

Greater Sydney, Place and Infrastructure

IRF19/274

Gateway determination report

LGA	The Hills Shire
PPA	The Hills Shire Council
NAME	2-22 Larool Crescent and 44-48 Carramarr Road, Castle Hill (128 dwellings)
NUMBER	PP_2019_THILL_001_00
LEP TO BE AMENDED	The Hills Local Environmental Plan 2019
ADDRESS	2-22 Larool Crescent and 44-48 Carramarr Road, Castle Hill
DESCRIPTION	Lots 5-14, DP 232658 and Lots 16-19, DP 237030
RECEIVED	21 January 2019 (additional information received 1 November 2019 and 13 February 2020)
FILE NO.	IRF18/274
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1. INTRODUCTION

1.1 Description of planning proposal

The planning proposal (**Attachments A01-A05**) seeks to amend The Hills Local Environmental Plan (LEP) 2019 to facilitate a high-density residential development comprising of 128 dwellings within six (6) apartment buildings through the following LEP amendments:

- Rezone the site from R2 Low Density Residential to R4 High Density Residential;
- Amend the minimum lot size from 700m² to 1,800m²;
- Remove the 9m maximum building height control;
- Permit a maximum floor space ratio of 1.44:1 through a base floor space ratio (1:1), floor space ratio incentive (1.2:1) and key sites provisions (20% bonus); and
- Amend the dwelling mix provisions under Clause 7.11 Development on Certain Land within the Sydney Metro Northwest Urban Renewal Corridor to include the subject site and also allow a reduction in two-bedroom units that comply with the minimal internal apartment size as long as the number of larger 3 bedroom dwellings that comply with the internal apartment size is increased by an equal number of dwellings.

1.2 Site description

The subject site is slightly irregular in shape, encompasses 14 properties containing detached dwellings, located at 2-22 Larool Crescent and 44-48 Carramarr Road, Castle Hill (Lots 5-14, DP 232658 and Lots 16-19, DP 237030) (Figure 1).

The subject site has an area of approximately one (1) hectare and is bound by Carramarr Road to the west, Larool Crescent to the north, south and east. The site has a slope of 12m from north to south.



Figure 1: Site aerial (site outlined in red)

As shown in Figure 1, the subject site contains scattered vegetation. The planning proposal identifies two Sydney Blue Gums, two Thin-leaved Stringybarks and possibly one Smooth-barked Apple are present on the site. This vegetation is considered to be remnants of Sydney-Turpentine Ironbark Forest, an Endangered Ecological Community under the *Biodiversity Conservation Act 2016*.

In respect of flooding, the subject site has minor flood affectation concentrating mainly on the most south-eastern corner. This property (10 Larool Crescent) is affected by the 100 year ARI overland flowpath. It is also understood there is an existing easement to drain water however no further details have been provided.

The subject site is located within the Castle Hill North Precinct (awaiting finalisation by the Department).

1.3 Existing planning controls

The existing planning controls under The Hills LEP 2019 (as shown under the 'Mapping' section of this report) currently apply to the subject site:

- R2 Low Density Residential land use zone;
- 700m² minimum lot size; and
- 9m maximum building height.

The subject site is also located in the draft Castle Hill North Precinct Plan which contains the following controls applicable to the subject site:

- R4 High Density Residential land use zone;
- 1,800m² minimum lot size;
- No maximum building height. The floor space ratio and other controls to manage the built form outcome;
- Maximum floor space ratio of 1:1 on the floor space ratio map;
- A floor space ratio incentive map of 1.2:1 for when particular requirements such as apartment size, mix and car parking;
- A key sites map identifies the subject site as 'Area K'. The purpose of this map is to incentive specific development outcomes and key public domain improvements through a new LEP clause. Land in Area K would be eligible for a 20% bonus floor space (over and above the incentive FSR) if development complies with criteria included within the key site provision. Under proposed wording for the key site provision, Area K is listed to have the following specifications:
 - The entire key site is amalgamated to form one development site;
 - The proposed development incorporates a three storey terrace address along the Larool Crescent and Carramarr Road frontages; and
 - The proposed development includes a publicly accessible through site pedestrian link to connect Barrawarn Place north of the site to Larool Crescent Reserve south of the site.

1.4 Surrounding area

The site is located within an established low and medium density residential area and is within 800m walking distance from the Castle Hill metro station. Larool Crescent Reserve is to the south of the subject site which contains playground equipment and a connection through to Castle Street (Figure 2).

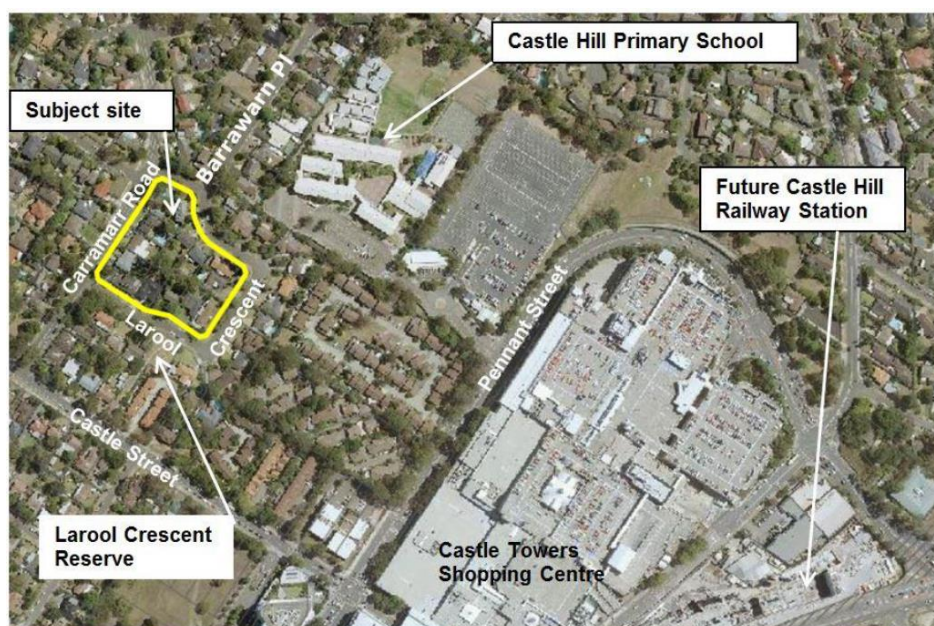


Figure 2: Subject site and surrounding area

To the north east of the site is Castle Hill Primary School, further east is Castle Towers and the south east is Castle Hill Library and Castle Hill Police Station. Further west of the site is Castle Hill High School and Castle Hill RSL.

1.5 Summary of recommendation

The planning proposal has merit and should proceed subject to conditions as it will enable a high-density residential development in close proximity to the Castle Hill strategic centre and the Castle Hill metro station.

The proposal is consistent with the strategic framework and will deliver a range of housing types in accordance with The Hills Local Strategic Planning Statement and Castle Hill Precinct Structure Plan.

2. PROPOSAL

2.1 Objectives or intended outcomes

The objective of the planning proposal is to deliver high density residential development comprising of 128 dwellings within six (6) buildings. The development will provide increased housing in close proximity to the Castle Hill Strategic Centre and Metro Station.

