



2 August 2019

Advice for Gateway Determination Review
1-17 Grey Street and 32-48 Silverwater Road, Silverwater (PP_2018_COPAR_010_00)

1. INTRODUCTION

1. On 5 June 2019, the Independent Planning Commission of NSW (the **Commission**) received a referral to review a Gateway determination pursuant to section 2.9(1)(c) of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**) in relation to a planning proposal for a site at 1-17 Grey Street and 32-48 Silverwater Road, Silverwater (the **Site**).
2. City of Parramatta Council (**Council**) has endorsed a planning proposal which seeks to amend the Auburn Local Environmental Plan 2010 (**Auburn LEP 2010**) planning controls for the Site to:
 - rezone the Site from B6 Enterprise Corridor to B1 Neighbourhood Centre, which would make residential flat buildings and shop top housing permissible uses on the Site;
 - amend the maximum height of buildings control from 14 metres (m) to 20m;
 - amend the maximum floor space ratio (**FSR**) control from 1:1 to 2.7:1;
 - amend the minimum lot size map from 1500 square metres (m²) to no minimum lot size; and
 - include a Site-specific clause to ensure the 4000m² retail component comprises a 2500m² supermarket and 1500m² of local specialty retail/commercial floor space (the **Planning Proposal**).
3. On 18 December 2018, as delegate for the Minister for Planning, the then Department of Planning and Environment (the **Department**) issued a Gateway determination for the Planning Proposal not to proceed. On 11 March 2019, Pacific Planning Pty Ltd (the **Proponent**) requested a review of the Gateway determination to challenge the basis of the Gateway determination.
4. The Minister's delegate referred the matter to the Commission for advice. In providing its advice the Commission has been:

"requested to review the planning proposal and prepare advice concerning the merits of the review request. The advice should include a clear and concise recommendation to the Minister's delegate confirming whether, in its opinion, the planning proposal should proceed past Gateway."
5. Professor Mary O'Kane, Chair of the Commission, nominated Peter Williams (Chair) and Annelise Tuor to constitute the Commission to undertake the review and provide advice.

1.1 Subject Site

6. The Site is approximately 7560m² in area and at the time of Gateway determination was largely vacant except for a neighbourhood shop, a residential home (15 and 17 Grey Street) and rental equipment storage (32-36 Silverwater Road) (see *Figure 1*).

7. The Site was previously used for residential purposes, containing 14 residential lots. The Site was rezoned in 2010 from residential to B6 Enterprise Corridor in accordance with the Auburn Employment Lands Study (2008), which identified the area as part of a broader employment precinct that should be retained and protected for new and emerging industries.

Figure 1 – Subject Site



Source: Proponent's Planning Proposal

8. An extract from the Auburn LEP 2010 Zoning Map showing the zoning of the Site and the surrounding area indicates the following zones: B6 Enterprise Corridor; IN1 General Industrial; RE1 Public Recreation; SP2 Infrastructure; and R3 Medium Density Residential (*Figure 2*).

Figure 2 – Auburn LEP 2010 Zoning Map



Source: Proponent's Planning Proposal

1.2 History of Planning Proposal and Gateway Determination

9. Table 1 below provides a history of the planning proposals for the Site:

Table 1 – History of the Planning Proposal

18 December 2014	A previous planning proposal to rezone the Site to B2 Local Centre was refused at Gateway by the delegate of the Minister for Planning.
20 May 2015	Auburn City Council adopted the Auburn Employment Lands Strategy 2015. The Site was included in Precinct 14 and the strategy included the recommendation to retain B6 Enterprise Corridor and include a B1 Neighbourhood Centre to the west between Carnarvon and Beaconsfield Streets, with master planning of the precinct.
24 July 2015	The Proponent submitted a planning proposal to Auburn City Council. The planning proposal sought the following amendments to Auburn LEP 2010: <ul style="list-style-type: none"> • rezone the Site from B6 Enterprise Corridor to B2 Local Centre; • amend the maximum height of buildings control from 14m to 25m; • amend the maximum FSR control from 1:1 to 4:1; • amend the minimum lot size map from 1500 sqm² to no minimum lot size. (the Original Planning Proposal)
7 October 2015	Auburn City Council considered a report from council officers (the Report 2015), which recommended that if the planning proposal is to proceed it be amended to rezone the land B1 Neighbourhood Centre with a maximum FSR of 2.7:1 and a maximum height of 20m. The recommendations in the Report 2015 were based

	<p>on the zoning and height controls in the Feasibility Analysis (AEC Group), undertaken on behalf of Council to respond to the recommendations of the Auburn Employment Lands Strategy 2015.</p> <p>Auburn City</p> <p>Council resolved to support the Original Planning proposal, unamended, and “to amend the Auburn Employment Lands Strategy 2015 to recommend the site be rezoned B2 Local Centre...and permit residential uses on the site, including land, zoned B2 Local Centre with frontage to Silverwater Road”.</p> <p>The Auburn Employment Lands Strategy 2015 was amended in December 2015 to include the recommended B2 Local Centre zoning (Auburn ELS).</p>
15 December 2015	The Original Planning Proposal was submitted to the Department for a Gateway determination.
March 2016	The Original Planning Proposal was withdrawn from consideration for a Gateway determination by the interim administrator of the former Auburn City Council pending the outcome of a public inquiry.
May 2016	The Site was incorporated into the City of Parramatta LGA boundaries after the local government boundary review process.
August 2017	Following the completion of the public inquiry, the planning proposal process was resumed by City of Parramatta Council, noting that a new Council resolution was required to forward the Original Planning Proposal to the Department for a Gateway determination.
26 February 2018	Council resolved to forward an updated planning proposal to the Department for a Gateway determination subject to several conditions, including adopting the recommendations of the Report 2015, which recommended rezoning the land to B1 Neighbourhood Centre.
20 September 2018	The Original Planning Proposal was updated by the Proponent on 3 September 2018 in accordance with the Council resolution and the present Planning Proposal was lodged with the Department for a Gateway determination.

