

# *NOTICE OF COUNCIL MEETING*

## *PUBLIC SUPPLEMENTARY*

### *AGENDA - A*

An Ordinary Meeting of City of Parramatta Council will be held in the Cloister Function Rooms, St Patrick's Cathedral, 1 Marist Place, Parramatta on Monday, 22 March 2021 at 6.30pm.

Brett Newman  
CHIEF EXECUTIVE OFFICER

## TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
<b>18</b>	<b>NOTICES OF MOTION</b>	
18.1	NOTICE OF MOTION: \$300+ Million at Risk from Council's Essential Community Infrastructure Program due to the NSW Government's New Infrastructure Contributions System.....	3
18.2	NOTICE OF MOTION: Interpretive Signs .....	9
18.3	NOTICE OF MOTION: Report on Misuse of Mobility Parking Scheme.....	12
<b>20</b>	<b>CLOSED SESSION</b>	
20.3	QUESTION WITH NOTICE: Questions Taken on Notice from Council Meeting - 8 March 2021 <i>This report is confidential in accordance with section 10A (2) (d) of the Local Government Act 1993 as the report contains commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it; or (ii) confer a commercial advantage on a competitor of the Council; or (iii) reveal a trade secret.</i>	
20.4	LATE REPORT FOR APPROVAL: Winterlight 2021 Event Proposal <i>This report is confidential in accordance with section 10A (2) (d) of the Local Government Act 1993 as the report contains commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it; or (ii) confer a commercial advantage on a competitor of the Council; or (iii) reveal a trade secret.</i>	

***After the conclusion of the Council Meeting, and if time permits, Councillors will be provided an opportunity to ask questions of staff***

**NOTICE OF MOTION**

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**ITEM NUMBER** 18.1  
**SUBJECT** NOTICE OF MOTION: \$300+ Million at Risk from Council's Essential Community Infrastructure Program due to the NSW Government's New Infrastructure Contributions System  
**REFERENCE** F2021/00521 - D07944057  
**FROM** Councillor Bradley

**MOTION**

- (a) **That** Council notes that:
- i. Council decided at its meeting of 9 June 2020 at Item 18.1 in regard to the NSW Government's Infrastructure Contributions Review inter alia that, *"The proposals on value sharing are strongly opposed as they threatened to undermine Council's current policy framework for Planning Agreements, which adopt value sharing as an equitable, transparent and evidence based policy approach"*.
  - ii. At this same meeting Council supported its submission which expressed concern about the threat to its 50% share of value uplift outside the CBD and included this reference, *"Council staff estimate that the proposed draft Community Infrastructure provisions in the Parramatta CBD Planning Proposal could potentially facilitate approximately \$300 million worth of community infrastructure in the CBD. This would make a significant contribution to Council's approximate \$1.5 billion works program for new community infrastructure in the Parramatta CBD and would be at risk if the proposed system is brought into effect."*
  - iii. Despite the Department of Planning noting that *"The clarification and position on value capture drew out the strongest comments and opposing positions from stakeholders. Many councils, peak bodies and community representatives objected to the changes" (Ref.1), it has recently announced that "the exhibited position on value capture is maintained, as it is the Government's policy position that planning agreements (Ref.1) cannot be used for the primary purpose of value capture" and that "they should not be used to capture land value uplift resulting from rezoning or variations to planning controls."* (Ref.2)
- (b) **That** Council prepare a report as soon as possible:
- i. To estimate the public value share funds at risk from planning proposal agreements outside the CBD (in addition to the \$300 million at risk inside the CBD);
  - ii. To urgently prioritise a review of Council's entire development contributions / planning agreements policy framework to account for the loss of value sharing as a policy approach; and
  - iii. To identify funding sources to provide community infrastructure for the planned residential growth from other sources, as recommended in the Council officers' 9 June 2020 report.
- (c) **Further, that** Council contact the NSW Member for Parramatta The Hon Dr Geoff Lee and the Minister for Planning and Public Spaces The Hon Rob Stokes urging them to work with Council to find a mechanism to address this \$300+ million cut in community infrastructure funding necessary for the rapid inflow of additional residents to Parramatta.