The planning proposal is largely consistent with the Castle Hill North Precinct plan in respect of same land use zoning, minimum lot size, base floor space ratio and key sites incentive FSR. If the planning proposal is supported and proceeds, the proponent's concept design will require refinement at the Development Application stage to demonstrate compliance with the Draft Castle Hill North DCP.

Council's intention is for this planning proposal to proceed separately to the Castle Hill North planning proposal with the aim of achieving a more expeditious processing of the LEP amendment. The proponent has been able to alleviate some of Council's concerns in relation to its ability to levy appropriate local infrastructure contributions by offering to enter into a Voluntary Planning Agreement. The basis of this agreement would be in line with the rates established within the draft Contributions Plan No. 17 – Castle Hill North. The Castle Hill North planning proposal and associated Contributions Plan is unable to be finalised as a result of a regional traffic study being in progress and unresolved State Government objection.

2.2 Explanation of provisions

The proposed outcomes will be achieved by the following amendments to The Hills Local Environmental Plan 2019:

- Rezone the site from R2 Low Density Residential to R4 High Density Residential;
- Amend the minimum lot size from 700m² to 1,800m²;
- Remove the current height of building limit of 9m;
- Allow a maximum floor space ratio of 1.44:1 through the following provisions:
 - Floor Space Ratio Map
Amend the floor space ratio map to identify the site with a maximum FSR (base) of 1:1. Identify the site as 'Area C';

- Floor Space Ratio Incentive Map

Amend the floor space ratio incentive map to identify the site with a FSR incentive of 1.2:1 that can be utilised if provisions under Clause 7.11 in respect of apartment size, mix and car parking are met; and

- Key Site Provision Map and New Clause

Amend the Key Site Map to identify the site as 'Area N' and insert a new Clause XX Additional floor space ratio incentive for key site (Larool Crescent and Carramarr Road, Castle Hill) (**Attachment A4**) to permit an additional 20% FSR bonus if the development meets all specifications required to Area N. These include site amalgamation, delivery of a publicly accessible pedestrian through-site link, the design incorporates a three-storey terrace address along Larool Crescent and Carramarr Road frontages.

- Amend Clause 7.11 'Development on certain land within the Sydney Metro Northwest Urban Renewal Corridor' of The Hills LEP 2019 to allow a reduction in the number of larger two (2) bedroom dwellings if the number of larger (3) bedroom dwellings is increased by an equal number of dwellings (**Attachment A5**).

(f) For development on land identified as "Area C" on the Floor Space Ratio Map, the number of 2 bedroom dwellings satisfying subclause (c) may be reduced if the number of 3 bedroom dwellings satisfying subclause (d) is increased by an equal number of dwellings.

Council's planning proposal and report states that the proposal, should it proceed, would need to comply with the draft DCP provisions for Castle Hill North which include building height provisions. For the subject site, this is a maximum of 3 – 5 storeys. This is consistent with the current development concept as shown in Figure 3.



Figure 3: Development concept plan

2.3 Mapping & associated LEP clause amendments

The planning proposal includes amendments to a number of maps under The Hills LEP 2019. Excerpts of the following maps are provided in Figures 4-9:

- land use zoning map;
- lot size map;
- height of building map;
- floor space ratio map;
- floor space ratio incentive map; and
- key sites map.

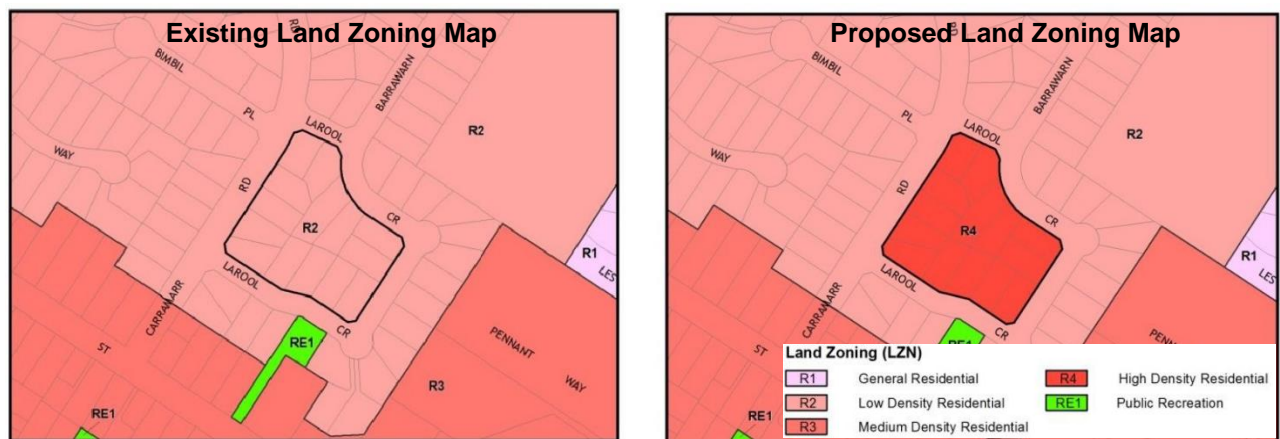


Figure 4: Existing land use zoning map (left), proposed land use zoning map (right)

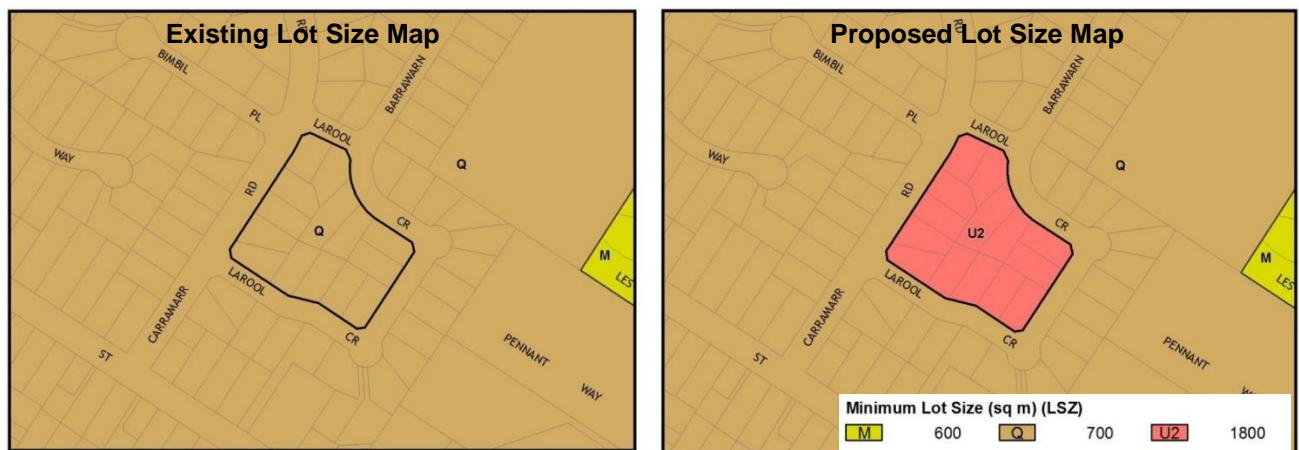


Figure 5: Existing minimum lot size map (left), proposed minimum lot size map (right)