10. The Department referred the Planning Proposal to the Greater Sydney Commission (**GSC**) to obtain further details in relation to the Planning Proposal’s consistency with the Central City District Plan (**District Plan**). The GSC provided its comments to the Department on 5 November 2018 stating that *“the B6 precinct serves a primarily local function but it is adjacent to a strategic employment precinct – 150ha Silverwater Industrial – which would qualify this B6 precinct as keep and help grow, but consider transition to other employment uses”*.
11. The GSC notes that the Site is located within the Central City District Plan’s ‘review and manage’ area and that *“the ‘review and manage’ approach adopts a first principle of keeping the employment value of the land and then reviewing how the precinct might evolve to provide additional employment purposes”*.
12. The GSC considers that *“Rezoning of the subject block may also set a precedent for rezoning other B6 land in the vicinity leading to more residential use and, overtime, loss of the employment potential of this area for urban services”*.
13. The GSC concludes that *“the proposed rezoning is inconsistent with the review and manage approach under the District Plan and the planning proposal should not proceed to gateway”*.
14. A Gateway determination for the Planning Proposal to not proceed was issued by the Department on 18 December 2018 for the following reasons:

1. *"The proposal contains unresolved inconsistencies with the following section 9.1 Directions:*
 - *Business and Industrial Zones; and*
 - *Local Planning Panels Direction – Planning Proposals.*
2. *The proposal is inconsistent with Greater Sydney Region Plan 'Objective 23 Industrial and urban services is planned, retained and managed', and the Central City District Plan 'Action 49 Review and manage industrial and urban service land'. There is no strategic justification to transition the site from employment lands to mixed-use residential/commercial and the Greater Sydney Commission has confirmed that proposal is inconsistent with the review and manage approach as outlined by the District Plan.*
3. *There is potential land-use conflict between the proposed high-density residential development at the site and the immediately adjoining B6 Enterprise Corridor and IN1 General Industrial-zoned land.*
4. *There is a lack of public transport infrastructure to support the proposed densities."*

2. THE COMMISSION'S MEETINGS AND SITE INSPECTION

15. As part of its considerations, the Commission met with various parties and undertook a site and locality inspection.

2.1 Meeting with the Department

16. On 8 July 2019, the Commission met with the Department to discuss the Planning Proposal and the Gateway determination. Issues discussed at the meeting are recorded in a transcript which was made available on the Commission's website on 15 July 2019.

2.2 Meeting with City of Parramatta Council

17. On 8 July 2019, the Commission met with Council to discuss the Planning Proposal and the Gateway determination review. Issues discussed at the meeting are recorded in a transcript which was made available on the Commission's website on 15 July 2019.

2.3 Meeting with the Proponent

18. On 8 July 2019, the Commission met with the Proponent to discuss the Planning Proposal and the Gateway determination review. Issues discussed at the meeting are recorded in a transcript which was made available on the Commission's website on 15 July 2019.

2.4 Site and Locality Inspection

19. On 8 July 2019, the Commission conducted a site and locality inspection to understand the physical attributes and existing built form of the Site and the character of the surrounding area. A copy of the site inspection and locality tour notes was made available on the Commission's website on 15 July 2019.

3. ADDITIONAL INFORMATION

20. On 10 July 2019, the Proponent provided with the Commission with alternate concept design

plans that revised the amount of retail and employment generating floorspace proposed by the Planning Proposal. This information was made available on the Commission's website on 15 July 2019.

21. Following the Commission's meeting with Council on 8 July 2019, the Commission requested on 12 July 2019 copies of Council's officers' reports to both Auburn and Parramatta Councils and subsequent minutes both in relation to the Planning Proposal and the Auburn Employment Lands Strategy 2015 as well as clarification of whether Council's Local Strategic Planning Statement will consider the wider B6 Enterprise Corridor, which currently includes the Site. This information was provided to the Commission on 17 July 2019 and was uploaded to the Commission's website on 18 July 2019.

4. THE COMMISSION'S CONSIDERATION

4.1 Material considered by the Commission

22. In reviewing the Gateway determination and review request the Commission has carefully considered the following material (the **material**):
 - the Planning Proposal prepared by the Proponent and dated 3 September 2018, and attachments;
 - the Department's Gateway Determination Report PP_2018_COPAR_001_00, dated 22 November 2018;
 - the Department's Gateway Determination and reasons, dated 18 December 2018;
 - the Department's referral letter to the Commission, dated 5 June 2019;
 - the Department's Gateway Review Justification Assessment Report (**Justification Assessment**) and attachments B to V:
 - B. Gateway Determination
 - E. Cover letter requesting Gateway determination
 - F. Notification of decision
 - F. Ward Street Precinct Masterplan
 - G. Planning proposal – September 2018
 - H. Concept plans
 - I. Phase 1 Contamination Report
 - J. Contamination assessment Phases 1 and 2 (report)
 - K. Contamination assessment (appendices)
 - L. Supplementary traffic report
 - M. Transport report
 - N. Consolidated economic reports
 - O. Residential market appraisal
 - P. Council report and recommendation
 - Q. Council planning proposal assessment report
 - R. Administrator's minutes – outstanding planning proposals
 - S. DPE letter
 - T. Outcome of public inquiry
 - U. Council meeting agenda
 - V. Council meeting minutes
 - *Planning Circular PS 18-012 – Independent reviews of plan making decisions (the **Planning Circular**)*, dated 14 December 2018;
 - *Local Environment Plans: A guide to preparing local environment plans (a **Guide to LEPs**)*, dated December 2018;
 - strategic planning documents identified in **section 4.2**;
 - the Proponent's letter of 11 March 2019 to the Department in support of the Gateway determination review request;

- information presented and discussed with the Commission at its separate meetings with the Department, Proponent and Council on 8 July 2019, set out on the Commission's website in the publicly available transcripts;
- the Commission's site inspection and locality tour on 8 July 2019; and
- additional information received from the Proponent on 10 July 2019 and Council on 17 July 2019 (refer to paragraphs 20 and 21).

4.2 Strategic Context

23. In reviewing the Gateway determination, the Commission has identified and considered the key strategic planning documents as follows:

4.2.1 Greater Sydney Region Plan: A Metropolis of Three Cities

24. The GSR Plan identifies advanced technology and urban service sectors of Silverwater as part of the Greater Parramatta and the Olympic Peninsula Economic Corridor. Silverwater is within the GSR Plan's Central River City.

4.2.2 Central City District Plan

25. A principle for managing industrial and urban services land, including within Silverwater, under Objective 23 of the District Plan is to 'review and manage'. Through this principle, the District Plan states that, *"the GSC will review all industrial and urban services land under this approach to either confirm its retention or manage uses to allow sites to transition to higher order employment activities (such as business parks) and seek appropriate controls to maximise business and employment outcomes."*

The review will consider the current level of industrial and urban services land supply, the changing nature of industries and the transformation in the sector due to the impact of changing demand for land. In limited cases, conversion to other uses may be appropriate. In some locations, such as GPOP, specifically Camellia, Rydalmere and Silverwater, the safeguarding of industrial activities will be a starting objective".

26. The GSC's objective to 'review and manage' is linked to Action 49 of the GSR Plan.

4.2.3 Ministerial Section 9.1 Directions

27. The Commission has reviewed the Planning Proposal against the following relevant Section 9.1 Directions:
- Direction 1.1 Business and Industrial Zones

4.2.4 Auburn Local Environmental Plan 2010

28. Under the Auburn LEP 2010 the Site is subject to the following development controls:
- zoned B6 Enterprise Corridor;
 - maximum building height of 14m;
 - maximum FSR of 1:1; and
 - minimum lot size of 1500m².
29. The objectives of the B6 zone are:
- To promote businesses along main roads and to encourage a mix of compatible uses.
 - To provide a range of employment uses (including business, office, retail and light

industrial uses).