## BACKGROUND

1. At the Council meeting of 9 June 2020, Council officers reported at Item 18.1 as follows:
  - (a) The position on value sharing outlined in the Practice Note [now approved] threatens to undermine Council's current policy framework for planning agreements, which applies value sharing based on a percentage of a pre-determined rate of value uplift per square metre (in the CBD), or on 50% of value uplift on a site-specific basis (outside the CBD). This has significant risks for Council and the community, including:
    - i. Significant impacts for Council's financial position: With the loss of its value sharing policy as a basis for voluntary planning agreements (VPAs), Council would be at a severe disadvantage in current and immediate future VPA negotiations. This would give rise to an immediate need to identify funds to provide infrastructure for the community from other sources. Council staff estimate that the proposed draft Community Infrastructure provisions in the Parramatta CBD Planning Proposal could potentially facilitate approximately \$300 million worth of community infrastructure in the CBD. This would make a significant contribution to Council's approximate \$1.5 billion works program for new community infrastructure in the Parramatta CBD and would be at risk if the proposed system is brought into effect.
    - ii. Urgent policy review required: There would be an urgent need to prioritise a review of Council's entire development contributions / planning agreements policy framework to account for the loss of value sharing as a policy approach. This would require immediate re-prioritisation of other strategic planning matters, as well as giving rise to significant delay to the Parramatta CBD Planning Proposal.
    - iii. Less community infrastructure being delivered: During the time that would elapse while Council undertakes a policy review and associated fund- sourcing investigations, planning for the continuing growth of the LGA would need to be addressed. The likely outcome would be that development would outstrip the delivery of supporting infrastructure - particularly in high growth precincts – leading to poorly planned outcomes to the detriment of the local community.
  - (b) On this basis, Council officers recommend that Council strongly objects to the proposals on the basis that they would undermine Council's current approach to planning agreements. Council officers are currently holding discussions with DPIE with the aim of ensuring Council's proposed measures in the Parramatta CBD Planning Proposal, that were developed in collaboration with DPIE, can continue to be used to ensure delivery of the infrastructure needed as the City continues to rapidly grow.

## REFERENCES

2. Infrastructure contributions system improvements – Submissions report
  - Especially 3.2 Issues raised in submissions and 3.3 Response  
[https://www.planning.nsw.gov.au/-/media/Files/DPE/Reports/Policy-and-legislation/Infrastructure/submissions-report-infrastructure-contributions-system-improvements-202102.pdf?\\_hsmt=110743646&\\_hsenc=p2ANqtz-](https://www.planning.nsw.gov.au/-/media/Files/DPE/Reports/Policy-and-legislation/Infrastructure/submissions-report-infrastructure-contributions-system-improvements-202102.pdf?_hsmt=110743646&_hsenc=p2ANqtz-)

[8N3Kx\\_gEsDyLL51Viz9siM0JsQdtnWPxqi-nuUEDcOKPNB4sbVym3GHVVzp38pX0wb-tt0NabmwM0IzGdCxhi1ij3tg](https://www.planning.nsw.gov.au/-/media/Files/DPE/Practice-notes/practice-note-planning-agreements-2021-02.pdf?_hsmi=110743646&_hsenc=p2ANqtz-7vwevWL2iKUvEcSbRgYX2Zxxy_mTpPQrtubTJ4uYqMHZWxew6ZOwOYeUD-LZvgiR4Rc7IKEQhTde3hggCluzDxCh--g)

3. Planning Agreements Practice Note – February 2021

- Especially 2.3 Value capture

[https://www.planning.nsw.gov.au/-/media/Files/DPE/Practice-notes/practice-note-planning-agreements-2021-02.pdf?\\_hsmi=110743646&\\_hsenc=p2ANqtz-7vwevWL2iKUvEcSbRgYX2Zxxy\\_mTpPQrtubTJ4uYqMHZWxew6ZOwOYeUD-LZvgiR4Rc7IKEQhTde3hggCluzDxCh--g](https://www.planning.nsw.gov.au/-/media/Files/DPE/Practice-notes/practice-note-planning-agreements-2021-02.pdf?_hsmi=110743646&_hsenc=p2ANqtz-7vwevWL2iKUvEcSbRgYX2Zxxy_mTpPQrtubTJ4uYqMHZWxew6ZOwOYeUD-LZvgiR4Rc7IKEQhTde3hggCluzDxCh--g)