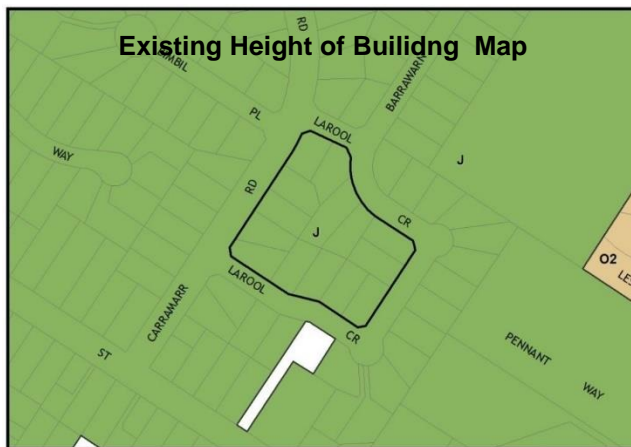


Figure 6: Existing height of buildings map (left), proposed height of buildings map (right)

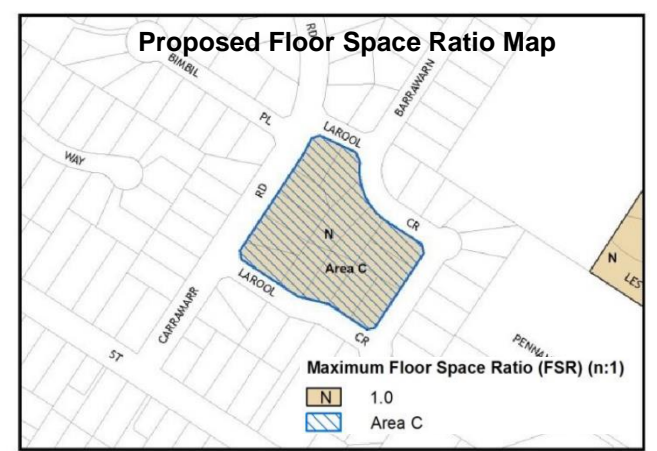
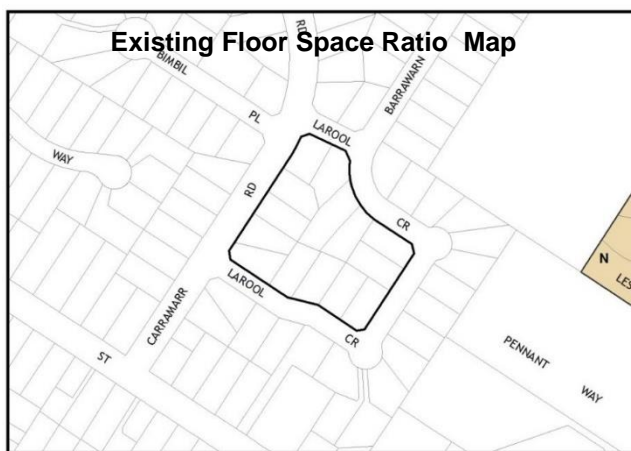


Figure 7: Existing floor space ratio map (left), proposed floor space ratio map (right)

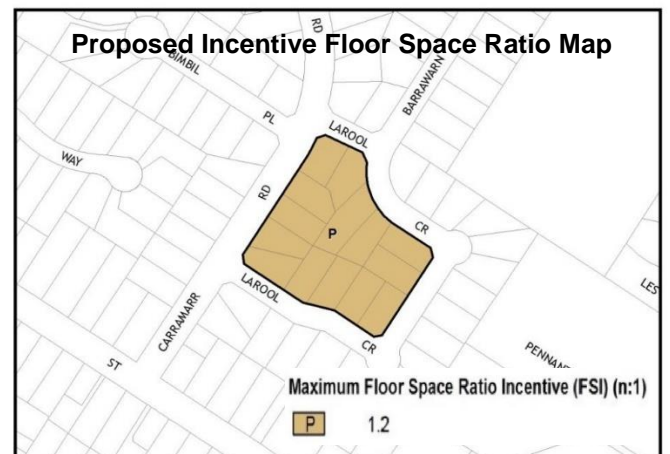
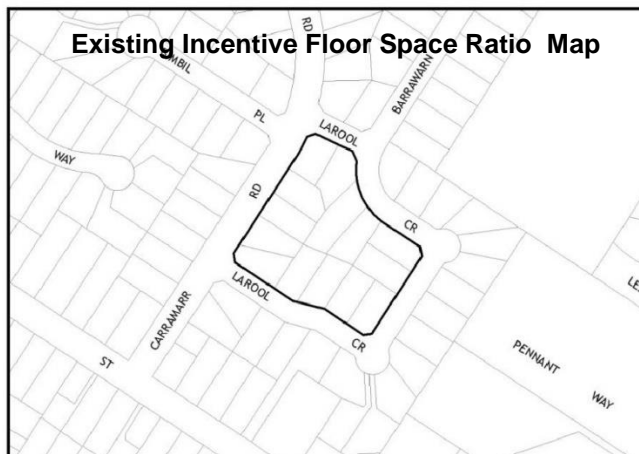


Figure 8: Existing Incentive Floor Space Ratio (left), proposed Incentive Floor Space Ratio (right)

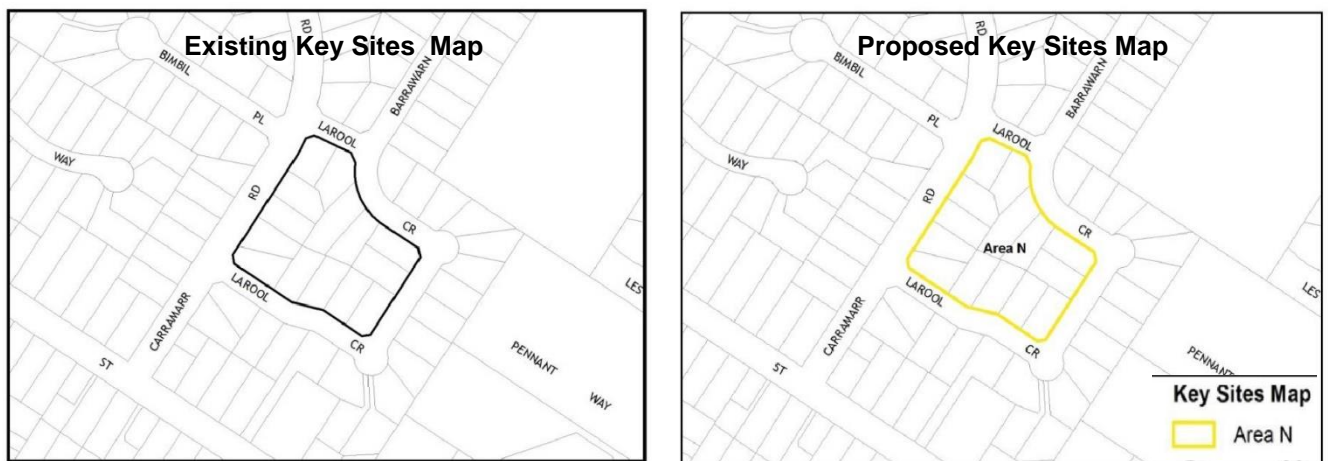


Figure 9: Existing Key Sites map (left), proposed Key Sites map (right)

3. NEED FOR THE PLANNING PROPOSAL

The proposal will facilitate an increase in residential density on the site, providing additional housing with a mix of apartment sizes in a strategic location close to the Castle Hill metro station and employment opportunities within Castle Hill major centre.

