

ITEM

PLANNING PROPOSAL NOS 2A AND 2B HECTOR COURT, KELLYVILLE (7/2013/PLP)

THEME:	Balanced Urban Growth
HILLS 2026 OUTCOME/S:	BUG 2 Lifestyle options that reflect our natural beauty.
COUNCIL STRATEGY/S:	BUG 2.2 Maintain the Shire's natural and cultural heritage through quality urban planning, development and maintenance.
GROUP:	STRATEGIC PLANNING
AUTHOR:	PRINCIPAL FORWARD PLANNER JANELLE ATKINS
RESPONSIBLE OFFICER:	MANAGER - FORWARD PLANNING STEWART SEALE

EXECUTIVE SUMMARY

This report recommends that a planning proposal be forwarded to the Department of Planning and Infrastructure for a Gateway Determination, to rezone land at the planned neighbourhood centre at Hector Court, Kellyville, from part B1 Neighbourhood Centre and part R4 High Density Residential, to B2 Local Centre. Changes to the development standards are also recommended to ensure consistency with the standards applied to other land in the Shire zoned B2 Local Centre. These amendments will increase the floor space ratio from 0.5:1 to 1:1, increase the maximum height from 10 metres to 12 metres and apply a 600m² minimum allotment size under *The Hills Local Environmental Plan 2012*. The proposed amendments will facilitate the development of a supermarket and specialty shops on the subject land and adjoining land.

The current B1 Neighbourhood Centre zone seeks to provide a range of small-scale retail, business and community uses that serve the daily needs of the surrounding neighbourhood. The use of this zone for the centre was based on considerable strategic work that commenced in the early 2000s with the structure planning for the Balmoral Road Release Area. The neighbourhood centre function was then confirmed in 2009 by way of retail analysis which informed the hierarchy of centres contained within Council's Centres Direction. The B1 Neighbourhood Centre zone was subsequently applied in the preparation of Council's Standard Instrument LEP.

Whilst the centre has been identified as a neighbourhood centre in the planning for the release area, there have been a number of recent changes, primarily arising from commitment by State Government to the delivery of the North West Rail Link. Specifically the transit centre between Balmoral Road and Memorial Avenue is no longer proposed given the relocation of the planned Kellyville Station to the intersection of Samantha Riley Drive and Old Windsor Road. Furthermore, current proposals to promote higher density housing outcomes close to the new transport infrastructure will result in additional population, and thereby additional retail expenditure. The report examines the implications of these factors and the strategic location of the site and finds that a change to the role and function of the centre is warranted.

The B2 Local Centre zone, together with an increase in the allowable maximum floor space ratio from 0.5:1 to 1:1, and an increase in the maximum height from 10 metres to 12 metres is considered to be the most appropriate means to achieve a centre that meets weekly convenience shopping needs in a village centre environment. The location of the future centre is readily walkable, located close to dwellings and also accessible by public transport. The loss of approximately 7,450m² of land zoned for high density residential to the south of the site is considered minor given future gains in dwelling numbers as a result of other proposals for increased density.

Amendment is also recommended to The Hills Development Control Plan 2012 to ensure that an orderly development outcome is achieved that prevents the isolation of business zoned land. In this regard the proposed DCP amendments seek to ensure the village centre is developed as a single amalgamated site with any applicant required to demonstrate that all reasonable attempts have been made to facilitate this outcome. Additional proposed DCP amendments seek to facilitate a development that has regard to the impacts on the surrounding residential area, that integrates well with planned pedestrian and cycleway links and that achieves a quality public domain.

APPLICANT

UPDM Pty Ltd (Consultants) on behalf of Mrs. F. Willcox, Mr. D. Willcox and Mrs. J. Willcox (the Willcox Family).

OWNERS

- 2A Hector Court, Kellyville – Mrs. F. Willcox
- 2B Hector Court, Kellyville - Mr. D. Willcox and Mrs. J. Willcox.

THE HILLS LEP 2012

Zone:	R4 High Density Residential & B1 Neighbourhood Centre
Minimum Lot Size:	R4 zone – 1800m ² , B1 zone – 600m ²
Maximum Height:	R4 zone – 16m, B1 zone – 10m
Maximum Floor Space Ratio:	R4 zone – No floor space ratio control applies B1 zone - 0.5:1

POLITICAL DONATIONS

Nil disclosures.

HISTORY

2003-2004	Structure Plan prepared and exhibited to guide the future development of the Balmoral Road Release Area.
13/04/2006	Baulkham Hills Local Environmental Plan (Amendment No.5) – Balmoral Road Release Area gazetted rezoning the release area for urban development.
23/06/2009	Council's Centres Direction adopted incorporating the Centres Hierarchy.
05/10/2012	Council's Standard Instrument Local Environmental Plan – The Hills 2012 - notified on the NSW Government legislation website and came into force.

23/11/2012

Current planning proposal submitted to rezone the subject land to increase the amount of land zoned B1 Neighbourhood Centre.

05/02/2013

Current planning proposal presented to Councillor Workshop.

16/03/2013

North West Rail Link Corridor Strategy placed on public exhibition by Department of Planning & Infrastructure. The exhibition closes 30 April 2013.

BACKGROUND

Based on current zonings, the Balmoral Road Release Area (BRRA) is expected to accommodate 6,000 dwellings and an additional population of 13,000 people when it is fully developed. Given that the Memorial Avenue Neighbourhood Centre is located within this release area, it is important to have an understanding of the planning for the release area and how the current regulatory framework for the site and surrounds was determined.

Planning for the release area commenced in the early 2000s with the development of a Structure Plan which established broad objectives to guide future development. A key consideration in planning for the release area was provision of a transit centre and higher density forms of residential development around the then proposed rail station located between Balmoral Road and Memorial Avenue, adjacent to Old Windsor Road (Figure 1).