- To maintain the economic strength of centres by limiting retailing activity.

30. The uses that are permissible with consent in the B6 zone include: Business premises; Community facilities; Hotel or motel accommodation; Neighbourhood shops; Specialised retail premises; Warehouse and distribution centres.
31. Residential accommodation is a prohibited use within the B6 zone.
32. The objectives of the B1 Neighbourhood Centre zone, proposed by the Planning Proposal, are:
- To provide a range of small-scale retail, business and community uses that serve the needs of people who live or work in the surrounding neighbourhood.
 - To ensure development does not adversely affect the amenity of the surrounding neighbourhood.
33. The uses that are permissible with consent in the B1 zone include: Boarding houses; Business premises; Community facilities; Hotel or motel accommodation; Neighbourhood shops; Neighbourhood supermarkets; Residential flat buildings; Serviced apartments; Shop top housing; Warehouse and distribution centres.

4.2.5 Auburn Employment Lands Strategy (Auburn ELS) 2015

34. The Site to which the Planning Proposal applies was located within Precinct 14 of the Auburn ELS. The strategy recommends that a new neighbourhood centre located within the area bound by Beaconsfield Street, Carnarvon Street, Deakin Park, and Hume Park, Silverwater could be considered (page 79). The Auburn ELS did not identify a specific site for this neighbourhood centre; however, it noted that such a centre could improve the viability of the underdeveloped B6 zone to the east. The Auburn ELS further notes that, *“With the implementation of the B1 Neighbourhood Centre zone, residential development will be permitted. As such, it is acknowledged that the residential amenity along Silverwater Road is somewhat lacking (it is subject to noise and air pollution etc.). As such, if residential is to be permitted in this precinct it is suggested that the land which fronts Silverwater Road be maintained for business uses (as envisaged by the B6 Enterprise Corridor zone) and that residential is limited to that which is required to enable viable development to a centre”*.

4.2.6 Parramatta Road Corridor Urban Transformation Strategy 2016 (PRCUTS)

35. The purpose of the PRCUTS is to facilitate the coordinated transformation of Parramatta Road and its adjoining lands by integrating land use and built form with transport initiatives and public domain improvements. The PRCUTS has identified rezoning land from B6 Enterprise Corridor to B1 Neighbourhood Centre directly south of the Site to meet local amenity provisions. The Site is located approximately 330m to the north of the boundary of the PRCUTS Study Area.

4.2.6 Greater Parramatta and Olympic Peninsula (GPOP) – Vision 2016

36. The GPOP was identified by the GSC as a new priority growth area in the previous metropolitan strategy for Sydney, *A Plan for Growing Sydney (2014)*. The Site is located within the *“Essential Urban Services, Advanced Technology and Knowledge Sectors”* district quarter of the GPOP.

4.3 Key Matters for Consideration

37. In undertaking a review of the Gateway determination, the Commission has considered the strategic and site-specific merits of the Gateway determination as well as the public benefits as the key matters for consideration.

4.3.1 Strategic Merit

Council's Comments

Greater Sydney Region Plan and Central City District Plan

38. In its letter to the Department dated 2 April 2019, Council states that it agrees *“with the objectives of the GSRP in principle and acknowledge that many areas of employment lands are under increasing pressure to turn over to residential uses due to their good accessibility and proximity to nearby centres or public transport. However, the issue of retention and management of industrial and employment lands needs to be reviewed to ensure that the supply of industrial land is appropriate to existing and future needs”*.
39. Council also confirmed this statement at its meeting with the Commission on 8 July 2019 and noted that while it acknowledges the ‘review and manage’ approach of the GSR Plan for the retention of employment lands, the area around the Site is *“predominantly residential at this particular point in time”*.
40. Council considers that the Planning Proposal *“is consistent with the principles for managing industrial and urban services land outlined by the GSRP and CCDP as it seeks to implement the findings of the former Auburn Council’s strategic review of employment lands (Auburn ELS) with regards to Precinct 14 Silverwater Road”*.
41. The Commission notes that the report to Council on 26 February 2018 did “not constitute City of Parramatta Council’s assessment of the subject planning proposal as the proposal was previously considered by the former Auburn City Council”. It did not provide a review of the Auburn ELS but adopted the planning rationale and recommendations in the Report 2015 by the former Auburn City Council officer.

Auburn Local Environmental Plan 2010

42. In the Report 2015 on the Original Planning Proposal, the Auburn City Council officer considered that it was inconsistent with the overarching aims of Auburn LEP 2010 as,
- *“The scale of the residential component is considered inappropriate to the location.*
 - *The proposed density and the access to relatively limited public transport and services is likely to result in increased reliance on the car.*
 - *The residential components have the potential to constrain or force adjoining industries to relocate, with potential impacts on regionally significant employment lands.*
 - *The proposal may set a precedent, for other B6 zoned lands”*.

Section 9.1 Direction 1.1 Business and Industrial Zones

43. In its letter to the Department dated 2 April 2019, Council states that the objective of Section 9.1 Direction 1.1 seeks to protect and retain industrial or business zones and that,
“The proposed changes to planning controls will mandate a minimum provision of

business/service/retail uses to be included in the LEP so that potential job numbers are increased. While the nature of non-residential uses will differ from uses that would normally locate within the previous B6 zone...the former Auburn Council has prepared the Auburn ELS which reviewed all employment and business zones within the LGA and determined that a neighbourhood centre within this Silverwater Road Precinct would improve the surrounding B6 zoned area by providing for the local convenience needs of future workers and local residents”.

44. Council has noted that mandating the inclusion of 4,000m² of floorspace for non-residential uses comprising 2,500m² of supermarket and 1,500m² of local specialty retail/commercial floorspace will ensure that the site maintains a commercial role.
45. For the reasons set out in paragraphs 43 and 44, Council considers that the proposed changes to the planning controls of the Auburn LEP are consistent with the objectives of the Section 9.1 Direction 1.1 Business and Industrial Zone.

Local Planning Panels Direction – Planning Proposal

46. In its letter to the Department dated 2 April 2019, Council states that, *“While the Planning Proposal was forwarded to the Department for Gateway for a second time post 1 June 2018 (commencement of the LPP Direction), the planning proposal was assessed and endorsed by the former Auburn Council in 2015”.*
47. Council considers that the LPP direction therefore does not apply to this planning proposal.