The proposal seeks to expedite delivery of key outcomes for the site ahead of the Castle Hill North planning proposal. The subject proposal will deliver similar outcomes for the site to those under the Castle Hill North Precinct Plan including the delivery of a publicly accessible pedestrian link through the site and a three storey terrace address along the Larool Crescent and Carramarr Road frontages. This planning proposal will deliver an outcome that would not be delivered under the Castle Hill North Precinct Plan – a variation to the housing diversity clause provisions under Clause 7.11 of The Hills LEP. This is due to the site specific nature of this planning proposal and a developer wanting to facilitate a particular development outcome.

The proposal notes the Castle Hill North planning proposal was a result of the strategic investigations into higher density development to support Castle Hill to grow as strategic centre and the Castle Hill metro station. The Castle Hill North planning proposal is supported by The Hills Local Strategy (including the Residential Direction and Integrated Transport Direction), North West Rail Link Corridor Strategy, Hills Corridor Strategy and Castle Hill North Precinct Plan.

4. STRATEGIC ASSESSMENT

4.1 District

Central City District Plan

The Central City District Plan was released in March 2018. The planning proposal identifies the following planning priorities are relevant:

- Planning Priority C1 Planning for a city supported by infrastructure

This priority reinforces the importance of infrastructure aligning with forecast growth. A substantial amount of infrastructure investigation has already been undertaken as part of the master planning for the Castle Hill North Precinct. The investigation is ongoing to ensure that overall growth within the Precinct can be appropriately serviced.

- Planning Priority C5 Providing housing supply, choice and affordability, with access to jobs, services and public transport.

The planning proposal will contribute to providing additional housing supply with a mix of apartment sizes close to transport and services. The proposal notes growth on the subject site will provide additional housing supply to contribute towards meeting the Plan's 8,550 additional dwellings target for the Hills Shire and will be established as part of the preparation of the Council's LSPS and supporting housing strategy.

- Planning Priority C9 Delivering integrated land use and transport planning and a 30-minute city.

The planning proposal will deliver housing in close proximity to the Castle Hill strategic centre and transport connections including Castle Hill metro station.

The planning proposal is consistent with the above planning priorities of the District Plan. The Department is satisfied that the proposal gives effect to the District Plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*.

4.2 Local

North West Rail Link Corridor Strategy (2013)

This strategy includes Structure Plans for each station and surrounds within the North West Rail Link corridor. The strategy was finalised in 2013 to guide development of the next 20-25 years. The Castle Hill Structure Plan (Figure 10) proposes:

- Commercial core for Castle Hill to become a 'major centre' and the achieve 2036 job targets;
- High density residential areas (7-20 storeys) surrounding the core which will benefit from direct access to the bus and rail transport interchange; and
- Medium density residential areas (3-6 storeys) will be located within the residential areas on the periphery of the core within a 10 minute walk to the station.

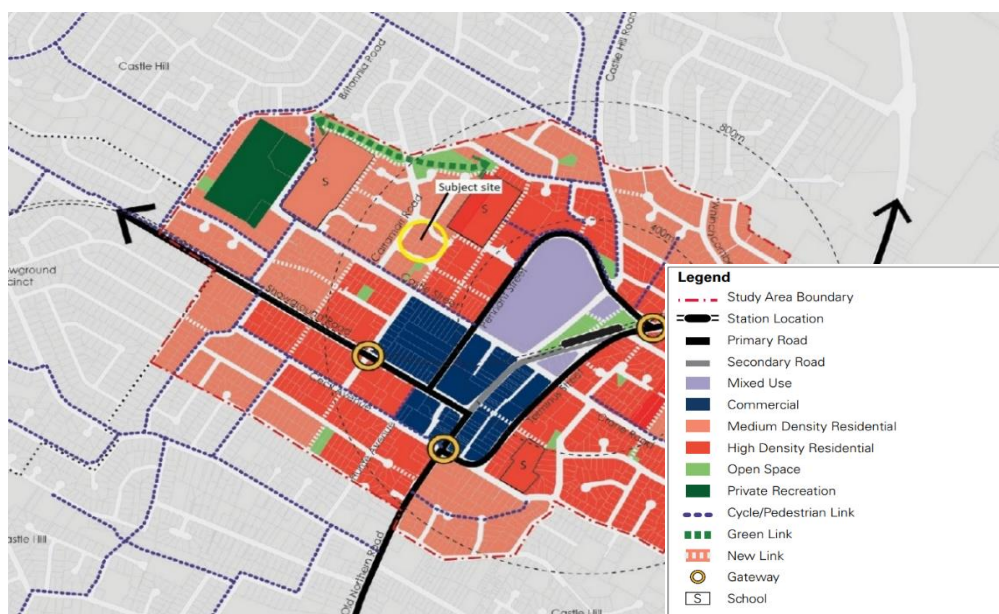


Figure 10: North West Rail Link Castle Hill Structure Plan (site circled yellow)

The subject site is identified within a future medium density residential area. The planning proposal is generally consistent with this Corridor Strategy with the current concept proposing development up to 5 storeys. As mentioned previously, no LEP height limit will be applied to this site, it will be guided by the DCP provisions.

The Hills Corridor Strategy (2015)

The objective of The Hills Corridor Strategy is to articulate Council's response to land use development over the next 20 years for each of the seven (7) new Sydney Metro Northwest stations within or adjacent to The Hills Local Government Area. The Hills Strategy has been prepared to provide a more detailed response to the delivery of future housing and employment growth than provided in the 2013 North West Rail Link Corridor Strategy.

Castle Hill is envisaged to become a vibrant and active centre with increasing housing densities within walking distance of the station. The locations outside the ring road, apartment development for the Precinct will need to have landscaped setbacks, maximum site coverage (50%) and supported by active and passive recreation spaces.

The strategy envisages a yield of approximately 96 dwellings per hectare for the subject site (circled in black in Figure 11 below). This planning proposal would achieve approximately 127 dwellings per hectare.