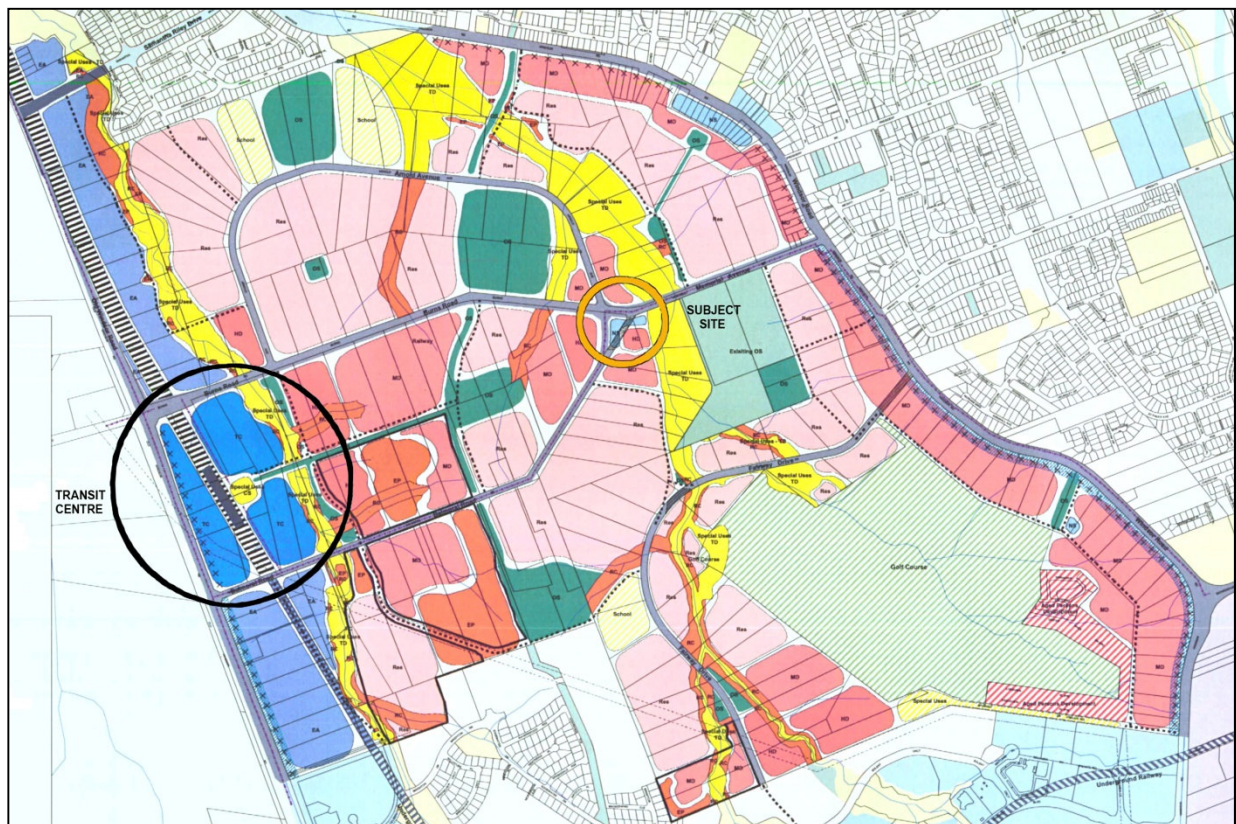


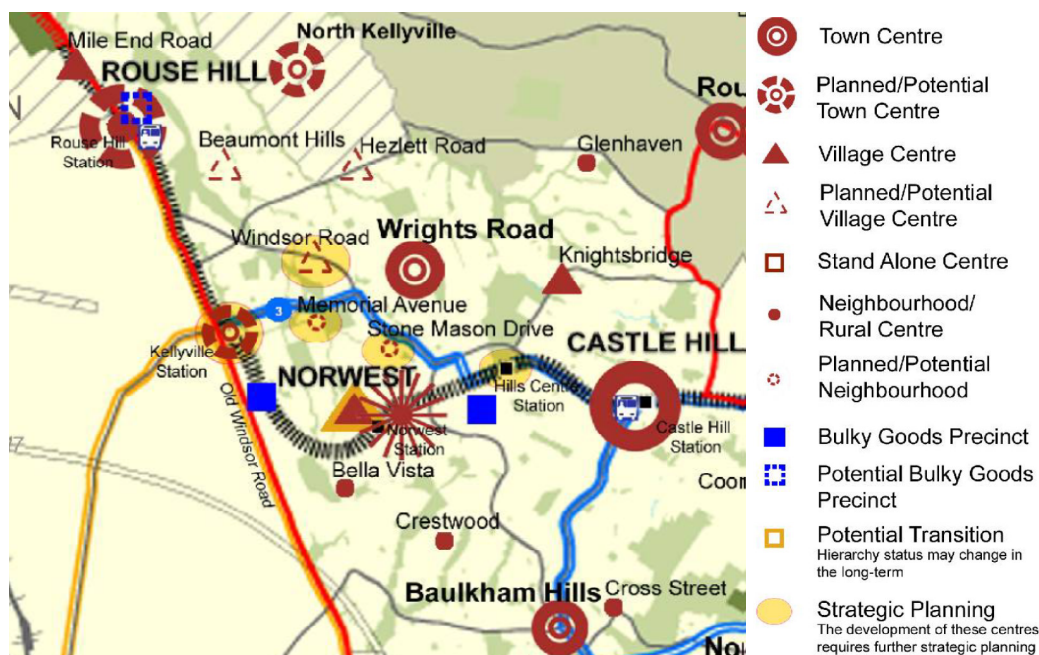
Figure 1
BRRA exhibited draft Structure Plan

The overall objectives for commercial development in the release area were to provide an appropriate level of retail floor space to meet the needs of the expected population,

provide for local employment opportunities and provide neighbourhoods with a high level of pedestrian accessibility. These objectives were to be achieved by providing three major commercial nodes being the existing Norwest shopping centre, the future transit centre, and redevelopment of western side of existing Kellyville village on Windsor Road. In addition small neighbourhood shops were to be sited in locations to create nodes for "walkable" neighbourhoods. Such neighbourhood shops were located on the north eastern side of the golf course (referred to as the Stone Mason Drive centre) and at the subject location at the junction of Memorial Avenue and a realigned Balmoral Road (refer Figure 1).

In April 2006, following extensive consultation, the BRRA was rezoned for urban purposes to allow a mix of low, medium and high density housing as well as centres, employment land and the rail corridor. At this time the subject land was zoned General Business 3 (a) under Baulkham Hills LEP 2005.

In June 2009, Council's Centres Direction was adopted to guide the future growth and development of centres throughout the Shire. The Direction establishes a hierarchy for centres within the Shire that provides a framework for the scale, location and objectives for different types of centres. This approach seeks to ensure that the population has access to a range of centres that meet their needs and are appropriate in scale and design for their location (Figure 2). The hierarchy was supported by retail floor space and demand analysis undertaken by consultants Hill PDA in December 2008.



The Centres hierarchy identified the Memorial Avenue and Stone Mason Drive centres as neighbourhood centres and Windsor Road Kellyville as transitioning to a village. The Direction also identified a potential town centre at the site of the future Kellyville Station (at that time located between Balmoral Road and Memorial Avenue). A master plan and draft LEP considered by Council for the site in June 2007 sought to create a transport orientated urban centre with approximately 10,000m² of retail floor space and 70,000m² of commercial/employment floor space, based on the expected population and workforce of the release area and the transit centre.

In October 2012, The Hills LEP 2012 came into force and made use of a number of different business zones under the Standard instrument LEP to distinguish between different types of centres within the Shire in accordance with the centres hierarchy. The

Memorial Avenue was zoned B1 Neighbourhood Centre, reflecting the previous planning work undertaken for the release area and the Centres Direction. The Stone Mason Drive centre whilst retaining a B1 Neighbourhood Centre zoning was relocated to the front of RMB 71-75 Windsor Road. This change was implemented by the Minister despite strong objection from Council.

In recent years there have been a number of changes in the planning framework that have implications for the future delivery of retail centres in the BRRA. These changes relate to the new station locations proposed for the North West Rail Link, proposals for increased residential development and change to the type of retail facility envisaged at the Stone Mason Drive neighbourhood centre. A map of the proposed North West Rail Link is included below. It identifies the proposed corridor, railway stations and commuter parking locations.

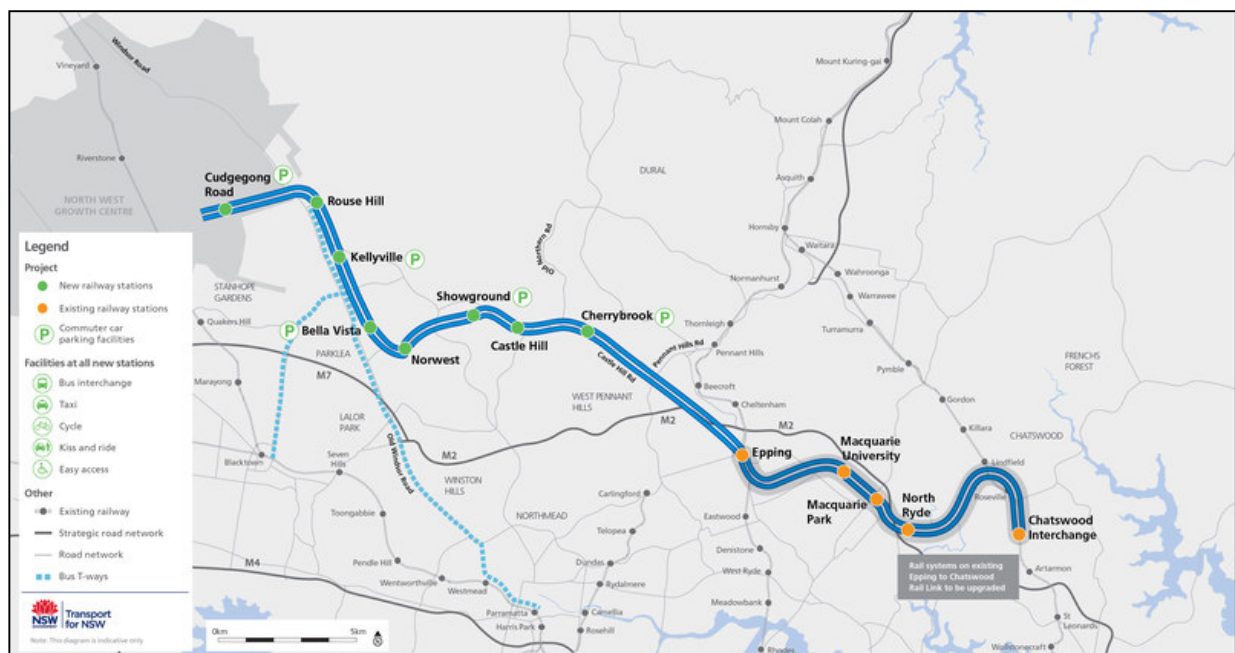


Figure 3
North West Rail Link Corridor (Source Transport for NSW)

More recently the Department of Planning & Infrastructure and Transport for NSW has prepared the North West Rail Link Corridor Strategy to guide future development around the eight new stations of the North West Rail Link. The Corridor Strategy seeks to provide a vision for how the areas surrounding the train stations could be developed to integrate the rail infrastructure with new homes and jobs. The corridor strategy includes a draft structure plan for each of the eight new train station precincts and will be reported to Council prior to the close of the exhibition period.

The changes and proposals affecting the delivery of retail centres in the BRRA will be discussed in more detail in Section 4 of the report.

REPORT

The purpose of this report is to consider a planning proposal submitted by UPDM Pty Ltd consultants, to increase the area of land zoned B1 Neighbourhood Centre at Memorial Avenue, Kellyville. The report examines the strategic context and other matters for consideration including impacts on:- the hierarchy of centres, housing targets, the environment, traffic and access, orderly development, the amenity of surrounding residential area and the public domain. A way forward is recommended to achieve a vibrant, attractive and accessible centre for residents in the locality.