Auburn Employment Lands Strategy 2015

48. In its assessment of the Original Planning Proposal, the Report 2015 stated that it is inconsistent with the Auburn ELS recommendations in relation to Precinct 14, which the Site is located within. These inconsistencies include that the planning proposal:
 - *“proposes a B2 zone with a substantially greater FSR;*
 - *proposes a B2 Local Centre zone within this precinct;*
 - *does not include a master plan of the precinct or address the issues requiring consideration for any new centre in this precinct (see Figure 14) such as capitalising on the existing open space;*
 - *seeks residential development significantly beyond that required to enable viable development of a centre;*
 - *provides for residential development directly opposite the industrial area to the north which may result in potential land use conflicts; and*
 - *does not consider the transition of the B6 lands to the new centre”.*
49. The Report 2015 concluded that,
“If Council wishes to proceed with a rezoning to create a new local centre in this area, it is recommended that the proposal be amended to reflect the zoning and height controls recommended in the Feasibility Analysis (AEC Group), which directly responds to the recommendations of Council’s Auburn ELS 2015. It is also recommended that additional traffic modelling be undertaken to the satisfaction of the RMS, and that satisfactory justification for the inconsistencies with state and local plans and strategies be provided by the applicant.”
50. The Commission notes that the City of Parramatta Council resolved on 26 February 2018 to adopt the planning proposal on the condition that it was updated/amended in line with the recommendations in the Report 2015.

51. However, in its submission to the Department dated 2 April 2019, Parramatta City Council noted that the Auburn ELS recommended that *“a new Neighbourhood Centre located on the western side of Silverwater Road within the B6 precinct (which includes the site) could improve viability of the broader industrial area”* and also that *“some residential development may need to be provided in order to ensure the development viability of the new Neighbourhood Centre”*.
52. At its meeting with the Commission on 8 July 2019, Council stated that its position on the Planning Proposal was underpinned by the above Auburn ELS recommendations and stated, *“in this circumstance that there is some justification for a degree of mixed-use development in here”*.
53. At its meeting with the Commission on 8 July 2019, Council also stated that it did not need any further residential development in the LGA due to the current level of growth being experienced and delivered through planned precincts.

Proponent's Consideration

Greater Sydney Region Plan and Central City District Plan

54. The Proponent states in the Planning Proposal that it is consistent with the directions of the GSR Plan, including for the following reasons:
 - *“The Planning Proposal will facilitate housing, jobs and employment opportunities in the Central River City.*
 - *The site is well connected to public and private transport infrastructure connecting future residents and jobs to Greater Sydney and the other Cities.*
 - *The proposed mixed-use development of the site seeks to improve physical, social and spatial accessibility for the local community.*
 - *The mixed-use neighbourhood centre will be a small hub and focal point for the existing and future residential and employment communities.*
 - *The location of the centre in proximity to existing residential areas and employment generating uses supports the concept of 20-minute walkable neighbourhoods to improve people's health and well being.*
 - *The Planning Proposal will facilitate up to an additional 210 dwellings that will support the neighbourhood centre.*
 - *...the site is well located with access to the Parramatta Metropolitan Centre and the Olympic Park Strategic Centre supporting the 30-minute city objective.*
 - *With good access to nearby public transport and proximity to metropolitan clusters and health and education precincts the neighbourhood centre seeks to achieve the objective of reducing trip generation and car dependency”.*
55. The Proponent also states that the Planning Proposal is consistent with the directions of the District Plan, including for the following reasons:
 - *“The subject site is 4.5km from the Parramatta CBD and 6.5km from Westmead train station or less than a 30-minute journey by public transport.*
 - *The neighbourhood centre is ideally located to provide future residents with access to opportunities within the economic corridor, whether it be within the Parramatta Metropolitan Centre or the Olympic Park Strategic Centre, or even the adjoining Silverwater industrial estate.*
 - *The proposal facilitates a new neighbourhood centre that provides convenience goods and services for the local business and residential communities. No such centre exists for*

the neighbouring communities. The proposal will therefore provide a much-needed facility within walking distance for many residents and employees.

- The 5-year housing supply target for Parramatta local government area to 2021 is 21,650. The proposed neighbourhood centre has the capacity to accommodate an additional approximately 210 dwellings in this time.*
- The Planning Proposal facilitates housing supply and choice within an affordable housing product as part of a mixed-use development.*
- While creating jobs and homes, it also supports the local economy and provides much needed services for existing residents.*
- It is within close and accessible proximity to the Parramatta Metropolitan Centre, the Olympic Park Strategic Centre and existing and future public and private transport connections”.*

56. In its letter to the Department dated 11 March 2019, the Proponent disputes the GSC’s position, outlined in paragraphs 10-13 above, and considers that *“that the planning proposal is in fact consistent with the review and manage approach outlined by the District Plan and is consistent with Objective 23 and Action 49 above. It is clear that the Commission has ignored the local context, local strategies and the review principles of their own documentation. The adoption of a “do nothing” approach for the subject land is in fact inconsistent with the District Plan and the overarching objectives of the Environmental Planning and Assessment (EP&A) Act 1979”.*

57. The Proponent also states that the GSR Plan *“goes on to state that “the retention, growth and enhancement of industrial and urban services land should reflect the needs of each of Greater Sydney’s three cities, and their local context” and that the GSR Plan “does not say retain and protect industrial and urban services land at all costs, it says it should reflect needs and the local context”.* The Proponent notes that the local context includes,
“1. Approximately 5 hectares of existing [non] residential land, undeveloped in accordance with its underlying zone since it was rezoned in 2010;
2. A local strategy that identified a need for a local centre;
3. A planning proposal that facilitates more employment generating floorspace than is currently available on the site and could be facilitated under a complying scenario with the existing zone”.

Greater Parramatta and Olympic Peninsula (GPOP) – Vision 2016

58. The Proponent states in the Planning Proposal that it is consistent with the directions of the GPOP, including for the following reasons:

- “The proposed neighbourhood centre will support the growth and evolution of the adjoining Silverwater industrial estate as it grows and transforms. The neighbourhood centre will provide essential urban services to support the transformation of Silverwater in accordance with the strategic planning framework.*
- The planning proposal facilitates an additional housing product that provides a mix to this area of the corridor. The proposal facilitates a mixed-use development providing apartments contributing to a strong mix and diversity of housing.*
- The planning proposal will facilitate the delivery of approximately 210 dwellings, which will be an affordable housing product, close to employment opportunities and jobs”.*

Section 9.1 Direction 1.1 Business and Industrial Zones

59. The Proponent states in the Planning Proposal that it is consistent with this Direction as,

- “...the proposed clause to mandate the inclusion of 4,000m² of floorspace for non-*

residential uses on the ground and first floors of any future development will retain employment generating land uses.