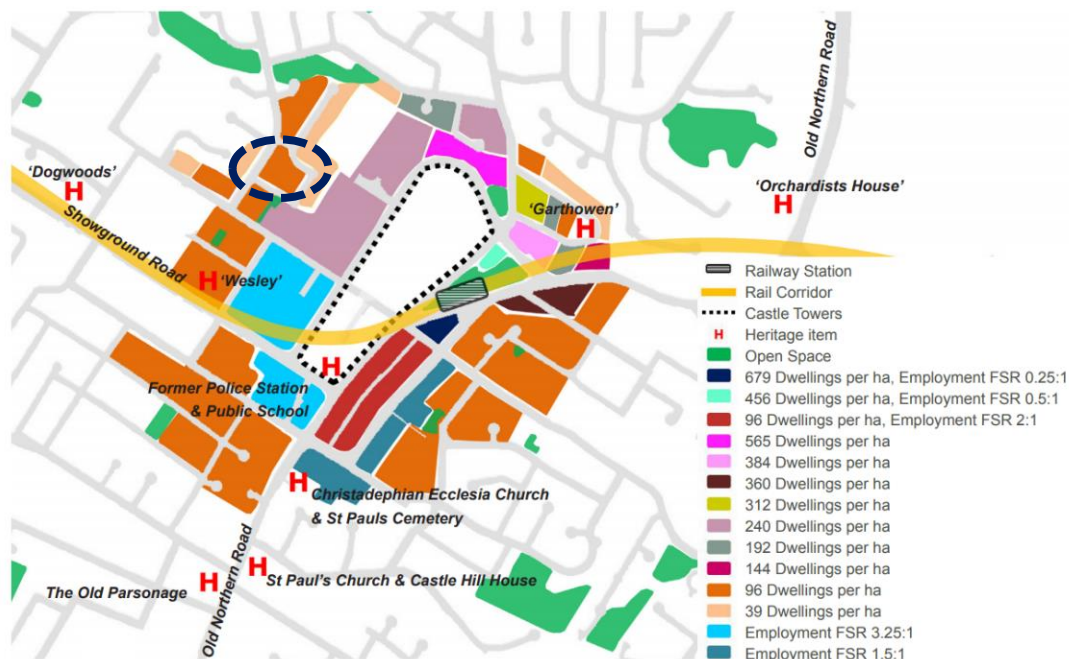


Figure 11: Castle Hill desired outcomes (The Hills Corridor Strategy 2015)

The planning proposal is generally consistent with this Strategy although it provides a higher number of dwellings than envisaged.

Castle Hill North planning proposal

Castle Hill North planning proposal (PP_2016_THILL_002_01) is being progressed by Council as the key mechanism to deliver the strategic objectives of the Castle Hill Station Structure Plan, The Hills Corridor Strategy and Castle Hill North Precinct Plan. The Castle Hill North planning proposal will facilitate higher density development through amendment to land use zones, minimum lot sizes and floor space ratios to deliver over 3,000 additional dwellings within walking distance to the Castle Hill metro station.

The Castle Hill North Precinct plan was exhibited in late 2017 supported by a draft contributions plan, development control plan and public domain plan. The structure plan for Castle Hill North is shown in Figure 12 below with the subject site identified.

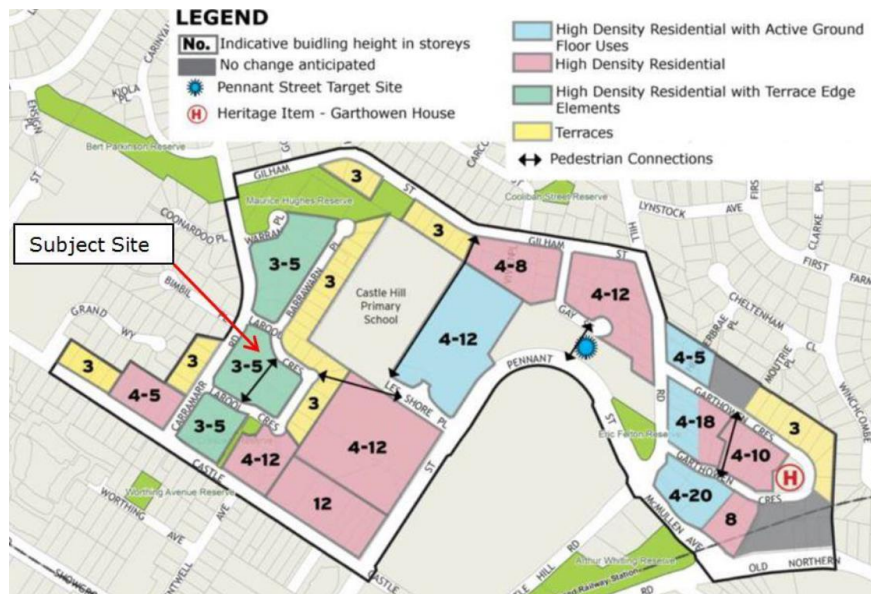


Figure 12: Draft Castle Hill North Structure Plan (from Draft The Hills DCP Part D Section 20 Castle Hill North Precinct)

The structure plan is included within a draft section of The Hills DCP, Draft - Part D Section 20 – Castle Hill North Precinct. It envisages the following key development outcomes for the subject site:

- Maximum 3-5 storey medium density residential with terrace edge elements;
- A pedestrian connection between Larool Crescent Reserve and Barrawarn Place;
- A maximum 3 storey terrace-style street frontage, with landscaped front courtyards; and
- Development up to 3 storeys (terrace style) is to be setback 3m from the boundary line. All storeys above the 3rd storey are to be setback a further 5m behind the front building line.

The planning proposal is consistent with the key development outcomes envisioned for the site under the draft DCP and Castle Hill North planning proposal with the exception of:

- the proposed site-specific amendment (3(f)) regarding dwelling mix under Clause 7.11 (**Attachment A5**); and
- the Key Sites FSR incentive clause proposed as a stand-alone clause (**Attachment A4**), rather than under proposed Clause 4.4a Additional floor space ratio incentive for key sites.

The proposed site-specific amendment to Clause 7.11 is discussed further in this Section of the report. In respect of the Key Sites FSR, this is not considered an issue as the intent is the same.

The Hills Local Strategic Planning Statement 2036

The Hills Local Strategic Planning Statement (LSPS) 2036 provides the land use vision for The Hills Shire and gives effect to the Greater Sydney Region Plan and Central City District Plan. The LSPS includes the following planning priorities that are relevant to the planning proposal:

- Planning Priority 2 Build strategic centres to realise their potential;
- Planning Priority 6 Plan for new housing to support Greater Sydney's growing population;
- Planning Priority 7 Plan for new housing in the right locations; and
- Planning Priority 8 Plan for a diversity of housing.

Particularly relevant to this planning proposal are Planning Priorities 2 and 8. Planning Priority 2 refers to supporting the growth of strategic centres, including Castle Hill. A structure plan is included with indicative land uses. The subject site is identified as medium/high density residential which supports the planning proposal.

Planning Priority 8 refers to the housing diversity clause that requires at least 30% of new apartment dwellings to be suitable for families, with a greater proportion of apartments with three or more bedrooms and larger living areas. There is no reference to reviewing this clause.

The planning proposal is consistent with the above priorities as it seeks to enable high density residential development and providing a mix of apartment sizes in a location close to public transport.

The Hills Residential Direction (supporting Council's previous local strategy)

The planning proposal is consistent with the principles of the Local Strategy Residential Direction as it seeks to provide additional residential accommodation close to the Castle Hill Metro station and services.

The proposal applies to land that is already identified for higher residential densities in the North West Rail Link Corridor Strategy, The Hills Corridor Strategy and Castle Hill North Precinct Plan.

The Hills Integrated Transport Direction (supporting Council's previous local strategy)

The subject site is located within 800m of the Castle Hill Metro station and is also serviced by existing transport infrastructure such as bus routes operated by Hillsbus and Busways.