1. THE SITE AND SURROUNDS

The site, the subject of the planning proposal is situated to the south of the future Memorial Avenue Neighbourhood Centre within the Balmoral Road Release Area. It is bound by drainage land to the east and Hector Court to the west (Figure 4). Adjacent to the site to the south is a row of recently constructed two storey dwellings on Affleck Circuit, and a 127 lot subdivision and integrated housing development (717/2012/JPZ) has been approved for the adjacent site to the west.

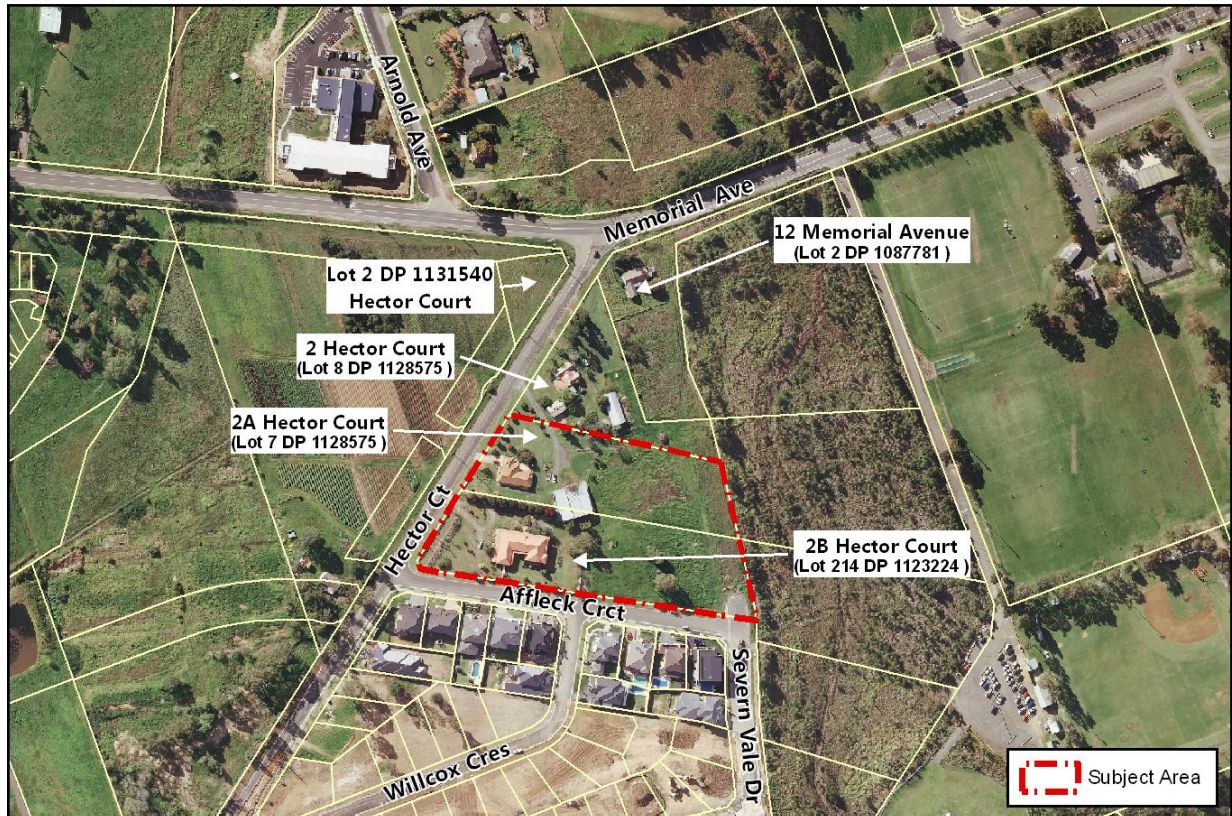


Figure 4

Aerial Photo - Subject site and surrounds

The site slopes slightly away from Hector Court, with a steeper grade extending from the middle of the site toward the south eastern corner, near Severn Vale Drive. Each allotment currently accommodates a single dwelling, outbuildings and mature sized trees. The land adjacent to the eastern boundary is zoned SP2 Infrastructure 'Stormwater Management System' and is identified as flood prone.

The site the subject of the planning proposal is zoned R4 High Density Residential under LEP 2012. Whilst Hector Court is currently connected to Memorial Avenue, The Hills Development Control Plan 2012 Part D Section 7 provides for closure of Hector Court and extension of Severn Vale Drive to Memorial Avenue (Figure 5).

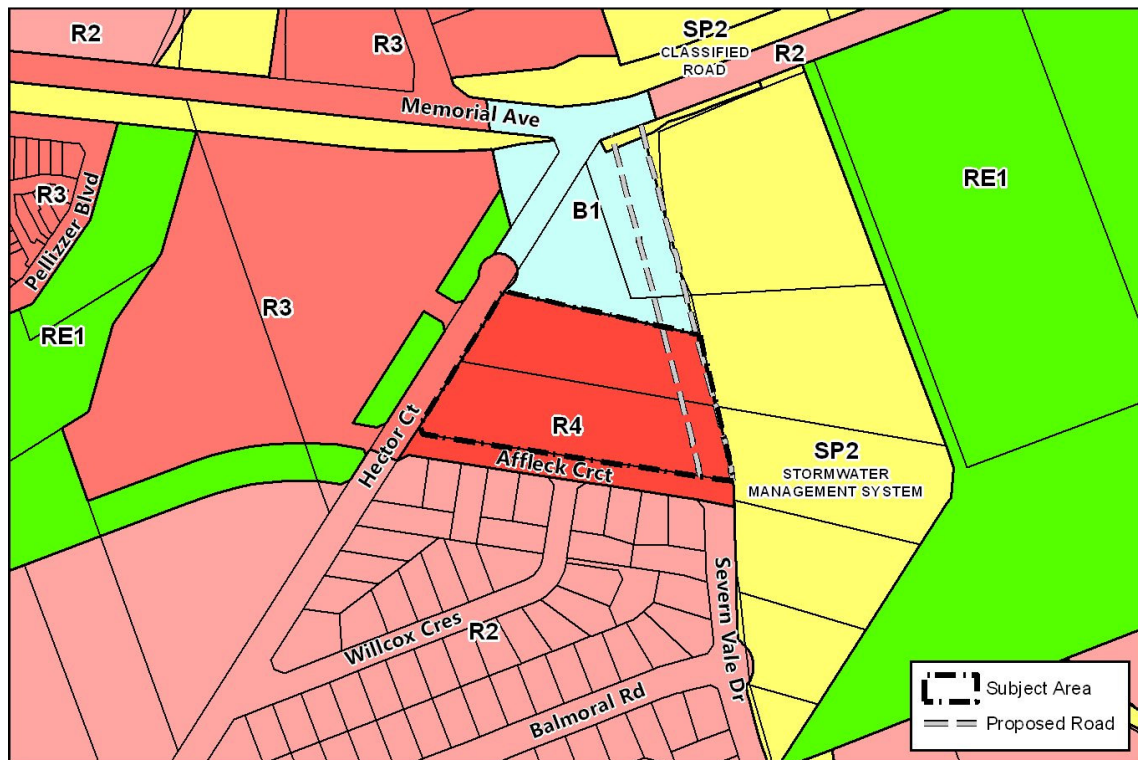


Figure 5
Land Zoning Map - Current

With respect to existing and planned centres in the local area, the site is located near the Kellyville Village Centre 1.2km to the north, Samantha Riley Drive (proposed Kellyville Station), 1.5km to the west, the Wrights Road town centre 2km to the east and the Stone Mason Drive Neighbourhood Centre, 2km to the south east (Figure 6).