- *...the rezoning will not reduce the quantum of employment generating floor space. Instead delivering a potential increase in new job opportunities due to the higher end use permitted within B1 Neighbourhood Centre to include retail and commercial floor space.*
- *The Hill PDA report into the economic viability of the site and potential impacts on surrounding centres resolves that the establishment of a centre at the site will meet local resident and worker demand without affecting the dominance and viability of identified centres and create positive competition between providers.*
- *The Planning Proposal delivers employment land in both business and retail sectors to the site, thereby encouraging employment growth in Silverwater and in the Auburn LGA as a whole”.*

60. In its letter to the Department dated 11 March 2019, the Proponent states that having regard to the objectives on Direction 1.1, *“The land was rezoned to B6 Enterprise Corridor in 2010 from residential”* and *“In the last 11 years it has not redeveloped in accordance with the underlying zone”*.
61. The Proponent also notes in its Planning Proposal that *“the absence of any significant redevelopment in this precinct since 2008 is explained by a number of factors including:*
- *The Global Financial Crisis (GFC) - slowed suburban commercial and industrial development throughout the Sydney Region;*
 - *The Silverwater B6 precinct is competing with very extensive areas also zoned B6 along Parramatta Road; and*
 - *The Silverwater precinct, in which the subject site is located, has limited potential as far as bulky goods retailing is concerned”.*
62. To outline the Planning Proposal’s consistency with this Direction, the Proponent also draws on the fact that *“A local strategy identified the need for a local centre in this location which was considered suitable”* and *“The Economic analysis conducted indicates that the Planning Proposal will generate a significant increase in the number of jobs...estimated to generate a future workforce of up to 160 workers compared to approximately 122 under the existing zone (not realised and undeveloped since 2008)”*.
63. In its letter to the Department dated 11 March 2019, the Proponent states that *“There is no supply of convenience retail/commercial services for the immediate neighbourhood”*.
64. The Proponent’s economic analysis of the Original Planning Proposal, undertaken by HillPDA in 2014 (**Economic Report**), states that *“If a larger supermarket were to be provided on the Subject Site (as per the amended planning proposal) this should be up to 3,000sqm to reflect the commercial requirement of operators”*.
65. The Proponent’s Economic Report also states that *“A larger supermarket would provide a strong, more competitive retail offer serving an expanded PTA [primary trade area] and capturing a greater proportion of retail expenditure generated by households than a small supermarket. There is sufficient demand to support such a development and resultant trading impacts are not anticipated to threaten the vitality or viability of any existing centre. A larger supermarket would also support greater positive economic impacts on the local community including employment generation”*.
66. With regards to the Proponent’s consideration of the Original Planning Proposal’s residential

component viability, the Proponent's Economic Report states that *"The proposed B2 Local Centre rezoning and mixed-use development would better cater to existing and forecast demand in the locality, including strong and ongoing demand for housing in the Auburn LGA"*.

67. The Proponent has also relied on this previous consideration in its present Planning Proposal, stating that it will *"facilitate up to an additional 210 dwellings that will support the neighbourhood centre"* and *"provides the opportunity for a much needed neighbourhood centre, supported by residential accommodation consistent with the character and land uses to the west"*.

Local Planning Panels Direction – Planning Proposal

68. In its letter to the Department dated 11 March 2019, the Proponent notes that *"The [Original] planning proposal was considered by the relevant planning authority on 7 October 2015 and submitted to the Minister on 15 December 2015"* and that *"while the planning proposal was lodged with the Minister for a second time post 1 June 2018, it was originally lodged prior to this time"*.
69. The Proponent states that *"given the extensive assessment and considerable time taken to get to this stage, a referral to the Local Planning Panel would not be in keeping with the objects and spirit of the Act to promote the orderly and economic use of the land"*.

Auburn Employment Lands Strategy 2015

70. While the Proponent notes in its Planning Proposal that the Auburn ELS recommended a new neighbourhood centre be located within the area bound by Beaconsfield Street, Carnarvon Street, Deakin Park, and Hume Park, Silverwater, the study did not identify a specific site. However, the Proponent noted that such a centre could improve the viability of the underdeveloped B6 zone to the east.
71. In its letter to the Department dated 11 March 2019, the Proponent states that in relation to the Auburn ELS:
"...a local Strategy has identified the need for a local centre for the neighbouring business and residential communities and the need to facilitate viable outcomes for undeveloped residential land. The planning proposal therefore clearly supports the 'viability of identified centres' under a local strategy".
72. At its meeting with the Commission on 8 July 2019, the Proponent stated that the Original Planning Proposal was lodged with acknowledgement of recommendations from the Auburn ELS and recognition from local residents and the business community of the need for a local centre to provide services. The Proponent also noted that the Planning Proposal has *"implemented a local strategy...in accordance with both councils'...objectives and direction for this area"*.
73. In accordance with the former Auburn City Council officer's recommendation in the Report 2015 and City of Parramatta Council resolution of 26 February 2018, the Proponent's Original Planning Proposal was amended to ensure that the 4,000m² retail component comprises a 2,500m² supermarket and 1,500m² of local specialty retail/commercial floor space. However, at its meeting with the Commission on 8 July 2019, the Proponent noted that *"the 4000 square metres that's in the resolution is above and beyond what is expected for a neighbourhood centre"* and that *"We think 4000 (m²) is too much. Our current concept has 1800 (m²) of retail"*. The Proponent's amended concept plans also proposed that the Site remain zoned B6

Enterprise Corridor but that Shop top housing be added as a permissible use. In addition to the retail, other employment generating uses that are permissible within the B6 zone were proposed in the concept.

Department's Consideration

Greater Sydney Region Plan and Central City District Plan

74. The Department states in its Justification Assessment that *"the Gateway refusal was primarily based on the proposal's inconsistency with relevant directions in the Greater Sydney Region Plan and the Central City District Plan"*.
75. With regards to the Planning Proposal's consistency with the GSR Plan, in its Gateway Determination Report dated 22 November 2018, the Department states that,
"The introduction of high-density residential development would likely result in land use conflict, [sic] the potential development of industrial and urban services land immediately adjacent to the site and the Silverwater industrial precinct".
and
"While the subject site is not being used to its full potential under the B6 Enterprise Corridor zone, it is not considered appropriate to erode the employment value of the land and surrounding area by introducing residential and retail land uses at the expense of other employment land uses that are permissible in the zone".
76. With regards to the Planning Proposal's consistency with the District Plan, the Department's Gateway Determination Report states that,

*"Planning Priority C11 – Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land.
The rezoning would set a precedent in the area for rezoning B6 land for predominantly residential purposes, compromising the provision of industrial employment and urban services land in the area.*
- Action 49 – Review and manage industrial and urban service land ...
The proposal is inconsistent with this action and remains unresolved as it is not supported by the GSC.*
- Action 52 – Manage the interfaces of industrial areas, trade gateways and intermodal facilities ...
The planning proposal does not address this action. Amenity along this corridor is not considered conducive for high-density residential development due to the nature of the road serving freight movements between industrial lands"*.
77. The Department's Justification Assessment also states that *"the planning proposal is inconsistent with the District Plan and in particular, Action 49 which requires a 'review and manage' approach"*.

