared to comply with the relevant requirements of Australian Standard AS2890.1 Parking Facilities Part 1 – Off Street Car parking in respect to the parking bay dimensions, ramp and aisle widths and overhead clearances. Appropriate conditions of consent have been recommended to ensure that the car parking areas are built in accordance with the relevant standards.

5.5 Urban design and public domain (Lanes Strategy)

The project represents a major capital investment for the Parramatta CBD and a significant contribution towards increasing the supply of commercial office space in the city centre. Because of the strong urban design focus contained in the City Centre LEP/DCP, Council's Design Review Panel was requested to comment on the design of the proposal. The main points raised by the panel are reproduced below:

"Directly to the west of the site is the historic Perth House and its curtilage, which needs to be preserved and enhanced by any adjacent development. The proposal addresses this criteria competently in several ways. First it proposes a podium that establishes the scale of the built form and successfully responds to the scale and curtilage of Perth House. Second, the glazed façade to the foyer/café provides an ideal eastern backdrop to Perth House and the surrounding public space.

The quality of architectural design is important for Parramatta's CBD. This has been recognised in the LEP which requires a design competition for buildings over a certain size. The panel considers that the design of the proposal at 89 George Street will help set a high standard for future office buildings in the CBD. The panel is highly supportive of the scheme".

The panel has responded to the DCP requirement for improved permeability within the city centre by suggesting the creation of a through site link to Macquarie Street. The panel has recommended that *"the north-south running foyer forms part of a pedestrian link between George Street and Macquarie Street rather than that proposed on the eastern side of the building, which would form a cavernous space between two blank walls. This would best fulfil the Council's indicative proposal to provide for a permeable pedestrian network throughout the CBD. This link could be of a multiple storey height in order to increase its visual strength and access to natural light"*.

The submission of this project application has coincided with the preparation and exhibition of Council's Lanes Policy and Strategy. The policy and strategy were adopted by Council on 28 February 2011 which is well after the submission of this application. Although it is difficult to require significant changes to be made to major projects when their design is well advanced, Council did request the proponent to explore an extension of the colonnade to the rear of the site in lieu of the narrow pedestrian access that is proposed along the eastern boundary. The proponent has responded to this issue with a statement that the ability to provide a through site access on the western boundary is determined in conjunction by the

location of the electricity substation. The location of the electricity substation is dictated is dictated by Integral Energy that requires 24-hour vehicle access to be provided at all times and it must also be in a flood free location. This has resulted in the only viable location for the substation being along the western site boundary at the southern end of the colonnade. This prevents the pedestrian colonnade from connecting through to the southern site boundary near Arthur Philip High School.

In respect of the pedestrian through site link the proponent has advised: *"Our considered conclusion is that it is therefore not possible to amend the plans to include a southward extension of the colonnade as suggested. The opportunity remains for a future north-south pedestrian link on the western side of 91 George Street as proposed in the City Centre DCP"*. The provision of this site linkage is dependant upon the achievement of the remaining sections through adjacent site in the future.

As the proponent has made allowance for a future public pedestrian link in accordance with the City Centre DCP it is recommended that this option be supported.

5.6 Flooding and drainage

The subject site is identified as being potentially flood affected. As such input was sought from Parramatta City Council's Catchment Engineers in the assessment of the project.

Flooding in this section of George Street occurs as both local catchment flows which exceed stormwater pipe capacities and during floods greater than the 100 year event, overbank flooding from the Parramatta River channel. The 100 year event flood level is at RL7.0m AHD and the Probable Maximum Flood (PMF) flood level is estimated to be in the order of 10.5 – 11.0m AHD. The proposed building has a ground floor level of RL7.5m AHD providing sufficient freeboard above the 1% AEP flood level but there would be very deep water surrounding the whole site in a PMF size event.

In October 2010 Council wrote to the proponent raising concern with several aspects of the proposal design and documentation. The following issues were raised:

"the latest flood modelling information (and also Council's flood mapping) shows that the site is marginally flooded in the 100 year flood and totally (and very substantially) inundated in the PMF event. It therefore follows that the site lies partially within the Medium Flood Risk precinct and partially within the Low Flood Risk precinct. Given that there is substantial flooding of George Street in the 100 year event it is considered that at least in terms of Evacuation, Management and Design, the development should be addressing the Medium Flood Risk items in the Floodplain Matrix.

Additional documentation which explicitly addresses all the Floodplain Matrix considerations as listed under the "Medium Flood Risk" column; and specifically with regard to Consideration 6 of Car Parking and Driveway Access; the assessment needs to include specific details of how the risks associated with floodwaters potentially entering the basement area would be addressed. Any proposal to provide OSD storage at a level similar to or below ground level will need to satisfactorily address such potential issues as backwater impacts associated with Council's stormwater infrastructure flowing at capacity for substantial periods of time during major storms".