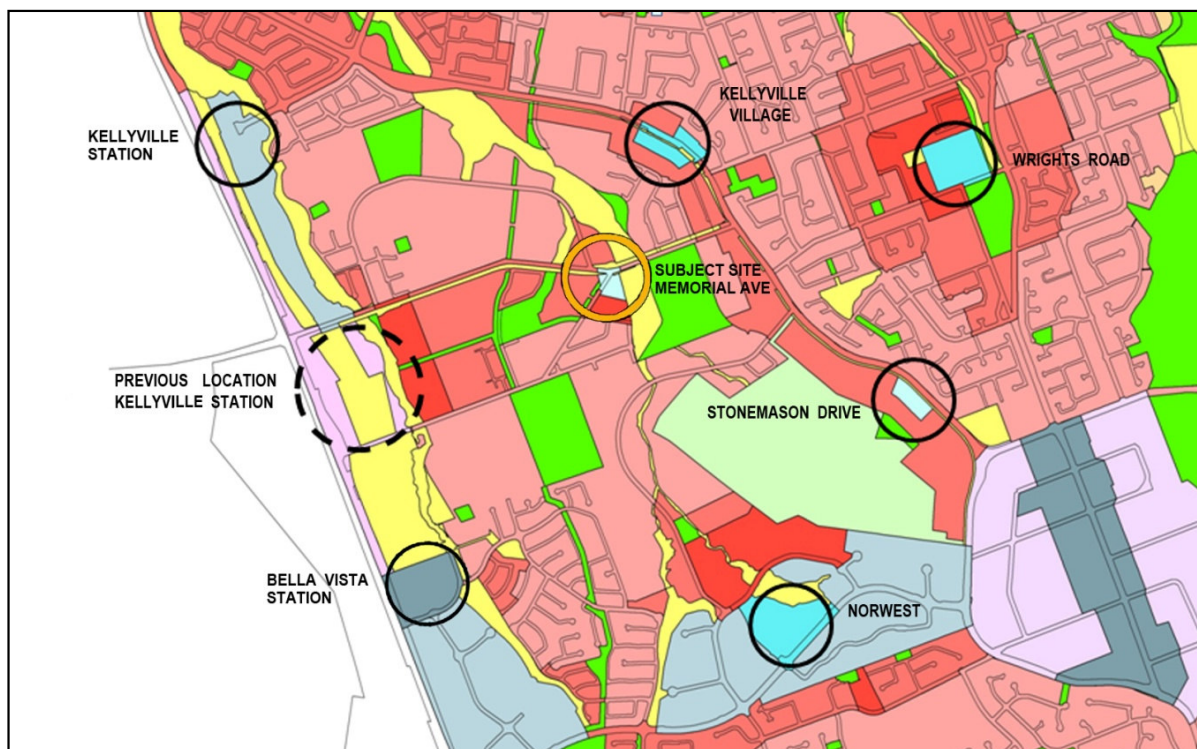


Figure 6
Centres surrounding Memorial Avenue Neighbourhood Centre

2. PLANNING PROPOSAL

The planning proposal specifically relates to the rezoning of No.2A and part of No.2B Hector Court and seeks to extend the B1 Neighbourhood centre zone to the south. The proposal also seeks the rezoning of the northern part of the adjoining Hector Court corridor from R3 Medium Density Residential to B1 Neighbourhood Centre (Figure 7).

The stated purpose of the rezoning is to enable the development of a viable retail facility to support the surrounding residential area having regard to the land required for the planned extension of Severn Vale Drive. The net effect of the proposed rezoning would be an increase in the land available for business development from approximately 9,440m² to 17,780m² and a decrease in the land available for high density housing from 14,470m² to 7,020m².

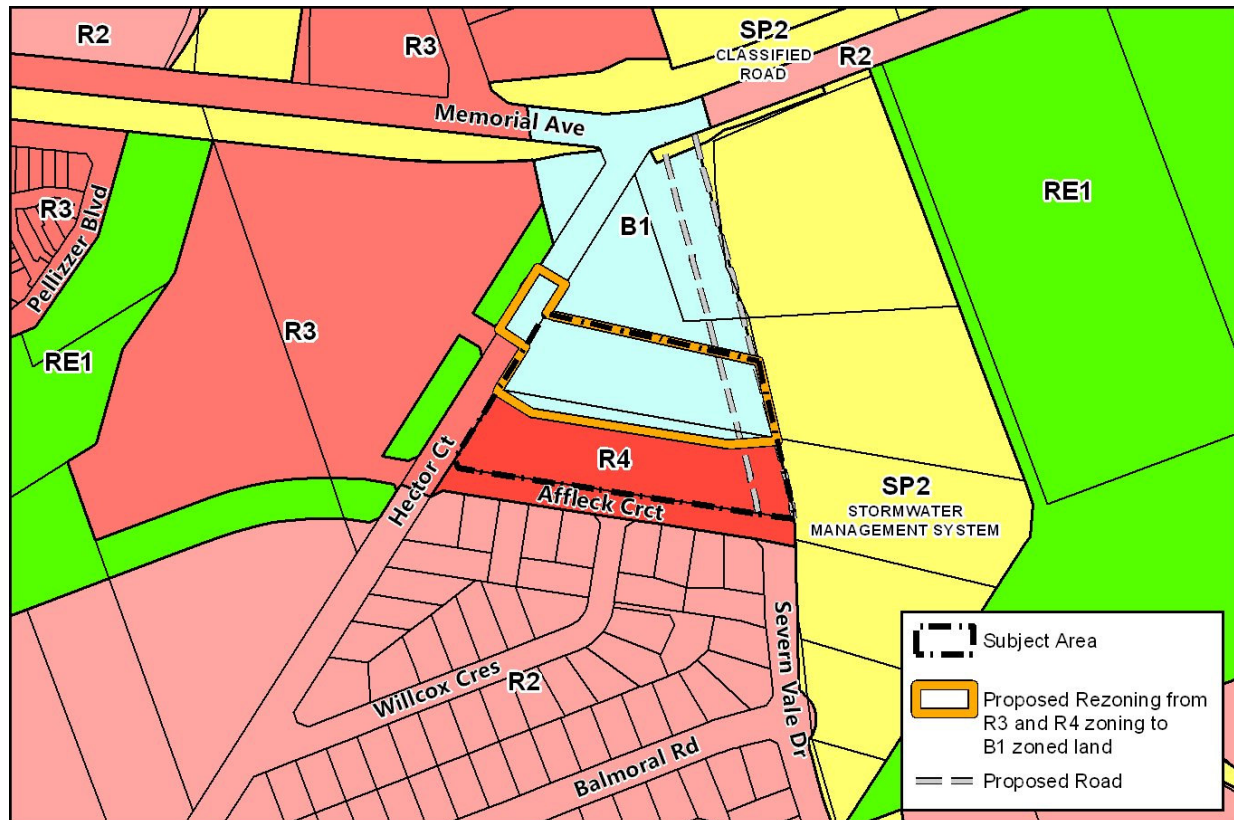


Figure 7
Land Zoning Map – Proposed

An indicative development concept has been provided by the proponent for the whole of the area proposed to be zoned B1 Neighbourhood Centre (refer Figure 8). This concept incorporates the extension of Severn Vale Drive to Memorial Avenue and the closure of Hector Court at the intersection with the future access road to development to the west. This would terminate Hector Court approximately 40 metres south of the planned location shown in The Hills DCP 2012 Part D Section 7 - Balmoral Road Release Area (Balmoral Road DCP).

This development concept includes:

- A supermarket of 3,200m²;
- Specialty shops of 1,900m²;
- Non-retail commercial use of 400m²;
- At grade car parking of 299 spaces; and
- Multi dwelling housing development of twenty dwellings on the remaining R4 High Density Residential zoned land.



Figure 8
Development Concept for whole of site

This indicative development option suggests a much bigger centre than what was envisaged for the site (being that of a neighbourhood centre), which is addressed further in Section 4 of this report.

3. STRATEGIC CONTEXT

- Metropolitan Plan for Sydney 2036**

The strategic plan prepared by the NSW Government entitled the *Metropolitan Plan for Sydney 2036* aims to integrate land use and transport planning to provide a framework for the growth and development of the Sydney region to 2036. The planning proposal is generally consistent with this direction as it would provide both jobs and living opportunities in a location which is highly accessible to residents within the BRRA and is located in an area exposed to passing trade.

The planning proposal is based on providing a suitably sized centre in a developing residential release area within walking distance to a large percentage of new and existing housing and public transport.

- **Draft North West Subregional Strategy**

The Draft North West Subregional Strategy (December 2007) plans to accommodate some 130,000 jobs and 140,000 dwellings within the North West Subregion by 2031. Of these, 47,000 jobs (36%) and 36,000 dwellings (26%) are to be accommodated within The Hills Shire. An overarching theme of the Subregional Strategy is for dwelling and employment growth to be concentrated within centres and near to public transport hubs.

The planning proposal is generally consistent with the Subregional Strategy.

- **Ministerial Section 117 Directions**

Section 117(2) of the *Environmental Planning and Assessment Act 1979* (EP&A Act) enables the Minister for Planning and Infrastructure to issue directions that councils must address when preparing planning proposals for a new LEP. The relevant Section 117 Directions are:-

- a) Business and Industrial Zones
- b) Residential Zones
- c) Integrating Land Use and Transport
- d) Approval and Referral Requirements
- e) Site Specific Provisions
- f) Implementation of the Metropolitan Plan for Sydney 2036

The planning proposal is generally consistent with these directions.

- **The Hills Shire Local Strategy**

The Residential, Integrated Transport, Centres and Employment Lands Directions are the relevant components of the Local Strategy to be considered in assessing this application.

Residential Direction

The Direction demonstrates the Shire's existing planning framework has sufficient capacity to accommodate housing targets of 21,500 dwellings across the release areas within the Shire.

The planning proposal will result in a reduction in the amount of R4 High Density Residential zoned land and a reduced dwelling yield on the land. This reduced residential yield has potential to alter the infrastructure planning and delivery (open space, transport facilities, drainage facilities and community facilities) for the BRRA and will be further discussed in Section 4 of this report.

Integrated Transport Direction

A key objective of the Integrated Transport Direction is to ensure that planning and future development supports the provision of an efficient transport network. It seeks to ensure that housing and jobs are easily accessible through a variety of means including walking, cycling and public transport, reliance on private vehicle use is minimised, and that development supports the viable operation of public transport.