Section 9.1 Direction 1.1 Business and Industrial Zones

78. The Department states in its Gateway Determination Report *"that permitting high-density residential development on the site could undermine the ongoing operation of the Silverwater industrial precinct"*. The Department further states in its Justification Assessment that *"It is not considered that the lack of development that has occurred is appropriate justification for the*

introduction of residential land uses”.

Local Planning Panels Direction – Planning Proposal

79. In its Justification Assessment, the Department acknowledges the Proponent’s comments outlined in paragraphs 68 and 69 and states that *“It is agreed that a referral to the local planning panel may not have been required in this instance”.*

Auburn Employment Lands Strategy 2015

80. The Department states in its Gateway Determination Report in relation to the Auburn ELS that *“The 2015 strategy predates the Central City District Plan, has not been endorsed by the Department, and does not achieve Action 49 of the district plan to review and manage industrial and urban services land”.*
81. The Department also states in its Justification Assessment that *“the Auburn ELS was not approved by the Secretary of the Department (in accordance with Section (5)(a)) of the Direction of the strategic merit test, and the District Plan was released subsequent to this Study. As such, the principles of the District Plan override the Auburn Employment Lands Study”.*
82. The Department concludes in its Gateway Determination Report that *“insufficient justification has been presented in the Auburn Employment Lands Strategy to support the rezoning of land for predominantly high-density residential and retail land uses on the subject site, particularly in the context of the broader strategic policy framework that has since been released”.*

Parramatta Road Corridor Urban Transformation Strategy 2016

83. In its Gateway Determination Report, the Department states that the recommended provision of a neighbourhood centre under the Auburn ELS predates the release of the PRCUTS, which cites the provision of B1 Neighbourhood Centre land to the south of the Site to meet local amenity needs.
84. Beyond this, the Department also states that *“the need for a further retail centre has not been demonstrated, noting that the rezoning of the land within the PRCUTS will be subject to a planning proposal that is required to further consider the suitability of land with the PRCUTS for the purpose of a neighbourhood centre”.*

Commission’s Consideration

Greater Sydney Region Plan and Central City District Plan

85. The Commission notes the GSC’s comment in paragraph 11 that the ‘review and manage’ approach of the District Plan’s Action 49 adopts a first principle of keeping the value of employment land and its comment in paragraph 13 that the Planning Proposal is inconsistent with this approach, which was reiterated by the Department, as outlined in paragraph 77. In addition, the Department also stated that the Planning Proposal is inconsistent with Objective 23 of the GSR Plan, as outlined in paragraph 74.
86. The Commission also notes the Department’s comments in paragraph 75 that even though the Site is not currently being used as per the land uses under the B6 Enterprise Corridor zone, introducing residential and retail land uses at the expense of other employment land

uses is inappropriate.

87. The Commission acknowledges that both Council and the Proponent has disputed these comments with Council stating in paragraph 38 that this approach needs to be reviewed and the Proponent stating in paragraph 56 that the GSC has ignored the local context.
88. The Commission also acknowledges the statement in the District Plan that GSC's review of all industrial and urban services land under the 'review and manage' approach *"will consider the current level of industrial and urban services land supply, the changing nature of industries and the transformation in the sector due to the impact of changing demand for land"* and that *"In limited cases, conversion to other uses may be appropriate"*. However, the District Plan also notes that *"the safeguarding of industrial activities will be a starting objective"* for the 'review and manage' approach in the Silverwater area, as noted by the GSC.
89. As the Planning Proposal seeks to amend the Auburn LEP to rezone the Site to provide a mixed-use development that would incorporate a significant residential development component, the Commission considers that the Planning Proposal is inconsistent with Objective 23 of the GSR Plan and Action 49 of the District Plan as the Site is within an area proposed for the retention of industrial and urban services land under these Plans. The Commission also accepts the Department's comments in paragraph 82 as it considers that insufficient justification has been provided to support the transition of the Site from employment land to mixed-use development. The Commission notes that the studies supporting the Planning Proposal were done around 2015 to justify the Original Planning Proposal, which was prior to PRCUTS and other strategic policies. In particular, the Economic Report based the demand for retail on the projected increase in residential and employment in the expanded PTA, which includes the area identified by PRCUTS for a neighbourhood centre. Furthermore, the Commission notes that Council's Local Strategic Planning Statement (**LSPS**), which is currently being prepared, *"is not looking at to consider any changes within the B6 zone"*. If the B6 Enterprise Corridor has not been developed in accordance with its permitted uses, the Commission considers that this should be investigated as part of a strategic assessment of the zone through the LSPS.

Section 9.1 Direction 1.1 Business and Industrial Zones

90. The Commission acknowledges Council's comments in paragraph 43 which note that while the Planning Proposal's non-residential uses will differ from uses that would normally locate within the B6 zone, the Auburn ELS has determined that a neighbourhood centre in this location would improve the surrounding B6 zoned area.
91. The Commission acknowledges the Proponent's comments in paragraphs 59-65 to justify its consideration that the Planning Proposal is consistent with this Direction. The Proponent states that the Site was previously zoned for residential use and had not been redeveloped in accordance with the B6 Enterprise Corridor zone for the reasons outlined in paragraph 61. The Proponent has also justified the retail element of the Planning Proposal by noting that its Economic Report states that there is sufficient demand to support such a development. However, the Commission notes that the Economic Report was done to support the Original Planning Proposal and prior to current strategic documents
92. The Commission accepts the Department's comments in paragraph 78 that providing a mixed-use development on the Site, which contains a significant residential element could undermine the ongoing operation of the Silverwater industrial precinct.

93. The Commission considers that the lack of development on the Site and surrounding area since its B6 Enterprise Corridor zoning in 2010 is insufficient justification for the introduction of residential land uses, as this would require a wider rezoning response. The Commission also notes from its inspection of the locality that the R3 Medium Density Residential zone remains largely older detached dwelling houses and has not been redeveloped in accordance with the medium density residential uses permitted in the R3 zone. This would indicate that there is ample supply of residentially zoned land to meet demand. This zone and the B6 zone both permit neighbourhood shops, which could also meet demand.
94. For the reasons set out in paragraphs 92 and 93, the Planning Proposal is inconsistent with this Direction.

Local Planning Panels Direction – Planning Proposals (Direction)

95. The Commission acknowledges Council's comments in paragraphs 46 and 47 and the Proponent's comments in paragraph 68 that the Planning Proposal was assessed and endorsed before the commencement of this Direction. The Commission also notes the Department's comments in paragraph 79 that it agreed that a referral to the local planning panel may not have been required in this instance.
96. The Commission is satisfied that the Planning Proposal was assessed and endorsed before the commencement of this Direction and a referral to the local planning panel under this Direction would not have been required. The Commission therefore considers that the Planning Proposal is not inconsistent with this Direction.