Future development on the site will play a key role in supporting the operation of the Sydney Metro Northwest as it will provide a residential population within close proximity to high frequency public transport services. Further, the proposed through-site link will improve connectivity between surrounding residential areas and the centre.

The Hills Future Community Strategic Plan

The following key outcomes and strategies from The Hills Future Community Strategic Plan are relevant to this proposal:

- Outcome 7: Responsible planning facilitates a desirable living environment and meets growth targets

- Strategy 7.1: The Shire's natural and built environment is well managed through strategic land use and urban planning that reflects our values and aspirations.

The proposal is consistent with the local community strategic plan as it will assist in delivering a balanced residential dwelling growth closer to services and amenities within the Castle Hill major centre and is consistent with the objectives of the broader strategic planning framework

Local Planning Panel

The planning proposal was considered by The Hills Local Planning Panel on 17 October 2018 (**Attachment A7**). Two options were presented for the Panel's consideration, Option 1 – Proceed to Gateway Determination or Option 2 – Not to proceed to Gateway Determination.

The panel reviewed the planning proposal and resolved:

"The Panel having considered the staff report supports Option 1 for the Planning Proposal to proceed to Gateway determination as recommended.

The Panel notes and agrees with the staff position that the current VPA offer is unsatisfactory and that the matter should be resolved prior to any exhibition should Gateway determination be granted to proceed.

The Panel also notes that the Planning Proposal is generally consistent with the broader Castle Hill North Precinct Planning Proposal currently being processed and which also covers the subject land."

The Panel's advice was considered by Council staff and addressed at the Council Meeting dated 27 November 2018 (**Attachment A6**).

The Hills LEP 2019 – Clause 7.11 Development on certain land within the Sydney Metro Northwest Urban Renewal Corridor

This planning proposal seeks to amend Clause 7.11 of The Hills LEP 2019 (formerly known as Clause 7.12 under The Hills LEP 2012) by varying the minimum provisions for the larger apartment sizes and dwelling mix. This would permit a reduction in the number of larger two bedroom dwellings if the number of larger 3 bedroom dwellings is increased by an equal number of dwellings.

This proposed amendment is inconsistent with the Department's agreed approach with Council's methodology when Clause 7.12 (now Clause 7.11) was originally implemented. In order to assess a variation to the clause, the basis for the creation of Clause 7.11, objectives and development criteria have been examined.

Background to Clause 7.11

Clause 7.11 was inserted into The Hills LEP in 2016 to enable a local response to suit The Hills demographic and future household size to the development standards within the State Environmental Planning Policy No.65 (Design Quality of Residential Apartment Development). By 2036 it is expected that 62% of households in The Hills Shire will be 'larger' household types such as couples with children, single parents with children and multiple family households. More people will need to be able to choose to live in an area of high accessibility and amenity.

An agreement between the Department and Council was made to permit FSR incentives for apartment development within the Sydney Metro Northwest Corridor if a development facilitates 20% three or more-bedroom apartments and has 40% of

all two- or three-bedroom apartments will be at Council's adopted size – well above the minimum size required by SEPP 65.

The objectives of this clause are to:

- (a) *to support the provision of increased housing around train stations forming part of the Sydney Metro Northwest at densities compatible with the future character of the surrounding area,*
- (b) *to ensure the provision of a mix of dwelling types in residential flat buildings, providing housing choice for different demographics, living needs and household budgets,*
- (c) *to promote development that accommodates the needs of larger households, consistent with the demographics and family household structures of The Hills Shire.*

Clause 7.11 permits a development to utilise an incentive floor space ratio if it satisfies the following criteria:

- (a) *no more than 25% of the total number of dwellings (to the nearest whole number of dwellings) contained in the development are to be studio or 1 bedroom dwellings, or both, and*
- (b) *at least 20% of the total number of dwellings (to the nearest whole number of dwellings) contained in the development are to be 3 or more bedroom dwellings, and*
- (c) *at least 40% of all 2 bedroom dwellings contained in the development will have a minimum internal floor area of 110 square metres, and*
- (d) *at least 40% of all 3 bedroom dwellings contained in the development will have a minimum internal floor area of 135 square metres, and*
- (e) *the following minimum number of car parking spaces are to be provided for the development—*
 - (i) *for each dwelling—1 car parking space,*
 - (ii) *for every 5 dwellings—1 car parking space, in addition to the car parking space required for the individual dwelling.*

Council's Justification for varying Clause 7.11

Council's justification in its planning proposal for varying the minimum provisions for the larger apartment sizes and dwelling mix in favour of an increase in three bedroom apartments included:

- To assist with meeting the forecast need for family-friendly apartments in the Shire; and
- To assist with the provision of a variety of housing types to meet the needs and expectations of current and future residents.

The Department wrote to Council (**Attachment B01**) requesting additional information to support the variation. The request sought for Council to:

- justify its reasons for the variation;
- provide supporting evidence including demographic and market needs analysis; and

- justify why it should not be considered as part of a comprehensive review of the clause and the residential housing strategy for The Hills Shire as part of the preparation of a local strategic planning statement and local environmental plan review process.

Council responded (**Attachment B02**) with the following:

- Families and larger households will remain the dominant population in The Hills Shire up to 2036 and it is essential that high density dwellings can accommodate larger households.
- The proposed amendment to clause 7.11 will provide the developer with the option to reduce the number of larger 2 bedroom dwellings and increase the number of 3 bedroom dwellings. This is seen as a positive outcome in light of future demographics and family-friendly apartments.
- The wording of Clause 7.11 represents a compromise position between the Department of Planning and Council.
- Council's Local Strategic Planning Statement recognises the variety of needs and preferences from different cultural groups for household sizes and the need for affordability. This could be achieved through making planning controls more flexible to allow for larger apartments that could accommodate multi-generational families.
- The LSPS identified there may be opportunities to broaden the scope of the application of Clause 7.11 in future to ensure a larger proportion of development is captured.

It is noted the planning proposal states the proponent has advised if the variation to Clause 7.12 is not supported, they would still continue with their proposal.

Department Conclusion

The proposed amendment to Clause 7.11 meets the objectives of the clause and the intent, as stated in the Council Mayoral Minute (**Attachment B03**), that a development will deliver 40% of all two and three bedroom apartments will be provided at Council's adopted size.

While, the proposed amendment within this planning proposal is not supported by sufficient justification or a strong evidence base for the Department to consider varying this clause on a site-specific basis it seeks to meet specific local needs as perceived by the Council. It is understood that Council intentions are to support a developer who is seeking flexibility in terms of providing additional larger size units above what is required in the clause.

The current clause is a compromise recognising the Council desire to provide for larger apartment balanced with housing affordability and the requirements of the Apartment Design Guide. The Government Architects Office will be undertaking a review of the Apartment Design Guide including apartment sizes. It is considered that a policy response to apartment sizes to ensure the delivery of more diverse and affordable housing in accordance with the Regional Plan, is more appropriate than ad hoc site specific clauses.

The Gateway has been conditioned accordingly.

4.3 Section 9.1 Ministerial Directions

The proposal is consistent with the following directions: Direction 3.1 Residential Zones; Direction 3.4 Integrated Land Use and Transport; Direction 5.9 North West Rail Link Corridor Strategy; and Direction 6.1 Approval and Referral Requirements.