The Direction supports State Government plans to upgrade Memorial Avenue to 6 lanes incorporating dedicated bus lanes as part of the Balmoral Road Release Area to meet increased demand. The extension of the 'North West Transitway' from Parklea to Castle

Hill would provide a dedicated bus route operating between Castle Hill and Blacktown via Memorial Avenue and Showground Road.

The planning proposal is generally consistent with this Direction.

Employment Lands Direction

Council's Employment Lands Direction demonstrates that there is sufficient zoned and capable land to provide for 55,574 additional jobs to 2031 across the Shire, with an anticipated employment capacity of some 3,506 retail and commercial jobs across the BRRRA. In addition to the contribution towards anticipated employment targets, the Direction seeks to provide employment close to home, services and transport infrastructure.

Based on the existing zoned land the neighbourhood centre is estimated to provide 126 jobs. The proposal indicates that the increased retail activities would result in an estimated 235 full and part time post-development jobs. Economic modelling undertaken in-house suggests that, based on the estimated turnover, the resultant employment impacts could in fact be as high as 594 jobs.

The planning proposal is generally consistent with this Direction.

Centres Direction

The Centres Direction seeks to establish a network of centres that provides places for residents to shop, work, and have social interaction and recreational opportunities. The Direction included a centres hierarchy which provides a framework for the scale, location and function of centres. This ensures that the population has access to a range of centres that meet their needs and are appropriate in scale and design for their location.

The planning proposal involves an increase in the land zoned for commercial purposes, which would allow for increased retail floor space over and above that anticipated for the neighbourhood centre thereby changing the place of the centre within the identified hierarchy. Since the adoption of the Centre's Direction several changes have occurred to planned centres in the BRRRA that impact on the provision of retail floor space catering for the future community needs and require a reassessment of the role and function of Centres in this locality. These impacts will be further discussed in Section 4 of this report.

4. MATTERS FOR CONSIDERATION

As flagged in Section 3 of this report the planning proposal, by increasing the area of land zoned for commercial development and decreasing the area of land for high density residential development, impacts upon the strategic outcomes envisaged established by Council in both the Centres Direction and the Residential Direction. Such changes require careful examination of retail demand and economic impacts. If a change in the function of the centre at this location is warranted then further consideration is required of the potential implications in terms of the environment, traffic and access and achievement of a development that is orderly and well functioning with minimal impacts on surrounding residents. Therefore the following key matters are considered:

- (a) Centres Direction and hierarchy of centres;
- (b) Residential Direction and housing targets;
- (c) Environment;
- (d) Traffic and access;
- (e) Orderly development;
- (f) Surrounding residential area; and
- (g) Public domain.

(a) Centres Direction and hierarchy of centres

The Centres Direction describes the Memorial Avenue centre as a 'Neighbourhood Centre', which is the smallest centre that incorporates low scale retailing to meet daily convenience needs. The subject planning proposal seeks to provide a much larger retail facility by rezoning residential land to business land, thereby providing sufficient space for development of a full line supermarket and speciality shops which would be inconsistent with the Centres Direction and the objectives of the B1 Neighbourhood Centre zone.

As set out in the background to this report, the Centres Direction was prepared in 2009 and was informed by retail floor space and demand analysis completed in 2008 (retail analysis). In undertaking the analysis particular regard was given to the supermarket provision within the BRRA, due to pressures at that time for retail development that had the potential to undermine the established hierarchy of centres and the achievement of orderly and sustainable development. A framework was established to assess development proposals inconsistent with the centres hierarchy. This framework requires an Economic Impact Assessment (EIA) be submitted to show that there is sufficient demand for the proposal without compromising the ability of other existing or proposed centres to fulfil their role in the hierarchy. Such an EIA is to address the following criteria:

- i. Justification for the proposed retail type, scale and quantum within the proposed centre as opposed to an alternative centre;
- ii. Quantification of the level of unmet demand in the locality for the retail type proposed;
- iii. Description of how the proposal would support the social, economic and environmental viability of the centre and other centres potentially affected; and
- iv. Demonstration that there is sufficient demand for the retailer to operate within the centre without compromising the ability of alternative centres to achieve their objectives and fulfil their role in the hierarchy.

The Planning Proposal is supported by an EIA prepared by Hill PDA. The EIA has also been evaluated against the above criteria and consideration has also been given to the recent changes to the local planning framework including the North West Rail Link and changes to the outcomes at the Stonemason Drive Neighbourhood Centre. Overall the key matters to be examined to assess the economic impact of an expanded centre at Memorial Avenue include recent changes to the planning framework, demand for retail floor space, demand for supermarket floor space, impact on other nearby centres and potential community benefits.

Recent changes to the planning framework

As Council is aware, the current State Government have made the construction of the North West Rail Link a priority and have committed to beginning construction in the first term of government. The current plans for the rail link relocate the proposed Kellyville Rail Station to the intersection of Samantha Riley Drive and Old Windsor Road, thereby negating the need for the transit centre planned between Memorial Avenue and Balmoral Road. Additionally a new Bella Vista station is now proposed at the site of the bulky goods precinct at the intersection of Lexington and Celebration Drives (Figure 3).

Environmental Impact Statement (EIS) 2 for the rail link was exhibited late last year and addressed the stations and rail infrastructure systems. Minimal detail is available on the intended scale and function of proposed new centres to be provided within the Bella Vista and Kellyville station precincts. However, EIS 2 indicates that retail space would be provided to meet customer needs, for example buying a coffee or newspaper or dropping or picking up dry cleaning, so that customers do not have to make additional trips for everyday shopping needs. Whilst the EIS describes Bella Vista station as a future Town Centre and Kellyville Station as a future Village, it is not considered that the scale of retail in either centre will be extensive based on the indicative layout plans and the land take required for park and ride facilities.

Furthermore, the Draft North West Rail Link Corridor Strategy recently released for exhibition includes draft structure plans for each of the proposed stations and surrounds. It will be the subject of a further report to Council; however it is worth noting that across the precincts for Kellyville and Bella Vista stations and surrounds the Corridor Strategy projects an additional 3900 dwellings to 2036, over and above the growth projected under current controls. In very broad terms this incoming population could generate demand for retail floor space in the order of 8,000m² (source: Average provision of retail floor space per person of 2m² per person for Sydney - Hill PDA 2010). A preliminary review of the draft Structure Plans for Bella Vista and Kellyville stations indicates that there is not a strong focus on retail outcomes. A key focus for Bella Vista Station is a high density commercial core close to the station with a mix of office and retail whilst the focus for the Kellyville Station Precinct is a range of active uses comprising retail, commercial and residential. In either case it is not expected that the new station locations will support the same quantum of retail space as the previous planned Balmoral Road Transit Centre (10,000m²). In this regard it is recommended that incidental to the current planning proposal, the special provisions within The Hills DCP Part D Section 7 – BRRRA relating to the transit centre development site, be deleted.

The recommended changes to the DCP are highlighted in yellow in Attachment 2.

Given the foregoing changes to the planning framework, it is clear that the scale and type of retail facilities for the subject site and the overall centres hierarchy for the Kellyville locality need to be revisited. The subject site provides a location that is highly accessible in terms of pedestrian and cycle access as well as public transport. The site is also located centrally within the release area compared to the more peripheral Kellyville and Bella Vista stations, thereby providing the opportunity to create a central focal point for new residents. The question of whether the quantum of proposed retail should be provided at the subject site or an alternative location hinges upon the projected demand for retail floor space and the impact on adjacent existing and proposed centres. This is addressed below.

A further recent change in the planning framework relates to the relocation of the B1 Neighbourhood Centre zone at Stone Mason Drive to the Windsor Road frontage. The Minister for Planning & Infrastructure implemented the zone swap to Windsor Road with the finalisation of The Hills LEP 2012. Council was consistent in their opposition to the zone swap for a number of reasons. One of the key issues of concern related to the inconsistency with Council's strategic framework and the hierarchy of centres, given that the intention was for a neighbourhood scale centre. This location was not supported for an increased scale of centre given it would relate more to the external area rather than the local community; the focus would be on passing trade rather than meeting the needs of residents of the release area. The site at Memorial Avenue by being centrally located within the release area with a greater surrounding residential population is considered a better location for an increased scale to a village centre. The objective for a centre at Stone Mason Drive location be it fronting Stone Mason Drive or Windsor Road, remains a small scale neighbourhood centre.

Demand for retail floor space

The EIS submitted with the planning proposal defines a trade area for the Memorial Avenue site and forecasts retail floor space demand. The trade area is contained by Old Windsor Road to the west, Windsor Road to the east, Samantha Riley Drive to the north and Norwest Business Park to the south. Other centres located within the trade area include Stone Mason Drive Neighbourhood Centre, Kellyville Village Centre and the new Kellyville Station Centre. The location of the defined trade area is shown in Figure 9.