The proponent provided Council with a response to these matters in February 2011. This response was referred to Council's catchment consultants, Bewsher Consulting for review. In March 2011 Bewsher provided Parramatta City Council with the following comments in respect of the proponent's response:-

Probable Maximum Flood:-

"With regard to the PMF, it is true that is 'unlikely to occur during the life of the building'. However the consequences of it occurring would be potentially catastrophic in terms of hazard in the basement levels. It is therefore considered to be inappropriate to ignore that event (or indeed ignore all events greater than 100 year plus freeboard).

Given the same issues – i.e. problems/risks/damages associated with floods greater than 100 year – it is also considered to be inappropriate to leave the documentation of some key controls to the Construction Certificate stage of the project".

Floodplain Matrix:-

"While all the Floodplain Matrix controls have been addressed there are a number of deficiencies in their treatment; as follows:

- *Construction Certificate stage documentation is nominated for Car Parking and Driveway Access control items 6 & 7; Evacuation control items 4 & 6; and Management and Design control item 2. As stated earlier it is considered to be inappropriate to leave the documentation of these controls to such a late stage of the project documentation because of the very substantial issues associated with floods greater than 100 year;*
- *Under Evacuation control Item 3 it is stated that "a prior (audible) warning would be made to car owners to remove their cars to a remote location outside the flood affected area". Given the significant difficulty of completing such an evacuation and the potential consequences of drivers finding themselves driving into or through rising floodwaters, it is recommended that concept details of how this would be achieved, be provided at this stage of the project.*

The remaining Medium Flood Risk controls have been satisfactorily addressed".

On-site detention (OSD):-

"Neither the Appendix K words nor the supporting sketches provide any information as to how the OSD system would perform when Council's drainage infrastructure is flowing at capacity. Neither are there any calculations which might show how additional storage volume has been provided in order to account for potential backwater issues (as are likely to accompany Council's system flowing at capacity).

The OSD documentation does not make it clear whether or not some of the OSD overflow is intended to be carried to George Street kerb via a duct system (as shown in one of the supporting sketches".

Given the seriousness of these outstanding engineering issues and the advice provided by Bewsher Consulting that they should be resolved prior to the Construction Certificate stage of the project, it is recommended that they be resolved through the imposition of a project approval that involves the proponent satisfying "deferred commencement" conditions.

Accordingly, it is recommended that specific conditions addressing these outstanding matters be included in the report recommendation as deferred commencement conditions. Council's Development Engineers have provided deferred commencement conditions to address the issues of flooding and stormwater drainage.

6. RECOMMENDATION

Parramatta City Council has assessed the merits of the proposal taking into consideration the issues raised in public submissions and is satisfied that the impacts have been

addressed in the revised project details submitted by the proponent and the recommended conditions of consent. It is considered that the impacts can be suitably mitigated and/or managed to ensure a satisfactory level of environmental performance, pursuant to Section 75J of the Act.

The Council has determined that the proposed development is appropriate within the context of the Parramatta CBD. The key issues in the assessment of this project are the heritage impact and flooding. The Council is of the opinion that the heritage impact to the adjacent Perth House building will be minimal and a satisfactory development outcome will result. The improved view corridor of Perth House from the east will be a positive contribution made by this project. There are some important flooding and drainage matters that are presently unresolved. However these matters can be overcome through the proponent satisfying deferred commencement conditions prior to the consent becoming effective.

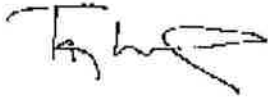
The project will contribute towards the continued reinvigoration of the Parramatta CBD by facilitating the provision of additional Grade 1 commercial office space that will achieve a 5 Star Green rating under the Green Building Council of Australia rating system. This is a strong determining factor for many large commercial clients in choosing a location for their business operations and will make Parramatta competitive with other CBDs that offer similar environmental ratings to corporate clients.

The public benefits that will be delivered by the proposed development will be the creation of a future opportunity to develop a through-site link to Macquarie Street. Although this benefit will not be provided immediately, it will be a benefit that can be delivered subject to future redevelopment of nearby sites. In this case, the creation of the pedestrian link would only become a reality upon the redevelopment of Arthur Philip high school, which is considered unlikely in the short to medium term as it is a public school.

The development will also provide a very high standard of architectural design on a building that will be highly visible within the Parramatta city centre. The proposed palette of external finishes will make a significant improvement to the streetscape and raise the standard of office development within the Parramatta CBD.

Developer contributions, pursuant to the Parramatta City Centre Section 94A Contributions Plan, in excess of \$2 million will become available to Parramatta City Council as a consequence of this development. The payment of these contributions will provide Council with monetary contributions that may enable delivery of some of the works identified in the Civil Improvement Plan for the Parramatta CBD.

On this basis, the proposal is therefore recommended for approval subject to conditions of approval.



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