Directions that require further discussion on consistency are discussed below.

Direction 2.6 Remediation of Contaminated Land

This Direction seeks to ensure planning proposal authorities consider contamination and remediation of certain lands as set out in this Direction. The planning proposal was supported by a preliminary site investigation report (December 2015) (**Attachment A15**).

The report concluded the site is not considered sensitive to soil, surface water and/or groundwater contamination due to the impermeable nature of the underlying geology and leaks of current potentially contaminating activities.

As the planning proposal relates to a site that is already being used for residential purposes, it is considered that the planning proposal is consistent with this Direction.

Direction 4.3 Flood Prone Land

Direction 4.3 applies when a planning proposal alters a zone that affects flood prone land. It aims to ensure that the provisions of a LEP on flood prone land is commensurate with flood hazard and includes consideration of the potential flood impacts both on and off the subject land. This direction requires the planning proposal to be consistent with, the NSW Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005 (including the Guideline on Development Controls on Low Flood Risk Areas).

A Flood Impact Assessment (**Attachment A16**) identified flooding as a constraint for the subject site with the inundation primarily confined to areas adjacent to the southern and eastern site boundaries of Larool Crescent by the 100 year ARI overland flowpath (as shown in Figure 13). This flooding would prevent pedestrian and vehicle access during the 100 year ARI flood event.



Figure 13: Flood information plan

In order to manage this flow, the Flood Impact Assessment report recommends future development should incorporate a deflection wall system installed along the eastern and southern site boundaries. However, utilising a flood deflection wall would increase flood impacts and risk to adjacent properties and along Larool Crescent. Council did not support this outcome.

Council considers it's appropriate the applicant reassess and redesign the footprint of the proposed buildings and alignment of any deflection wall in order to at least maintain the existing flood condition along the flowpath of Larool Crescent. Council stated if the planning proposal proceeds to a Gateway Determination, and prior to public exhibition, the following matters are to be addressed:

- Review of the flood model for the proposal and an assessment of the flood hazard to refine the likely hazard expected as a result of any future redevelopment of the subject site;
- Ensuring that any future development of the site will not conflict with the existing easement to drain water on the site and can accommodate stormwater and flooding requirements;
- Demonstration of compliance with Council's flood related development controls; and
- Demonstration that any future development of the subject site will not increase flood impacts to the property or to any adjacent property, up or downstream.

The Gateway has been conditioned accordingly.

In respect of stormwater management, the Stormwater Management Report (**Attachment A16**) recommends an on-site stormwater detention system (underground storage tanks) to achieve flow attenuation.

In addition, the Castle Hill North Precinct planning proposal identifies upgrades and enlargements to the stormwater drainage system to reduce the impacts of overland flowpaths within the precinct. Stormwater drainage upgrade works have been identified within the draft Contributions Plan No. 17 for Castle Hill North based on preliminary estimates of pipe system upgrades.

The planning proposal's inconsistency with this Direction is considered of minor significance. This position is due to the ability for the development concept to respond appropriately to the flooding constraint through design amendments such as relocating driveways, the ability to comply with Council's flood planning standards and more broadly, Council's intentions to upgrade stormwater infrastructure in the Castle Hill North precinct.

Direction 6.3 Site Specific Provisions

This Direction aims to discourage unnecessarily restrictive site specific planning controls.

The planning proposal seeks the following site-specific amendments to The Hills LEP 2019:

- An amendment to Council's housing diversity clause (Clause 7.11 'Development on certain land within the Sydney Metro Northwest Urban Renewal Corridor' **Attachment A5**) to allow a reduction in the number of larger 2 bedroom units if there is an equivalent increase in the number of larger 3 bedroom units for the subject site; and

- The introduction of a new key sites / floor space ratio incentive clause (**Attachment A4**) to require amalgamation of the site, that the design incorporates a three storey terrace address along the Larool Crescent and Carramarr Road frontages, as well as the provision of a publicly accessible 10 metre wide through-site link on the site in order to achieve a 20% bonus floor space (over and above the incentive FSR).

The proposed key sites site-specific clauses are not considered to be unnecessarily restrictive for the subject site and are generally consistent with other similar provisions under the Castle Hill North planning proposal. The planning proposal's inconsistency with this direction for the key site is considered to be of minor significance. However, the Department does not agree with amending Clause 7.11 on a site specific basis as outlined within this report.

4.4 State environmental planning policies (SEPPs)

The planning proposal is consistent with the following relevant SEPPs:

State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development (SEPP65)

The planning proposal is generally consistent with SEPP65 as it will facilitate high density apartments within walking distance of the Castle Hill metro station and strategic centre.

The planning proposal will not restrict the development from meeting the aims, objectives and standards of SEPP65. However, the amendment to Clause 7.11 is inconsistent with the dwelling mix and unit sizes in SEPP65. As Clause 7.11 has been previously inserted into the LEP, the planning proposal's inconsistency with this SEPP is considered as minor.

State Environmental Planning Policy No 19 – Bushland in Urban Areas (SEPP19)

The planning proposal's flora and fauna report (**Attachment A14**) identifies that the site contains two Sydney Blue Gums, two Thin-leaved Stringybarks and one Smooth-barked Apple, which may be remnants of Sydney Turpentine Ironbark Forest (an endangered ecological community under Schedule 2 of the *Biodiversity Conservation Act 2016*).

The planning proposal is consistent with SEPP19 as the development concept identifies the retention of a number of trees on the site (Figure 14). However, the ability of the redevelopment of this site to retain these trees needs to be clarified given the level changes on this site. The Gateway has been conditioned accordingly.



Figure 14: Site vegetation map and proposed concept plan

Sydney Regional Environmental Plan No 20 – Hawkesbury-Nepean River (No 2 – 1997) (SREP20)

SREP20 aims to protect the environment of the Hawkesbury-Nepean River system by ensuring that the impacts of future land uses are considered in a regional context. Part of the site is identified as being flood prone as discussed previously in this report. The planning proposal is consistent with SREP20.

5. SITE-SPECIFIC ASSESSMENT

5.1 Environmental

Vegetation

The site contains two Sydney Blue Gums, two Thin-leaved Stringybarks and one Smooth-barked Apple, which may be remnants of Sydney Turpentine Ironbark Forest (an endangered ecological community under the *Biodiversity Conservation Act 2016*).

It is recommended for the Gateway determination is conditioned to require the flora and fauna report (March 2016) to be updated to reflect the updated development concept in the planning proposal (2019), address the viability of retaining these trees given the slope of the site, and include an assessment under the provisions of the *Biodiversity Conservation Act 2016*.

Flooding

As discussed earlier in this report, the 100 year ARI flood event impacts the south-eastern portion of the site. These impacts can be adequately managed and addressed through further reporting to demonstrate compliance with Council's flood related development controls, and to demonstrate that a site specific solution will not adversely impact surrounding properties.

Council's request for additional information to be submitted prior to exhibition is supported and the Gateway conditioned accordingly.

Traffic and parking

The planning proposal is supported by a traffic and parking review (February 2018, **Attachment A17**) which assessed the traffic impacts of a previous higher density development concept. The concept has been revised and reduced in density.

