
Planning Matters - 24 November 2015

ITEM 5.5 **Planning Proposal and Voluntary Planning Agreement (Nos. 83–99 North Terrace and No. 62 The Mall in Bankstown)**

**DELIVERY
PROGRAM
(2013-2017)**

TA 2. Council will have a leading local planning framework for development assessment, building certification and compliance that effectively manages the development of land in the City.

AUTHOR **City Planning and Environment**

ISSUE

Council is in receipt of a request to prepare a planning proposal and voluntary planning agreement for the key development site at Nos. 83–99 North Terrace and No. 62 The Mall in Bankstown.

RECOMMENDATION That -

1. Council submit a planning proposal to the Department of Planning & Environment to seek a Gateway determination as shown in Attachment A.
2. Council seek authority from the Department of Planning & Environment to exercise the delegation of the Minister for Planning under section 59 of the Environmental Planning & Assessment Act 1979.
3. Council delegate authority to the General Manager to prepare a draft voluntary planning agreement as outlined in this report in accordance with the Environmental Planning & Assessment Act 1979.
4. Council exhibit the voluntary planning agreement concurrently with the planning proposal and the matter be reported to Council following the exhibition.

BACKGROUND

Subject site

This report refers to the key development site at Nos. 83–99 North Terrace (Compass Centre site) and No. 62 The Mall (former Central Library site) in Bankstown as shown in Figure 1. For the purposes of this report, this site is referred to as the '*subject site*'.