Phil Bradley

**Councillor Bradley**

## **ACTING EXECUTIVE DIRECTOR CITY PLANNING & DESIGN RESPONSE**

### **CBD Infrastructure Funding Review**

4. Following the report on 9 June 2020, Council received further advice from the Department of Planning Industry and Environment (DPIE) on 27 July 2020 which enabled Council to retain the clauses that would underpin a value sharing based infrastructure funding framework in the PCBD Planning Proposal (CBD PP) that was placed on public exhibition in the last quarter of 2020.
5. The Minister for Planning released a Ministerial Direction on 12 February 2021 which limits Council's policy approach when negotiating VPAs. The Ministerial Direction states that VPAs "should not be used to capture land value uplift resulting from rezoning or variations to planning controls". Advice from DPIE following the release of this Direction is that the draft CBD PP will need to be amended to remove the clauses related to value capture that facilitate Council's proposed infrastructure funding framework.
6. In response to this, Council Officers have met with DPIE to seek feedback on alternative options for funding community infrastructure which are limited to:
  - i. Introducing a new Section 7.11 Contributions Plan to apply to development in the CBD (this would require preparation and public exhibition before adoption); or
  - ii. Increasing the existing Section 7.12 development contribution flat rate which currently sits at 3% of the estimated cost of development (any increase to this rate would require Ministerial approval).
7. A preliminary analysis of the options for increasing development contributions in the CBD will be provided to Council together with the outcomes of the exhibition of the draft CBD PP which is currently programmed to be reported to Council in May 2021. Following that Council meeting, it is currently proposed to prepare a report to Council within 1-2 months on a proposed new alternate community infrastructure framework including a recommendation for a new Section 7.12 rate that Council could request the Minister to endorse. The intention would be to seek to amend the Section 7.12 contribution rate so that the \$300 million that might have been collected under the proposed new LEP clauses can instead be collected via this amended plan.

## Outside CBD Infrastructure Funding Review

8. As indicated above the only available option for increasing a development contribution towards infrastructure outside the Planning Agreement Framework is via the Section 7.11/7.12 Developer Contributions Framework.
9. Council resolved on 30 November 2020 to exhibit a Section 7.11 Contributions Plan that will apply outside the CBD. At the time of finalising this response it was proposed to commence the public exhibition of the draft Contributions Plan for 30 days during this month.
10. In preparing the draft Contributions Plan, Council Officers analysed both Section 7.11 (tied to increases in residents, workers and visitors) and Section 7.12 (flat % rate based on estimated cost of development) contributions structures in order to ascertain which would maximise Council's ability to fund new infrastructure, and as a result the draft Section 7.11 Plan was recommended to Council.

## Overview

11. The reviews of Council's development contributions plans already underway constitute a review of Council's Contributions Plan framework. Both reviews seek to maximise community infrastructure funding, hence there is no need for a further review of this policy framework.
12. This contribution planning work is linked to the Community Infrastructure Strategy (CIS) adopted by Council. The CIS sets out a needs-based approach derived from an understanding of population growth driving the need for community infrastructure including open space, traffic and transport as well as pedestrian safety. The CIS outlines the City of Parramatta's long-term direction for community infrastructure provision. It focuses on community infrastructure over which Council has primary responsibility, plays a role in delivering, or seeks to advocate for on behalf of the community. The CIS is updated at least every 4 years to align with Council's Community Strategic Plan and Local Strategic Planning Statement. This ensures that infrastructure delivery is coordinated with Council's resource capacity to undertake the scheduled asset work as per Council's Delivery Program.
13. Council's Planning Agreement Policy is now inconsistent with the February 2021 Ministerial Direction and there is a need to amend that policy. In this context, a key recommendation of a recently released Productivity Commission report about "Improving the Contributions System in NSW" is that Government Policy should be:-

*"limiting the use of state and local planning agreements to direct delivery of works and supporting infrastructure for 'out-of-sequence' developments".*

The Commission report wording suggests that Planning Agreements should be negotiated on the basis of a detailed analysis of the impact of the development on local infrastructure, rather than being based on a policy that requires a fixed contribution. Officers from DPIE have indicated that this recommendation will continue to guide policy on Planning Agreements moving forward.

14. It will be necessary for Council's Planning Agreement Policy to be amended to reflect the Ministerial Direction and the State Government position. The amendment of the Policy is scheduled to occur as staff discussions with DPIE are progressed.
15. The Ministerial Direction also contains savings provisions which indicate that the new policy does not apply to Agreements already in place and those exhibited before July 2021.