Auburn Employment Lands Strategy 2015

97. The Commission acknowledges the Proponent's statement outlined in paragraph 71 that the Auburn ELS has identified the need for a local centre and to facilitate viable outcomes for undeveloped land, and that the Planning Proposal implements the recommendations of the Auburn ELS.
98. The Commission notes Council's statement outlined in paragraph 51 that, as per the recommendations of the Auburn ELS, a new neighbourhood centre located on the Western side of Silverwater Road could improve the viability of the broader industrial area. However, the Commission also notes that Council resolved to adopt the former Auburn City Council officer's position, which states that the Original Planning Proposal is inconsistent with the recommendations of the Auburn ELS, and recommended amendments and "that satisfactory justification for the inconsistencies with state and local plans and strategies be provided by the applicant" as outlined in paragraph 49. Council also stated at its meeting with the Commission on 8 July 2019 that further land for residential development was not required in the LGA, as noted in paragraph 53.
99. The Commission acknowledges the Department's statement that the Auburn ELS was not endorsed by the Secretary and predates the release of the GSC's District Plan, which now overrides the Auburn ELS. The Commission also acknowledges the Department's comment in paragraph 82 that there is insufficient justification in the Auburn ELS to support the rezoning of this land as per the Planning Proposal.
100. The Commission acknowledges the Proponent's and Council's comments in paragraphs 97 and 98 and notes that the Auburn ELS identifies that a *"new neighbourhood centre (including retail land uses) could be considered and may be located west of Silverwater Road (and*

include land between Beaconsfield and Carnarvon Streets but limited to the west by Deakin and Hume Parks and the open space between them)".

101. However, the Commission notes that the Planning Proposal is inconsistent with recommendations of the Auburn ELS as it does not include a master plan of the precinct
102. The Commission also notes that the Auburn ELS acknowledges that *"residential amenity along Silverwater Road is somewhat lacking (it is subject to noise and air pollution etc.)"* and that *"As such, if residential is to be permitted in this precinct it is suggested that the land which fronts Silverwater Road be maintained for business uses"*. The Planning Proposal includes residential development fronting Silverwater Road, and as such, the Planning Proposal would be inconsistent with this recommendation of the Auburn ELS.
103. The Commission considers that the Planning Proposal is consistent with recommendation of the Auburn ELS for a new neighbourhood centre to be located on the Western side of Silverwater Road but is inconsistent with the recommendations that the land which fronts Silverwater Road be maintained for business uses. The Commission also notes Council's comments that further residential development on this Site is not required to meet its housing targets under the District Plan.
104. The Commission also accepts the Department's statement in paragraph 99 and considers that the District Plan, as the most current strategic planning framework for the area, would override the Auburn ELS.

Parramatta Road Corridor Urban Transformation Strategy 2016

105. The Commission acknowledges the Department's statement outlined in paragraph 84 that the need for a further retail centre beyond that identified in the PRCUTS has not been demonstrated. Furthermore, the Commission notes the Proponent's comments from its Economic Report, outlined in paragraphs 64 and 65, relating to the viability of retail uses for the Site. However, the Economic Report predates PRCUTS and would need to be updated to demonstrate that there remains a demand for retail of the size envisaged in the Planning Proposal (4000m²) particularly given that the Proponent at its meeting with the Commission proposed changes to the amount of retail, which is discussed further in paragraph 115.
106. While the Commission acknowledges that the Site is not located within the boundary of the PRCUTS, it accepts the Department's statement in paragraph 83 and considers that the recommended provision of a neighbourhood centre under the Auburn ELS predates the release of the PRCUTS, which cites the provision of B1 Neighbourhood Centre land to the south of the site to meet local amenity needs.
107. For the reasons set out in paragraphs 89, 94, 103, 104 and 106 and above, the Commission considers that the Planning Proposal does not demonstrate strategic merit.

4.3.2 Site-specific Merit

108. The key site-specific matters that the Commission has considered include the potential land use conflicts and the lack of public transport infrastructure, which the Commission notes were both reasons from the Department's Gateway determination.

Potential Land Use Conflict

Council's Consideration

109. In its letter to the Department dated 2 April 2019, Council stated that in relation to the matter of land use conflict, *"the fact that the site is bound by roads on all 4 frontage means that there will be a degree of separation between the neighbourhood centre and surrounding residential development"*.
110. Council further notes that *"a more detailed design exercise is proposed to be carried out in order to inform a future Site Specific DCP which will not only include mitigation measures to address impacts of the proposal on the surrounding residential development (eg. Increased setbacks, landscaping) but also include development controls to minimise amenity impacts of the commercial/retail uses on residential development within the same building"*.
111. Council also considered that *"the site is well contained and unlikely to result in a precedent issue given that the proposal (should it proceed) would fully meet the objectives of the Auburn ELS set for this precinct"*.

Proponent's Consideration

112. In its letter to the Department dated 11 March 2019, the Proponent states that *"It is unclear how the planning proposal may result in land use conflict"* as *"The existing use is residential"* and *"The site is adjoined by residential to the south and east"*. The Proponent further notes that the adjacent industrial zone located to the north *"includes low scale business premises that provide no land use conflict at all"*.
113. The Proponent concludes that the Planning Proposal is the *"perfect transition between wholly business/industrial land and wholly residential land"* and that *"any perceived conflict can be addressed further in detailed design"*.
114. With regards to the Planning Proposal's potential to create an undesirable precedent, as noted in the Department's Gateway determination recommendations, the Proponent states in its letter to the Department dated 11 March 2019 that,
- *"the planning proposal is supported by and consistent with a local strategy that identifies a need for a neighbourhood centre in the area to complement and support the Silverwater Industrial Precinct."*
 - *the language...appears to ignore the fact that 5 hectares of B6 zoned land in this area is and has been utilised as residential land. It is well established residential land" which "has not changed since it was rezoned in 2010"*.
115. At its meeting with the Commission on 8 July 2019, the Proponent stated that it was now seeking the option of retaining the existing B6 zoning for the site but with the addition of 'shop-top housing' as a permissible land use in this zone and reduction in the amount of retail use on the Site. As noted in paragraph 73, the Proponent stated that the 4000m² of retail floorspace is above and beyond what is expected for a neighbourhood centre. The Proponent also cited other LGAs around Auburn, such as Cumberland and Parramatta, which permit shop-top housing in the B6 zone. The Proponent also provided the Commission with concept design plans, as noted in paragraph 20, which outlined the reduction in retail floorspace and the introduction of employment uses permissible in the B6 zone. The residential component in the revised concept generally remained the same as in of the Planning Proposal.

Department's Consideration

116. In its Justification Assessment, the Department considers that *“the introduction of residential land uses to the site has the potential to cause land-use conflicts with the adjoining strategic employment precinct within Silverwater”*.
117. The Department also notes that *“The anticipated amenity impacts on both high-density residential development and industrial/urban service uses in such close proximity remain unresolved, especially considering site constraints (e.g. the site’s physical proximity to Silverwater Road and the Silverwater industrial precinct) and the land-use conflicts that are likely to arise”*.