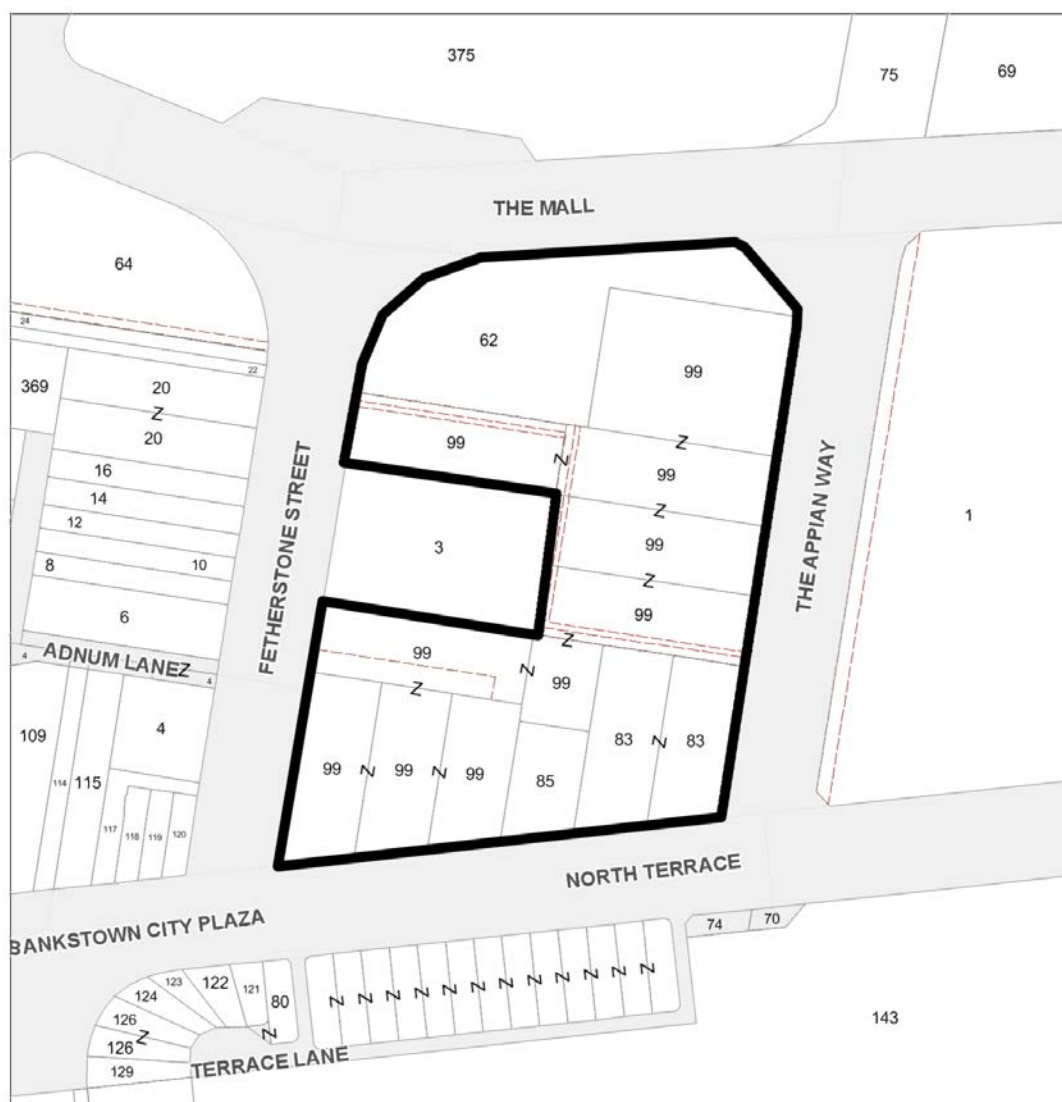


Figure 1: Site at Nos. 83–99 North Terrace and No. 62 The Mall in Bankstown

Request

At the Ordinary Meeting of 22 September 2015, Council resolved that:

1. *Council agree, in principle, to sell its property at 62 The Mall, Bankstown.*
2. *The General Manager be authorised to enter into direct negotiations with the new owners of the Compass Centre, based on the preferred option as outlined in the report.*
3. *Council prepare an appropriate probity plan for the purposes of progressing the preferred option.*
4. *Council be provided a further report outlining details of the General Manager's negotiations with the owners of the Compass Centre, prior to finalising its decision on the matter.*
5. *The General Manager be delegated authority to grant land owner's consent to the owners of the Compass Centre for the purposes of lodging the relevant planning application, subject to the conditions as outlined in the report.*

Following its decision, Council held discussions with the owners and their consultants regarding the above, in particular the agreed approach and option outlined in its report.

In November 2015, Jacquel Australia Pty Limited (on behalf of the land owner) notified Council of its interest to acquire the property at No. 62 The Mall, Bankstown, including consideration be given to negotiating a voluntary planning agreement in accordance with the Environmental Planning and Assessment Act 1979.

Their request is consistent with Council's objectives, as set out in its decision of the 22 September 2015.

Planning proposal and voluntary planning agreement

This property will form part of a mixed use development (commercial and residential floor space) with a component of the commercial space to be dedicated for the purposes of a public administration building.

The notification also included a formal request:

- Firstly, to prepare a planning proposal to amend certain development standards that apply to the subject site. The intended outcome is to achieve a better design outcome for the subject site that delivers public benefits to the Bankstown CBD. The proposed amendments to Bankstown Local Environmental Plan 2015 are:

Development standards	Current	Proposed
Land Use Table	Zone B4 Mixed Use	No change
Clause 4.3	Maximum building height is 41 metres (13 storeys) with the exception of the north-east corner of the site, which may achieve a building height up to 53 metres (17 storeys).	<p>Increase the maximum building height as follows:</p> <ul style="list-style-type: none">• South-east corner up to 53 metres (17 storeys)• South-west corner up to 47 metres (15 storeys)• North-east corner up to 62 metres (20 storeys)• North-west corner up to 47 metres (15 storeys). <p>Reason: The proposed height is required to accommodate the additional floor space, and to achieve a better design outcome for the subject site.</p>
Clause 4.4	4.5:1 FSR	<p>5:1 FSR</p> <p>Reason: The proposed scheme is a mixed use development (commercial and residential floor space) which dedicates a component of the commercial space to accommodate a public administration building.</p>

		The amount of floor space being utilised by the public administration building (no more than 0.5:1) would transfer to the remainder of the site, resulting in a 5:1 FSR.
Clause 6.9	The ground and first floors must contain commercial floor space.	Allow dwellings on the first floor. Reason: The amount of floor space being utilised by the public administration building replaces the need for commercial floor space on the first floor of the remainder of the site.