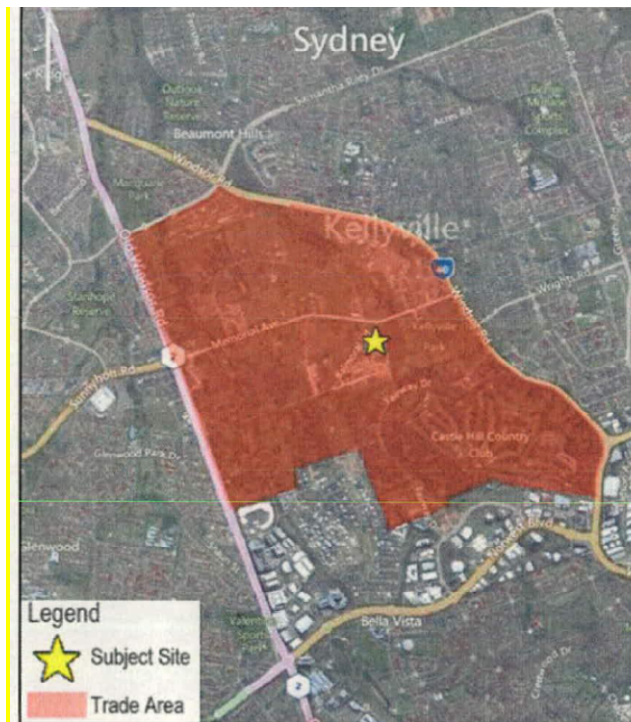


Figure 9
Memorial Avenue Centre Trade Area

The forecast demand for retail floor space in the trade area has been determined based upon the projected growth in retail expenditure resulting from dwelling development in the trade area (excluding increased residential density close to rail). Based on this analysis, by 2031, the population would increase by approximately 14,600 persons with the consequent increase in expenditure leading to an increase in demand for 48,870m² retail floor space.

For the period 2011 to 2016, the growth in retail floor space demand is forecast at 23,000m². The development concept for the planning proposal indicates that the subject site would provide 5,100m² of retail floor space, thereby meeting less than a quarter (22%) of the growth in retail floor space to 2016. The EIA suggests that even with the subject centre, there would be still some 17,870m² demand for retail floor space to be provided in existing and future centres elsewhere in the locality to 2016.

The assumptions contained within the EIA are considered reasonable and it demonstrates that there will be sufficient future demand to support the overall quantum of retail floor space proposed on the subject site (5,100m²). However, when the demand for supermarket floor space within the identified trade area is examined more closely it is clear that the capacity for additional supermarket floor space is questionable.

Demand for supermarket floor space

The EIA indicates that demand for supermarket floor space within the trade area is expected to reach 4090m² in 2016, increasing to 7,850m² in 2031 (refer Table 1). The EIA concludes that this is sufficient demand to support two full line supermarkets within the trade area by 2031.

	2011	2016	2021	2026	2031
Supermarkets and grocery stores	757	4,091	5,823	6,866	7,851

Table 1
Forecast demand for supermarket floor space in the trade area to 2031 in M²
(Source Hill PDA Nov 2012)

The EIA does not examine the future distribution and demand for supermarket floor space which could potentially compromise the ability of other centres to fulfil their role in the hierarchy. In this regard, the development concept for the subject site proposes a supermarket with floor space of 3,200m². Whilst this could be supported for the trade area to 2016, the trade area encompasses other potential supermarket locations, apart from the subject site, that could also address this demand, specifically the Stone Mason Drive Neighbourhood Centre (now 73-75 Windsor Road) and the Windsor Road Kellyville Village Centre.

The development consent obtained for the Stone Mason Drive Neighbourhood Centre proposes a supermarket of 2,460m². Therefore based on the trade area analysis, potential supermarkets at Memorial Avenue and Stone Mason Drive would absorb the supermarket floor space demand to 2021 (total 5,660m²). Within the following 5 years a small supermarket (1,200m²) could be supported in expenditure terms at the Windsor Road Kellyville location. It is recognised that the site on the southern side of Windsor Road Kellyville has some constraints that could prevent it transitioning to a village centre in the short term, particularly the fragmented ownership spread out along Windsor Road. The Centres Direction, however, identifies that a master plan is needed to facilitate and guide future development.

Given the foregoing, the demand for supermarket floor space requires more detailed analysis over a wider area than the trade area identified by Hill PDA. Such analysis needs to consider whether supermarket uptake at the subject site and Stone Mason Drive and the proposed delivery of an additional supermarket at the Wrights Road centre will significantly impede the opportunity for Windsor Road Kellyville to transition to a village centre. Accordingly the demand for supermarket floor space set out under the Centres Direction (2009) has been reviewed in light of the changes that have occurred since the Direction was adopted.

The Centres Direction determined supermarket floor space demand on the basis of four sectors across the Shire. In reviewing the demand for the Kellyville location it is relevant to examine the findings for the release area sector which encompasses the Box Hill and North Kellyville release areas as well as Kellyville, Rouse Hill and the Balmoral Road Release Area. The growth in demand for supermarket floor space in this sector was forecast at some 9,340m² in 2016 rising to 26,930m² in 2031 (Table 2).

	2006	2016	2021	2031
Supermarkets and grocery stores additional floor space demand m ²	574	9,339	15,615	26,933

Table 2

Forecast additional demand for supermarket floor space in the release areas to 2031 in M²
(Source Hill PDA Retail Floor Space and Demand Analysis 2008)

Uptake of the some of the identified floor space demand has since occurred. The following Table 3 provides an indication of the existing and potential distribution of the supermarket floor space to 2031.

Location	Floor space m ²	Status
Beaumont Hills	1,800	Constructed
Wrights Road Kellyville (Aldi)	1,470	Approved (501/13/HC)
Wrights Road Kellyville (Coles expansion)	500	Under assessment (709/13/JP)
North Kellyville town centre	4,260	Approved (1336/12/JP)
North Kellyville town centre	1,600 ¹	Potential remaining
Box Hill town centre	7,500 ¹	Potential
Total	17,130	
Identified growth to 2031	26,930	
Remaining capacity	9,800	

Table 3

Possible uptake of supermarket floor space demand to 2031 in the release areas

Note¹: The potential for North Kellyville and Box Hill is based upon the maximum floor space demand identified under the assessments completed as part of the precinct planning.

The analysis indicates that there is additional capacity for 9,800m² supermarket floor space or three (3) medium sized supermarkets (3,200m² each) beyond the supermarkets approved, under assessment or identified for the growth centres precincts. This means that in the medium term to 2021 this demand would support delivery of a supermarket at the subject site, a supermarket at Kellyville Village and potentially a further supermarket at Rouse Hill Town Centre.

It is acknowledged that should supermarkets be delivered at the subject site, Wrights Road Kellyville and Windsor Road Kellyville there will be a concentration of supermarket floor space in the southern portion of the release areas in the short term. It is not considered that this concern should preclude the delivery of a supermarket at the Memorial Avenue site given that is strategically located central to the release area and highly accessible for pedestrians, cyclists, motorists and public transport users. It is expected that it would have a positive impact in the locality by serving the needs of existing and future residents of the release area and providing a focal point for community and social interaction.

Impact on other nearby centres

The EIA submitted with the planning proposal models the economic impacts on existing and planned centres. In this regard the turnover associated with the enlarged centre is calculated at some \$43m in 2016. This would be redirected from a range of existing and planned centres in the surrounding area (Table 4).

Retail centre	Proximity	Turnover in 2011	Shift in turnover 2011-2016	
	(minutes)	(\$M)	(\$M)	%
Proposed centre			43.2	
Castle Hill	9	740.0	-6.1	-0.7%
Rouse Hill Town centre	9	362.5	-5.0	-1.1%
Wrights Road	5	105.0	-10.2	-7.4%
Norwest	6	60.0	-3.3	-5.0%
Rouse Hill Village	8	35	-1.6	-3.4%
Beaumont Hills	8	15.2	-.07	-3.8%
Windsor Road Kellyville	2	10.5	-1.9	-14.5%
Stone Mason Drive	3	0.0	-2.1	-7.9%

Table 4
Redirection of expenditure from existing centres in the Shire
 (Source Adapted from Hill PDA Nov 2012)

The table indicates the immediate shifts in turnover which would result from the proposed development. In monetary terms the greatest impacts would be on Wrights Road (\$10m impact), Castle Hill (\$6m impact) and Rouse Hill (\$5m impact) centres. In proportional terms the greatest impacts would be felt by Windsor Road Kellyville (14.5% decline in trade), Stone Mason Drive (7.9% decline in trade) and Wrights Road Kellyville (7.4% decline in trade).

There is no universal measure of significance, however generally 5% to 10% is considered low to moderate and 10-15% is considered moderate to high. On this basis the impacts to Windsor Road Kellyville would be considered high with Wrights Road and Stone Mason Drive experiencing moderate impacts. However it is important to note that all of these centres will experience growth in trade between 2011 -2016 even with the development of a Village Centre at Memorial Avenue because of the significant population increase that will occur in the BRRA and the wider area. Accordingly the impacts are not considered unreasonable.