## **FINANCIAL AND RESOURCE IMPLICATIONS**

16. The reallocation of staff resources to carry out an urgent review of this policy and an analysis of the funding implications would impact on current staff work on delivering contributions plans and the CBD planning proposal that is already well underway. This reallocation would potentially result in the following projects being delayed:-
  - i. Site Specific Planning Proposals across various sites;
  - ii. Site Specific DCPs across various sites;
  - iii. Harmonisation Planning Proposal – outcomes of exhibition being reported to Council; and
  - iv. Telopea Draft DCP project.
17. Further, it should be noted that any analysis of the financial impact of the change in Planning Agreement policy on Council's ability to negotiate future Agreements would need to be based on tentative high level assumptions on:
  - i. where future planning proposals will be lodged;
  - ii. how much future growth may proposed;
  - iii. and the values uplift associated.
18. Hence the analysis could only be provided as broad indicative figures with significant disclaimers as to their potential accuracy.
19. As indicated in the June 2020 report referred to above, the current estimates of the financial impact of the changes on Council are:-
  - Parramatta CBD: staff estimate that the currently proposed draft Community Infrastructure provisions in the Parramatta CBD Planning Proposal could potentially facilitate approximately \$300 million worth of community infrastructure for the Parramatta CBD. This funding would be placed at risk and Council would need to identify alternative funding sources.
  - Outside Parramatta CBD: Council's ability to secure infrastructure funding outside the CBD would be significantly impacted. Whilst Council would continue to negotiate VPAs for Planning Proposals this could not be founded on the current policy position of 50% value sharing. The scale of this impact would depend on the new policy position that Council develops to levy for infrastructure funds and forms a new basis for undertaking VPA negotiations.

Phil Bradley  
**Councillor Bradley**

Paul Perrett

**Chief Financial Officer**

David Birds

**Acting Executive Director, City Planning & Design**

Brett Newman

**Chief Executive Officer**

**ATTACHMENTS:**

There are no attachments for this report.



## NOTICE OF MOTION

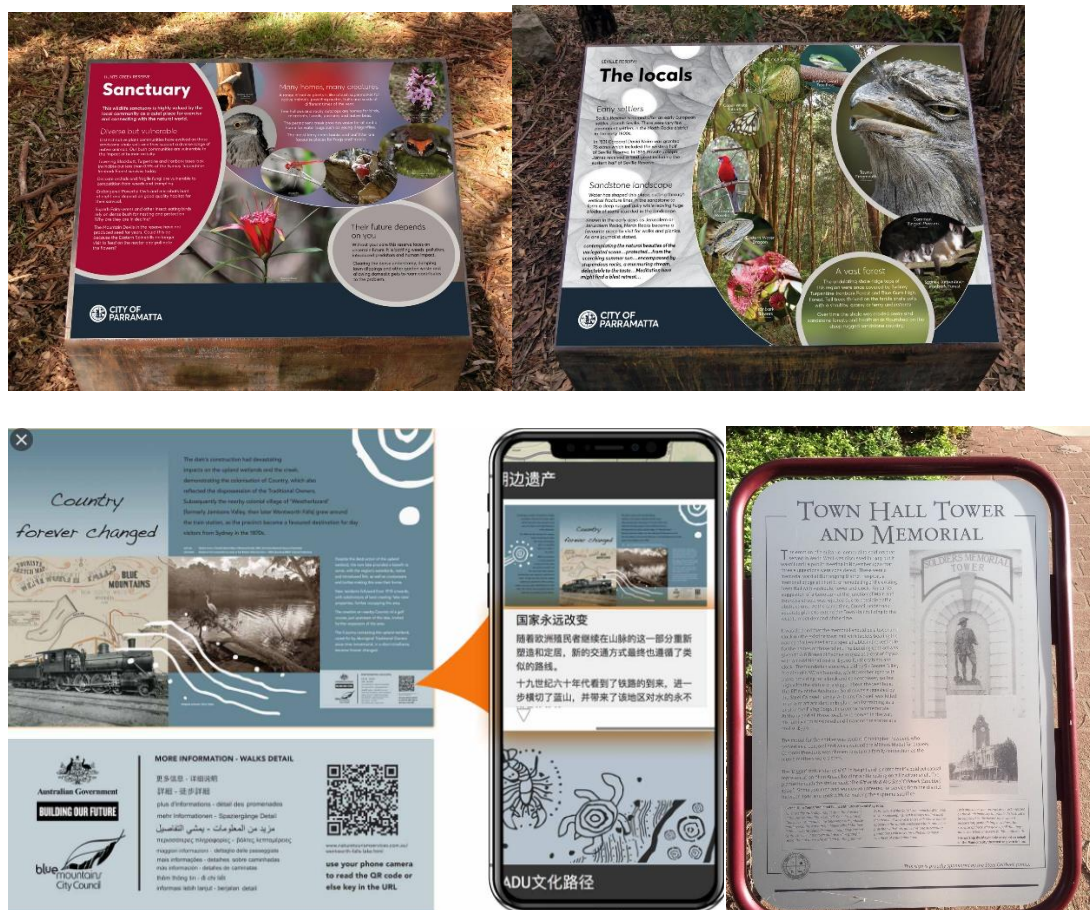
<b>ITEM NUMBER</b>	18.2
<b>SUBJECT</b>	NOTICE OF MOTION: Interpretive Signs
<b>REFERENCE</b>	F2021/00521 - D07944187
<b>FROM</b>	Councillor Pandey
<b>MOTION</b>	