- Secondly, to enter into a voluntary planning agreement with Council. The land owner is offering to dedicate a component (4,350m²) of the mixed use development on the subject site to accommodate a public administration building, including relevant parking in accordance with Council's planning controls.

This report provides a preliminary assessment of the request and outlines the next steps in the process.

REPORT

Preliminary assessment

The preliminary assessment of the request is based on the justification criteria set out in the Department of Planning & Environment's publication '*A guide to preparing planning proposals*'.

Is the planning proposal a result of any strategic study or report, and is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

The land owner has submitted a proposed scheme which combines the properties at Nos. 83–99 North Terrace and No. 62 The Mall in Bankstown into a single development site. The proposed scheme is a mixed use development (commercial and residential floor space) which dedicates a component of the commercial space to accommodate a public administration building. As part of this arrangement, the amount of floor space being utilised by the public administration building (no more than 0.5:1) would transfer to the remainder of the site, resulting in a 5:1 FSR.

The proposed scheme is the result of the land owner testing several development options. Council commissioned an architectural peer review of the proposed scheme which found the additional floor space and height for this large site will continue to provide high amenity apartments without significantly impacting on the amenity of surrounding buildings.

Should Council enter into a voluntary planning agreement to realise the public benefits of this development, the preferred option is to proceed with a planning proposal.

The alternative option is to allow a variation of the development standards under clause 4.6 of Bankstown Local Environmental Plan 2015. However, this option will set

an undesirable precedent and does not provide certainty to the delivery of the public benefits under the voluntary planning agreement.

Is the planning proposal consistent with the objectives and actions of the applicable regional or subregional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?

The Metropolitan Plan '*A Plan for Growing Sydney*' identifies the Bankstown CBD as a strategic centre. Strategic centres are Sydney's largest and most important hubs for business and employment. Other examples include Bondi Junction, Chatswood, St Leonards, Sydney Olympic Park and Hurstville.

Direction 1.7 aims to grow strategic centres by providing more jobs closer to home. The priority is to attract investment and business activity that will grow jobs and housing and create a vibrant hub of activity. The State Government is actioning this direction by announcing the Sydney Metro (City & Southwest) Link, a major transport investment that will improve the business environment of the Bankstown CBD. The Department of Planning & Environment also released the Draft Sydenham to Bankstown Urban Renewal Corridor Strategy to grow jobs and housing around the Sydney Metro Link.

The proposal is consistent with these strategies as the subject site is in a prime location between the Railway Station Precinct and the Civic Precinct to capitalise on the Sydney Metro. The Bankstown Railway Station Precinct is planned to undergo one of the biggest transformations ever seen in Bankstown when the Sydney Metro is introduced and the development of the subject site provides an opportunity to significantly improve the urban context and business environment of the Bankstown CBD.

Is the planning proposal consistent with a council's local strategy or other local strategic plan?

The Bankstown CBD Local Area Plan (Action L4) promotes the development of the Civic Precinct as the primary location for local civic and administration services in the City of Bankstown. This action identifies the need to better integrate Council's administrative office with the other Council facilities in the Civic Precinct including the Council Chambers, Library and Knowledge Centre and Paul Keating Park.

The proposal is consistent with the Bankstown CBD Local Area Plan as it responds to the City's needs. It offers a unique opportunity to significantly reshape and add to the ongoing revitalisation of the Bankstown CBD, particularly in terms of its positive link to the Civic Precinct and the optimum use of the former Central Library site.

Attachment A addresses the remainder of the justification criteria set out in the Department of Planning & Environment's publication '*A guide to preparing planning proposals*'.

Key implications

Benefits of the proposed scheme

This report recommends that Council submit a planning proposal to the Department of Planning & Environment to seek a Gateway determination. It also recommends that

Council exhibit a voluntary planning agreement concurrently with the planning proposal.