Summary

An increased scale for the Memorial Avenue centre to a Village Centre typology is considered appropriate given the unique locational characteristics and the expected retail demand in the locality. The function of a village centre is to provide a range of retail and other uses to meet the weekly convenience shopping needs of residents with a scale in keeping with the surrounding residential character. The village centre environment should be easily walkable, located close to dwellings and accessible by public transport. The subject centre, with an expanded area as sought by the proponent, provides the opportunity to meet such criteria and offer a well functioning and viable centre to meet community needs.

Further discussion is provided in Section 5 of this report on the appropriate zone and development standards to recognise the changed role of the centre as a village centre.

(b) Residential Direction and housing targets

The proposed reduction in the amount of R4 High Density Residential zoned land will result in a reduced dwelling yield on the land. This reduced residential yield should be considered in the context of the planning and delivery of infrastructure such as open space, transport facilities, community facilities and drainage facilities for the Balmoral Road Release Area.

The current R4 High Density Residential zoned area, excluding proposed roads, is approximately 14,470m². As a consequence of the planning proposal this area will decrease to 7,020m², a reduction of 7,450m² in the land available for high density housing. The following table analyses the existing and proposed dwelling yield:

	Existing zone	Proposed rezone	Reduction
Area of land zoned R4 High Density Residential excluding proposed roads	14,470m ²	7,020m ²	- 7,450m ²
Total dwellings	80 3br apartments based on 150 persons per hectare	20 Mix of townhouse sizes based on development concept	-60
S94 contributions including funds to be recouped as part of Accelerated Housing Fund	\$2,861,258	\$649,993	\$2,211,265

Table 5

Reduction of dwellings and developer contributions as a result of the planning proposal

The proposed rezoning shall lead to significant reductions in residential yield. Although the proposed rezoning does not affect the permissibility of residential development, the development concept provides for a medium density outcome (20 town houses) rather than a high density outcome meaning that the reduction in yield from the potential highest use of the land (80 units) is in the order of 75%. The reduction in residential yield will affect the achievement of housing targets and the effectiveness of Contributions Plan No.12 – Balmoral Road Release Area.

The quantitative effect of reducing residential yield will reduce developer contributions payable for the Balmoral Road Release Area. Based on the highest residential yield of 80 x 3-bedroom units the Section 94 fees payable would be \$2,861,258. For the development concept of 20 townhouses the projected Section 94 fees payable is \$649,993. It is noted that the financial impact may vary slightly due to the final mix of dwelling types; however the financial implication of the rezoning on Contributions Plan No.12 would be a reduction in contributions of \$2,221,265 (Calculation as at March 2013). It should be noted that S94A levies do not apply to the subject land and the retail development proposed would not be required to pay levies under Council's Shire Wide S94A Contribution Plan.

In terms of both housing targets and developer contributions it is considered that there may be potential to recover the shortfall of dwellings and contributions in other areas of the BRRRA. In this regard a planning proposal has recently been exhibited for land east of the subject site, adjoining Kellyville Memorial Park, to rezone R2 Low Density Residential land to Part R3 Medium Density Residential. This proposal has the potential to increase the number of dwellings from approximately 31 to a maximum of 110 on the sites, thereby more than balancing the loss of up to 60 dwellings on the subject site. Whilst additional dwelling densities are anticipated within the corridor of the NWRL in the longer term, such outcomes will require separate consideration of infrastructure needs and how such needs can be met given the likely extent of future development. This potential increased yield as a result of the rail project will require comprehensive review of both housing targets established in the Residential Direction and the Contributions Plan framework.

Notwithstanding that other residential development may balance the loss of housing and developer contributions, consideration is needed of whether the delivery of an increased scale of commercial development will result in orderly and safe development. Of key concern is whether traffic management works proposed under the Contributions Plan need to be bought forward to facilitate a safe outcome. This matter is addressed in Section 4 (d) of the report.

(c) Environment

Site contamination

State Environmental Planning Policy 55– Remediation of Land requires a Council, in rezoning land to be satisfied that the land can be made suitable for the intended purpose. As the planning proposal is for a change from a residential zone to a business zone, the requirement to undertake a preliminary site investigation may be appropriately addressed at the development stage.

Water management

Flooding associated with Strangers Creek adjacent to the site is contained wholly within the land zoned SP2 Infrastructure and identified as 'stormwater management system'. There are no additional flooding requirements that would apply as a result of the rezoning over and above the requirements contained with The Hills Development Control Plan 2012.

Notwithstanding the foregoing it is noted that the boundaries of the land acquired by Sydney Water adjacent to the eastern boundary of the subject site do not align with the boundary of the SP2 Infrastructure 'Stormwater Management System' land (Figure 7). This mismatch of boundaries is a situation that has occurred throughout the release area, not just at the subject location. This matter requires further consultation with Sydney Water prior to resolution. Therefore it is recommended that any change to the SP2 Infrastructure 'Stormwater Management System' zone boundaries for the whole of the release area be the subject of a separate future housekeeping LEP if needed.

Other

The proposed rezoning is unlikely to result in any adverse environmental impacts. However, once a Development Application is lodged a full assessment of environmental impacts should be undertaken with respect to a specific development scheme. Any future Development Application should be accompanied by the relevant environmental assessments including but not limited to, an acoustic impact assessment.

(d) Traffic and access

Access points

The indicative development concept for the whole of the area proposed to be zoned for business purposes incorporates the extension of Severn Vale Drive to Memorial Avenue and the closure of Hector Court approximately 40 metres south of the planned location shown in the Balmoral Road DCP. The main vehicular entry and exit points to the site are proposed midway along the Severn Vale Drive frontage with an entry and exit for loading and staff parking to the south and an additional entry from the relocated end of Hector Court.

In December 2012 development consent was granted for a 127 lot subdivision and integrated housing development at 1 Hector Court, to the west of the subject site. The approved plan provides for the deletion of Affleck Circuit on the opposite site of Hector Court with the entry road into the development under the care and control of a community management scheme. As may be seen in Figure 7 below the proponent's development concept for the subject site relocates Hector Court to extend no further than the entry to the adjacent development. Whilst no objection is raised in principle to the relocation of the road closure further south this will require more detailed assessment at development application stage to ensure provision of a cul de sac head of sufficient dimensions.



Figure 10

Subdivision and integrated housing development approved at 1 Hector Court, located west of the subject site.

Pedestrian and cycle access

As has been previously reported the subject site is well located centre to the release area to function as a village centre and provide a focal point for residents of the surrounding area. It has high accessibility in terms of vehicular, public transport, cycle and pedestrian access. In this regard a greenway link is located to the west of the site and a cycleway is proposed alongside the stormwater management land to the east. These pedestrian/cycle links are an integral and important element of the open space network in the BRR. They provide the opportunity for future residents to move easily to access a range of facilities including public transport, schools, shops, community facilities and open space.

Integration of these linkages with the development of the subject site as a village centre is highly desirable to ensure they are well used and a high level of amenity is provided to future residents. The indicative concept plan provided by the proponent (Figure 10) does not interface well with the proposed pedestrian/cycle links. It is therefore recommended that The Hills DCP be amended to ensure that development includes a connection to the pedestrian/cycle links as well as a connection through the development site to facilitate access to the nearby playing fields.

The recommended changes to the DCP are highlighted in yellow in Attachment 2.

Traffic modelling

A Traffic Report prepared by Gennaoui Consulting Pty Ltd has been submitted in support of the planning proposal. The traffic assessment is based upon the extension of the business zoning and the change in traffic generation resulting from increased retail development and reduced residential development.

The Traffic Report identifies that the planning proposal would result in a generation of 609 vehicle trips per hour during peak periods. This represents an increase of 274 vehicle trips per hour compared with the trips that would be generated based on the current zone

areas. There are a number of different approaches to the centre and the traffic assessment assumes that the majority of these (50%) will be from the south (Severn Vale Drive and Hector Court) with the balance from Memorial Avenue 20% from the west, 15% from the east and 15% from passing trade. The operation of the critical intersections of Memorial Avenue with Severn Vale Drive and Severn Vale Drive with Affleck Circuit and Hector Court with Affleck Circuit were also analysed.

The assessment concludes that the proposed rezoning will have minimal impact on traffic conditions in the area. It would marginally increase traffic along Memorial Avenue and Severn Vale Drive, however all roads are expected to continue to operate at a very good level of service 'A' during the morning and afternoon peak hours. The proposed traffic signals at the intersection of Memorial and Severn Vale Drive would continue to operate at a good level of service 'B'. The two intersections of Affleck Circuit with Severn Vale Drive and Hector Court would operate at a very good level of service 'A'. It is noted that the assessment is based upon traffic signals at the intersection of Memorial and Severn Vale Drive. The timing of delivery of such signals is addressed in comments below on Memorial Avenue works.