Commission's Consideration

118. The Commission notes Council’s comments in paragraph 109 that the Site is bound by roads on all frontages and its comments in paragraph 110 that a detailed design exercise is proposed to inform a site-specific Development Control Plan (**DCP**).
119. The Commission also notes the Proponent’s comments in paragraph 112 that the existing use for the Site was residential and the Site adjoins residential development to the south and west (as well as some to the east). The Proponent has notes that the adjacent industrial zone has low scale business uses and that any potential conflict can be further addressed at design stage, as outlined in paragraph 113.
120. The Commission notes the Department’s comments in paragraph 117 that the Planning Proposal would potentially conflict with the existing adjacent employment area in Silverwater and that amenity impacts on the proposed high-density residential development remain unresolved.
121. From its Site and locality inspection conducted on 8 July 2019, the Commission observed that the immediate area surrounding the Site is characterised by low density residential development to the south and west and by general industry to the north and east, with high occupancy rates.
122. As outlined in paragraph 102, the Commission notes that the Auburn ELS states that *“residential amenity along Silverwater Road is somewhat lacking (it is subject to noise and air pollution etc.)”*. The Commission accepts this statement and considers that any residential development proposed along Silverwater Road would experience poor amenity and would be out of character with this area as it would front an arterial road which generates noise and dust impacts and there are no other mixed use residential developments permissible in this area.
123. The Commission notes that not only is a high-density residential development currently not permitted on the Site, but is also prohibited in all the surrounding zones, in particular, the R3 zones to the east and further west of the Site, and the Commission therefore considers the Planning Proposal to be out of character with the locality, as well as leading to a loss of employment land. The Commission also notes that the land immediately to the west of the site, while currently low density residential, is zoned B6 and under the Planning Proposal would become isolated from other B6 zoned land.
124. The Commission considers that the Planning Proposal would create a land use conflict with the

immediately adjoining B6 Enterprise Corridor and IN1 General Industrial-zoned land and accepts the Department's statement in paragraph 78 that permitting high-density residential and retail development would undermine the ongoing operation of the Silverwater industrial precinct.

125. The Commission notes the Proponent's suggested amendment to the Planning Proposal, set out in paragraph 115, to retain the current B6 zone but include shop-top housing and reduce the amount of retail use on the Site. The Commission notes that these proposed changes do not alter the Commission's consideration in paragraph 124 and also considers that shop-top housing would not ensure that employment generating uses are provided in a future redevelopment of the site and would be contrary to the Proponent's Economic Report set out in paragraph 65.

Lack of public transport infrastructure

Council's Consideration

126. In its letter to the Department dated 2 April 2019, Council stated that *"the site is serviced by existing transport options including a local bus service connecting to Auburn Rail Station and Parramatta Rail Station"*. Council also notes the closest bus routes and train services, including their frequency and connectivity to Parramatta City Centre and Sydney Olympic Park.
127. Council concludes that the Site has *"reasonable access to public transport in order to support a new Neighbourhood Centre within the precinct"*.

Proponent's Consideration

128. In its letter to the Department dated 11 March 2019, the Proponent states that the basis for this Department recommendation is unclear as *"The site is very well served by the existing bus network, with the nearest stop being 90 metres from the subject site"*. The Proponent further notes that *"there is existing public transport nearby that ensures the Planning Proposal achieves the 30-minute city objectives and is consistent with the Greater Sydney Plan and the Central City District Plan"*.

Department's Consideration

129. In its Gateway Determination Report and Justification Assessment, the Department concludes that *"there is a lack of public transport infrastructure to support the proposed densities"* and that *"The proposed use of the site for high-density residential purposes would require investigation into the necessary frequency of public transport to support the proposed densities"*.

Commission's Consideration

130. The Commission notes Council's and the Proponent's statements outlined in paragraphs 126-128 that the Site is currently well-served by public transport infrastructure, which is contrary to the Department's consideration in paragraph 129. However, the Commission accepts the Department's further comment in paragraph 129 that any proposed use for residential development on the Site would require further investigation into the necessary frequency of public transport to support the proposed densities.

4.3.3 Public Benefit

Proponent's Consideration

131. The Proponent notes in its Planning Proposal that it will deliver the following social and economic benefits:
- *“Deliver new jobs throughout the construction phase and 189 permanent full and part time new job opportunities when operational;*
 - *Deliver new neighbourhood retail and commercial opportunities and services to the meet the daily needs of existing residents and workers in the area and additional residents and workers generated by the planning proposal;*
 - *Locate new housing and jobs within a location accessible by public and private transport; and*
 - *Deliver a future development...that...creates an attractive and vibrant public domain”.*

Commission's Consideration

132. The Commission acknowledges the potential social and economic benefits of the Planning Proposal outlined by the Proponent in paragraph 131. However, the Commission notes that these benefits do not outweigh the potential loss of land used for employment generating uses and the land use conflicts that may result from the provision of residential uses on the Site. Furthermore, the demand for residential and retail uses on the Site has not been supported by recent information, and is based on the Auburn ELS which has not been endorsed by the Department and predates later strategic documents. Even if the Auburn ELS is considered, it does not support the residential component of the Planning Proposal along Silverwater Road, as the Auburn ELS acknowledges that *“residential amenity along Silverwater Road is somewhat lacking (it is subject to noise and air pollution etc.)”.*
133. On balance, the Commission considers that the site-specific impacts of the Planning Proposal are unlikely to result in significant public benefits.

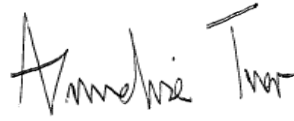
5. THE COMMISSION'S ADVICE

134. The Commission has undertaken a review of the Gateway determination, as requested by the Minister's delegate, and provides the following advice on whether the Planning Proposal should proceed past Gateway.
135. Based on its consideration of the material, the Commission considers that the Planning Proposal does not demonstrate strategic merit as:
- it is inconsistent with Objective 23 of the Greater Sydney Region Plan and Action 49 of the Central City District Plan; and
 - it is inconsistent with Section 9.1 Direction 1.1 Business and Industrial Zones.
136. The Commission also considers that the Planning Proposal does not demonstrate site-specific merit as:
- it would also create a land use conflict with the immediately adjoining B6 Enterprise Corridor and IN1 General Industrial-zoned land;
 - it would permit land uses which are not only currently prohibited on the Site, but also not permitted in any of the zones surrounding the Site; and
 - it is unlikely to result in significant public benefits.
137. For the reasons outlined in paragraphs 135 and 136, the Commission recommends that the

Planning Proposal not proceed past Gateway.



Dr Peter Williams (Chair)
Member of the Commission



Annelise Tuor
Member of the Commission