The planning proposal provides a site specific framework which will provide a broad range of short and long term benefits to the Bankstown CBD including:

- The provision of employment and housing floor space.
- The delivery of a public administration building that responds to the City's needs.
- The delivery of a range of urban design benefits arising from a high quality building design appropriate to its context.

Voluntary planning agreement

Section 93F(1)(a) of the Environmental Planning and Assessment Act 1979 enables a proponent to provide a material public benefit through entering into an agreement with a planning authority. A voluntary planning agreement is the legal mechanism for securing public benefits. Planning agreements are voluntary and must be freely entered into by a planning authority and a proponent. They are also publicly exhibited and held on a publicly accessible register.

The Environmental Planning & Assessment Act 1979 and the Bankstown Planning Agreements Policy inform Council's position on voluntary planning agreements. Opportunities to enter into voluntary planning agreements will continue to rise as the City of Bankstown changes, and there is an increased need for essential infrastructure to support the growing population.

The offer from the land owner outlines the public benefits that will be provided. The key commitment by the land owner is to provide Council a stratum lot of at least 4,350m² of internal and external floor space for the purposes of a public administration building and associated parking in accordance with Council's planning controls.

Council would also require the development of the subject site to deliver the highest standard of architectural, urban, landscape and environmental design, energy and water measures as well as appropriate public domain improvements.

It is recommended a voluntary planning agreement be prepared as the preferred mechanism to ensure that the public benefits mentioned above.

The detailed terms of the voluntary planning agreement are yet to be finalised. A recommendation of this report requests that the voluntary planning agreement is publicly exhibited alongside the planning proposal. It is noted that the above commitments are in addition to any required contribution required under the Bankstown Section 94A Development Contributions Plan.

NEXT STEPS

Should Council decide to proceed with a planning proposal, the next step is to submit the planning proposal to the Department of Planning & Environment to seek a Gateway determination.

In relation to any future voluntary planning agreement, section 93F(1)(a) of the Environmental Planning and Assessment Act 1979 enables a proponent to provide a material public benefit by entering into an agreement with Council. Section 93G(1) requires that a draft voluntary planning agreement be publicly exhibited for at least 28 days and section 93G(2) requires that, where possible, the agreement be exhibited concurrent with any other publicly notifiable matters relating to the agreement.

As Council and the land owner are not yet in a position to finalise the terms of a voluntary planning agreement – required to legally capture the public benefit of the proposal – the recommendation requests that Council prepare a voluntary planning agreement ready for public exhibition alongside the planning proposal.

Following the public exhibition, the outcomes will be reported to Council.

Councillors should note that this process will be undertaken concurrently with the commercial negotiations with the owners of the Compass centre site and ultimately Councillors consideration. As expected, this process will be conducted in accordance with Council probity plan related to the project.

POLICY IMPACT

Council's objectives under the Bankstown CBD Local Area Plan is to continue to maintain Council's administrative presence in the Civic Precinct. However, there is a need to better integrate Council's administrative office with the other Council facilities in the Civic Precinct including the Council Chambers, Library and Knowledge Centre and Paul Keating Park.

The request by Jacquell Australia Pty Limited (on behalf of the land owner) is consistent with Council's objectives, as set out in its decision of the 22 September 2015. Should the development of the subject site include a public administration building, this will offer a unique opportunity to significantly reshape and add to the ongoing revitalisation of the Civic Precinct.

FINANCIAL IMPACT OF RECOMMENDATIONS

Should Council decide to proceed with a planning proposal, the next step is for Council and the land owner to finalise the terms of a voluntary planning agreement to ensure the public benefits mentioned in this report can be delivered by the development standards applying to the subject site.

RECOMMENDATION That -

1. Council submit a planning proposal to the Department of Planning & Environment to seek a Gateway determination as shown in Attachment A.
2. Council seek authority from the Department of Planning & Environment to exercise the delegation of the Minister for Planning under section 59 of the Environmental Planning & Assessment Act 1979.
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ATTACHMENTS

- A. Planning Proposal