The review concluded the proposal is expected to generate moderate volumes of traffic which would constitute a small fraction of the existing background traffic. As such, the proposal is not expected to generate any adverse traffic impacts.

In respect of on-site car parking provision, it is considered proposed parking is considered satisfactory in line with the parking requirements in SEPP 65 and the Draft Castle Hill North precinct development control plan.

Overall the traffic and parking aspects of the proposal are considered satisfactory.

On a broader scale, the Department is currently working with Transport for NSW and The Hills Shire Council to conduct precinct-wide traffic modelling and management for Castle Hill. This study has arisen in part to address TfNSW (former RMS) objections to other site specific planning proposals. The submissions recommend that planning proposals in the area are deferred until a precinct wide transport study is complete which would allow for required road infrastructure upgrades to be identified and a funding mechanism put in place.

Given that a regional study has commenced, the Gateway will be conditioned to require the cumulative traffic and transport study for Castle Hill to be delivered and TfNSW to assess the findings in relation to the subject proposal. This is to occur prior to finalisation of the LEP amendment. This will be supported by a Gateway condition requiring a satisfactory arrangements provision to be inserted into the LEP amendment for contributions to State public infrastructure.

Built form

The proposed development concept consists of 3-5 storey apartments with a three storey terrace address to Larool Crescent and Carramarr Road (Figures 15 & 16). This built form is consistent with that envisioned under the North West Rail Link Castle Hill Structure Plan and Castle Hill North Precinct Plan.

Further, the Castle Hill North Precinct Plan identifies a future pedestrian connection between Larool Crescent Reserve and Barrawarn Place. This through site link is proposed to be dedicated for public access under a draft local voluntary planning agreement offer accompanying the planning proposal.

The proposal's strategic merit for an increased density is justified and the proponent has been able to demonstrate that a quality urban design outcome can be achieved.



Figure 15: Photomontages of proposed development concept views from Larool Crescent Reserve and Carramarr Road



Figure 16: Photomontages of proposed development concept views from Larool Crescent Reserve and Carramarr Road

5.2 Social and Economic

The planning proposal will positively contribute to the growth of the Castle Hill North Precinct and Castle Hill strategic centre. The proposal provides housing diversity in a suitable location with access to the Castle Hill Strategic centre and metro station.

In respect of economic implications, the proponent has submitted an offer to enter into a voluntary planning agreement (VPA) with Council to contribute towards the additional infrastructure needs generated by the proposal. This is discussed further in Section 5.3.

The planning proposal states the proposal is not anticipated to have any negative social or economic impacts on the locality. The Department agrees with this comment.

5.3 Infrastructure

Population growth in the Castle Hill North Precinct will generate additional demand for local open space, playing fields, upgraded traffic management and transport facilities, public domain works and new pedestrian infrastructure. Funds for these upgrades will be generated from the new Contributions Plan for this area. This contributions plan is currently in draft form.

Council's report expresses concern that if this proposal proceeds ahead of the Castle Hill North planning proposal, the developer needs to appropriately contribute to towards the additional infrastructure needs generated by the development. The applicable Contributions Plan applying to this site is The Hills Section 7.12 Contributions Plan. This plan levies contributions at the rate of 1% of the cost of works. The proposal will generate the need for additional infrastructure not currently planned for in this Contributions Plan.

The proponent has offered to enter into a VPA with Council which includes a publicly accessible through-site link and payment of a monetary contribution per dwelling to Council towards the provision of open space. Council's report notes that this is in addition to the contributions payable under the applicable contribution plans.

The Local Planning Panel noted that the VPA offer was unsatisfactory and that the matter should be resolved prior to any exhibition should Gateway Determination be granted to proceed. Since the Panel meeting, the proponent provided further clarification that the contributions referred to in the draft VPA are intended to be in addition to the anticipated contribution under the exhibited draft Contributions Plan No.17 Castle Hill North. It is understood that discussions between Council and the proponent have continued in respect of the draft VPA.

Notwithstanding infrastructure contributions needed for the subject site, the planning proposal is consistent with the aims and desired future character for the Castle Hill North Precinct and it is considered appropriate for the planning proposal to proceed to Gateway subject to conditions.

It is recommended the Gateway determination require consultation with utility providers including Sydney Water, Transgrid and Telstra to ensure sufficient servicing of the subject site as part of any future development.

6. CONSULTATION

6.1 Community

A community consultation period of 28 days is considered appropriate.

6.2 Agencies

Referral to the following agencies is recommended:

- Sydney Water;
- Endeavour Energy;
- Environment, Energy and Science Group;
- Transport for NSW;
- Transgrid; and
- Telstra.

7. TIME FRAME

The proposed timeframe to finalise this planning proposal is 12 months.

8. LOCAL PLAN-MAKING AUTHORITY

It is recommended that delegation of the Minister is not issued to Council in this instance given it includes a requirement for satisfactory arrangements for State infrastructure.

9. CONCLUSION

The planning proposal has merit and should proceed subject to conditions as it will enable a high-density residential development in close proximity to the Castle Hill strategic centre and the Castle Hill metro station.

The proposal will deliver a range of housing types, is supported by strategic merit and is generally consistent with the outcomes for the subject site under the Castle Hill North planning proposal.

10. RECOMMENDATION

It is recommended that the delegate of the Secretary:

1. agree that any inconsistencies with section 9.1 Directions 4.3 Flood Prone Land and 6.3 Site Specific Provisions are minor or justified.

It is recommended that the delegate of the Minister determine that the planning proposal should proceed subject to the following conditions:

1. Prior to undertaking public exhibition, the planning proposal and supporting documentation is to be amended as follows:
 - (a) Replace references to The Hills Local Environmental Plan 2012 to The Hills Local Environmental Plan 2019 and references to Clause 7.12 to Clause 7.11;
 - (b) Under Part 2 Explanation of provisions:
 - i. Include a satisfactory arrangements provision for contributions to State public infrastructure; and
 - ii. Remove the site specific amendment to Clause 7.11.
 - (c) Update the flora and fauna report to reflect the updated development concept in the planning proposal, address the viability of retaining the trees on site given the slope of the site, and include an assessment under the provisions of the *Biodiversity Certification Act 2016*;
 - (d) Amended flooding information to be provided to Council's satisfaction including compliance with Council's flood related development controls, and to demonstrate that a site specific solution will not adversely impact surrounding properties; and
 - (e) Update supporting technical reports where required.
2. Public exhibition of the planning proposal should coincide with a draft site-specific Development Control Plan and a local Voluntary Planning Agreement for the site.
3. Prior to finalisation of this LEP amendment, the Castle Hill cumulative traffic and transport study is to be complete and TfNSW assess the findings in relation to the subject proposal.
4. The planning proposal should be made available for community consultation for a minimum of 28 days.
5. Consultation is required with the following public authorities:
 - Sydney Water;
 - Endeavour Energy;
 - Environment, Energy and Science Group;
 - Transport for NSW;
 - Transgrid; and
 - Telstra.
6. The time frame for completing the LEP is to be 12 months from the date of the Gateway determination.
7. Given the nature of the planning proposal, Council should not be the local plan-making authority.



6 April 2020

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