**That:**

- A report be brought back to Council on significant sites around Parramatta where interpretive signs could be erected.
- The report also to include the possibility of creating a registry of all interpretive signs.
- The report should consider, setting up detailed historical/cultural/natural information about the sites identified to be stored on our website with a QR Code link from the Interpretive signs.
- The report should also include recommendation on how we can encourage owners/operators of sites of heritage significance to adopt interpretive signs.

## BACKGROUND

- Examples of interpretive signs are below:



Sameer Pandey  
**Councillor Pandey**

## **ACTING EXECUTIVE DIRECTOR CITY ENGAGEMENT & EXPERIENCE RESPONSE**

1. Information relating to significant sites of historical, cultural and natural significance is currently provided in varied formats to ensure accessibility. Key industry methods employed include interpretive signage, websites, print, online projects, in-person and self-guided tours by Council and tourism operators.
2. Council currently delivers two significant projects that provide this information including the Parramatta History and Heritage website as well as the Parramatta Virtual Tour which was launched in December 2020. The Cultural Heritage and Tourism team also oversees Interpretation projects across the LGA relating to significant developments, where interpretation is planned and included in the fabrication of these developments e.g Parramatta Square, 5PS, Aquatic and Leisure Centre Parramatta.
3. To prepare the requested Council Report, internal consultation will take place with the following internal stakeholders (but not limited to) Brand, Open Space and Natural Resources, City Transformation, Land Use Planning, Place Services, Cultural Heritage and Tourism, and Destination Marketing.
4. Consultation with external stakeholders is also required, including and not limited to Parramatta Heritage Partners Working Group, who represent Parramatta's diverse built heritage and natural heritage attractions, State Government and various community groups, including Dharug.
5. The Council Report will take into consideration relevant Council documents including the Cultural Plan 2017-2022, Destination Management Plan, Draft Heritage Strategy and Heritage Interpretation Guidelines.
6. It is anticipated that external Asset Owners or Asset Managers of relevant built and natural heritage sites will also have relevant policies, strategies and plans and brand that will be required to be referenced.
7. The final report will be presented at the Council meeting of 12 July 2021.

## **FINANCIAL AND RESOURCE IMPLICATIONS**

The Report and associated consultation and research will be undertaken within current budget and staffing resources.

Sameer Pandey  
**Councillor Pandey**

Tamara Hitchcock  
**Acting Executive Director, City Engagement and Experience**

Paul Perrett  
**Chief Financial Officer**

Brett Newman  
**Chief Executive Officer**

**ATTACHMENTS:**

There are no attachments for this report.

**NOTICE OF MOTION**

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**ITEM NUMBER** 18.3  
**SUBJECT** NOTICE OF MOTION: Report on Misuse of Mobility Parking Scheme  
**REFERENCE** F2021/00521 - D07944293  
**FROM** Councillor Pandey

**MOTION**

- (a) **That** Council note that there is ongoing misuse of Mobility Parking Scheme (MPS) within the Parramatta CBD creating a barrier for vulnerable members of our community to visit the CBD.
- (b) **Further, that** a report be brought back to Council within eight (8) weeks on the current misuse of the Mobility Parking Scheme within Parramatta CBD and the report should outline measures available to streamline usage of disability parking within the Parramatta CBD.

**BACKGROUND**

1. No background information was provided.

Sameer Pandey  
**Councillor Pandey**

**EXECUTIVE DIRECTOR CITY ASSETS & OPERATIONS RESPONSE**

2. Misuse of the Mobility Parking Scheme in the CBD of the City of Parramatta is an ongoing issue. This report can be prepared using existing resources, leveraging off current work.

**FINANCIAL AND RESOURCE IMPLICATIONS**

3. This report can be prepared using existing resources, leveraging off current work.

Sameer Pandey  
**Councillor Pandey**

John Warburton  
**Executive Director, City Assets & Operations**

Paul Perrett  
**Chief Financial Officer**

Brett Newman  
**Chief Executive Officer**

**ATTACHMENTS:**

There are no attachments for this report.