

Michael Edgar  
General Manager  
The Hills Shire Council  
3 Columbia Court  
Baulkham Hills NSW 2153  
Att: Brent Woodhams, Acting Principal Coordinator Forward Planning

**SUB 17/98243**

Dear Mr Edgar

**Exhibition of Planning Proposal for Castle Hill North Precinct (16/2016/PLP)**

I refer to the current exhibition of the planning proposal for the Castle Hill North Precinct.

As Council is aware, the NSW Land and Housing Corporation (LAHC) owns a significant site within the precinct, at 24-26 Pennant Street, Castle Hill. The site currently accommodates 56 social housing dwellings that are over 30 years old, and will be in need of replacement in the near future.

It is a large, Government-owned site within 400m of the future train station, with relatively few constraints. These characteristics make the site highly suitable for renewal. With sufficient density, the site could act as a catalyst for redevelopment of the southern part of the precinct.

LAHC acknowledges the steps Council has taken towards amending planning controls for the site. However, LAHC's position is that the proposed controls would result in an underdevelopment of the site, and a suboptimal outcome for LAHC, Council, the community, and current and future social housing residents. The reasons are outlined below.

***Density***

LAHC's Communities Plus program is designed to deliver new mixed-tenure communities, integrating both social and private housing. This approach allows LAHC to deliver more social housing on larger sites, while providing a better social housing experience for tenants and better development outcomes for the local community.

Due to LAHC's funding model and the nature of mixed-tenure development, it is imperative to achieve sufficient uplift to enable viable redevelopment. Increased densities allow LAHC to deliver more social housing and better integrate that social housing, thereby improving outcomes for both social housing tenants and the local community.

The planning proposal proposes to permit a density of up to 2.64:1 on the site. LAHC submits that an FSR of 4:1 would be more appropriate, given the site is:

- within 400m of the future train station and has excellent road access;
- adjacent to a major retail and employment hub and other services;
- under single ownership; and
- of sufficient size to comfortably accommodate appropriate transitions to surrounding properties.

We also note that this density would be consistent with densities in other strategic, transport-oriented centres such as Chatswood, Burwood and Bondi Junction. LAHC requests that Council amend the planning proposal to allow a base FSR of 4:1 for 24-26 Pennant Street.

### ***Dwelling mix and size***

The Gateway determination includes a clause relating to dwelling sizes and mix within the Sydney Metro Northwest Corridor. The clause allows for an FSR incentive if a development provides a proportion of larger apartments and an increased number of two- and three-bedroom apartments.

LAHC acknowledges that Council is attempting to achieve a more family-oriented dwelling mix. However, the demographics within LAHC's social housing portfolio are moving in the opposite direction – household sizes are becoming smaller. There is now an ever-increasing need to construct one- and two-bedroom dwellings to accommodate the increasing cohort of single seniors. Meeting the proposed dwelling mix would require construction of three-bedroom dwellings that would not match social housing tenant demographics.

The increased dwelling sizes are also inconsistent with the aims of *SEPP (Affordable Rental Housing) 2009* (ARHSEPP). The ARHSEPP includes the following aim:

*(b) to facilitate the effective delivery of new affordable rental housing by providing incentives by way of expanded zoning permissibility, floor space ratio bonuses and non-discretionary development standards.*

The proposed dwelling size provisions would hinder the delivery of new affordable housing by significantly increasing construction costs, thereby increasing the cost of new apartments for home buyers and reducing the overall number of social housing dwellings that LAHC would be able to deliver on 24-26 Pennant Street.

The proposed provisions are also inconsistent with the non-discretionary dwelling size development standards outlined in clause 14(2)(b) of the ARHSEPP. As such, LAHC requests that affordable housing, under the definition within the ARHSEPP, be exempt from the proposed dwelling sizes and mix clause.

### ***Consultation***

It is noted that LAHC is a public authority operating within the Department of Family and Community Services. LAHC has not been consulted in accordance with section 56(2)(d) of the Act, nor was LAHC's previous submission addressed in the planning proposal (see **Attachment A**).

In summary, LAHC requests Council:

- amends the planning proposal to allow a base (non-incentive) floor space ratio of 4:1 on 24-26 Pennant Street;
- excludes affordable housing (under the definition within *SEPP (Affordable Rental Housing) 2009*) from the proposed clause 7.12, relating to 'Dwelling mix and diversity within the Sydney Metro Northwest Corridor'; and
- consults with LAHC in accordance with the Act, and amends the planning proposal to specifically address this submission and any previous submissions.

LAHC welcomes the opportunity to work with Council to further explore options for 24-26 Pennant Street and the broader precinct.

Please do not hesitate to contact André Szczepanski, Principal Planner, on [REDACTED] or at [REDACTED] should you wish to discuss.

Yours sincerely



Greg South  
Executive Director, Business Development and Communications  
Land and Housing Corporation