Overall, the assumptions and findings included within the Traffic Report are considered reasonable. It should be noted however that the traffic report does not take into consideration potential cumulative impacts associated with approved integrated development at 1 Hector Court and would need to amend traffic counts at development application stage.

Memorial Avenue works

The existing RMS Strategy is to upgrade Memorial Avenue to 6 lanes incorporating dedicated bus lanes to extend the North West Transitway from Parklea to Castle Hill (refer Figure 11).

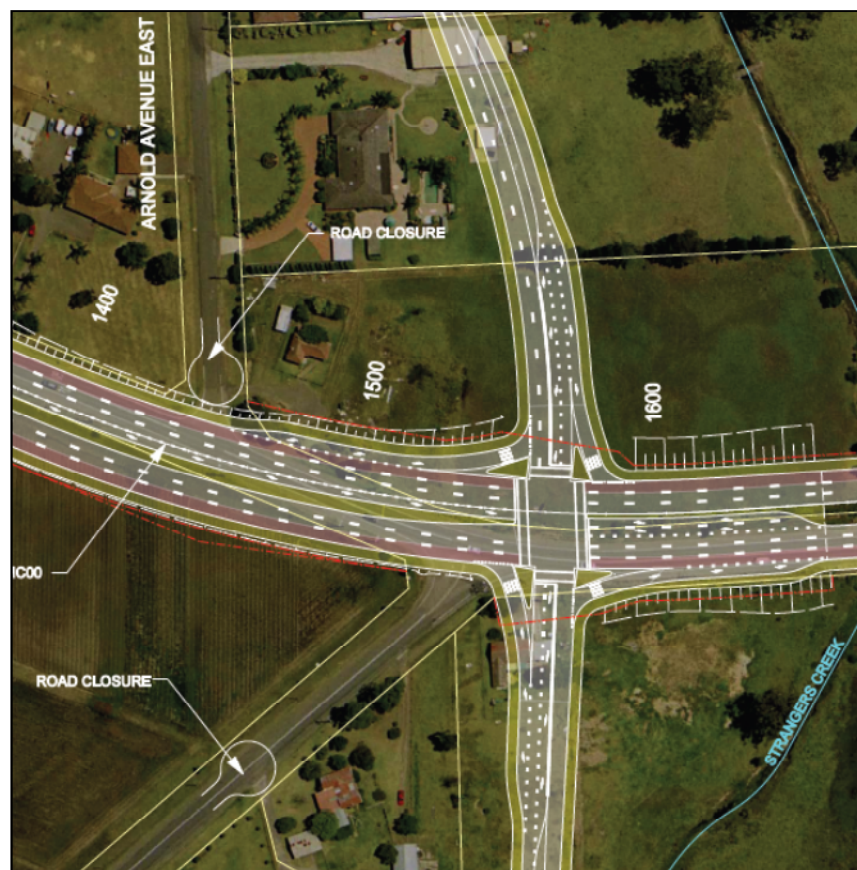


Figure 11

Extract of RMS Strategic Design Plan for Memorial Avenue upgrade

Two sets of traffic signals are required along Memorial Avenue – at the intersection with Arnold Avenue (west) and at the intersection with a relocated Arnold Avenue (east) at Severn Vale Drive. Contributions Plan No.12 indicates a medium priority for the delivery of signals at the Memorial Avenue/Arnold Avenue/ Severn Vale Drive intersection. Priority in the Contributions Plan is based upon an assessment of need and the timing of population increases. The identification of the subject site for a small scale centre did not warrant a high priority for the signals at this location. A medium priority equates to a timeframe when between 35% and 70% of the residential development in the release area being completed. Based on approvals granted to date, approximately 20% of the development (and population) anticipated for the release area has occurred to date.

Development of the subject site for a supermarket and specialty retail will necessitate delivery of traffic signals to ensure the safety of vehicle and pedestrian movements at the Memorial Avenue/Arnold Avenue/ Severn Vale Drive intersection. The cost for each signalised intersection, in their final 6 lane form, is significant (up to \$10m) however the costs estimates in the Contributions Plan provide only a basic signalised intersection at both locations with a cost estimate of \$2.2m each. The majority of funding responsibility for the final Memorial Road solution falls with the RMS.

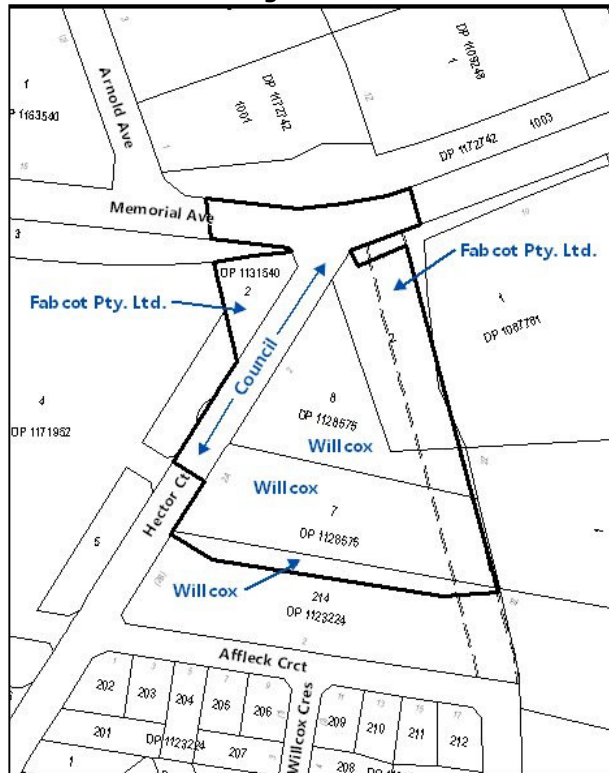
In order to ensure the timely delivery of signals it is recommended that The Hills DCP 2012 Part D Section 7 – Balmoral Road Release Area, be amended to show the Roads and Maritime Services (RMS) Strategic Design Plan for Memorial Avenue upgrade so that future developments are properly considered within the context of the required road works. Furthermore it is also recommended that the DCP provide for arrangements to the satisfaction of Council and the RMS to assist the delivery of signals to coincide with the development of the site for retail/commercial purposes.

The recommended changes to the DCP are highlighted in yellow in Attachment 2.

(e) Orderly Development

The ownership of the land available for business development (as extended) is indicated in Figure 12 below. The proponent provided a development concept that incorporated only the landholdings under the ownership of the Willcox family (Figure 13), suggesting that this option could be developed prior to the closure of Balmoral Road and extension of Severn Vale Drive to serve the initial retail demand in the vicinity. Such an approach is not considered appropriate given that it result in isolated parcels of business zoned land that are largely undevelopable as standalone sites. This is particularly the case with No12 Memorial Avenue which is significantly constrained by the proposed and necessary extension of Severn Vale Drive.

Figure 13a



Fragmented Land Ownership

Figure 13b



Development concept excluding closed road and land in separate ownership

In order to facilitate orderly development and achieve the intended site area for the proposed retail centre, the consolidation of all parcels is desirable. Existing development controls within the Balmoral DCP address the incorporation of a closed road into a development site as follows:

- a) Where the BRR map proposes that an existing public road reservation be closed and the land developed Council shall not grant consent to the development of any adjoining land unless it is satisfied the proposed road closure will not be isolated and the closed road's development potential constrained.
- b) *Where Council determines that the land's development potential will be constrained it shall require the land to be included in the development of the adjoining land.'*

Under The Hills LEP 2012, the Lot Size Map currently identifies a minimum allotment size of 600m² for the business zoned land. The business section of The Hills DCP 2012 (part B Section 6) requires a minimum road frontage of 60 metres and also requires that consent may not be granted to an application that isolates an area of land that does not meet the minimum site area requirements.

Additional controls are considered necessary to facilitate the incorporation of the remaining two parcels of business zoned land into the development site. In this regard it is recommended that the DCP be amended to require the development of the village centre as a single amalgamated site. This will require cooperation and negotiation between the relevant land owners, however it is considered necessary to prevent isolation of land and provide for proper and orderly development. Should agreement not be able to be reached between the land owners the proposed changes to the DCP require an applicant to demonstrate that all reasonable attempts have been made to secure a single development site.

The recommended changes to the DCP are highlighted in yellow in Attachment 2.

(f) Surrounding residential area

The proposal will result in the development of a much larger shopping facility than was envisaged for the site and as such needs to consider the impact on residential development. The scale of development envisaged as part of the planning proposal includes a full line supermarket of about 3,200m² and 2,400m² of specialty retail together with required car parking and loading facilities. Whilst this would normally be a matter for development assessment stage it is obvious that the scale of development, when compared to the planned neighbourhood centre, may not be complementary to surrounding land uses.

The planning proposal seeks to accommodate a multi-dwelling development (townhouses) along Affleck Circuit, which would result in dwellings with private open spaces adjacent to the car parking area and loading areas of the retail facility. Given the location of parking loading areas and depending on the proposed hours of operation, there is potential for noise impacts. Part D Section 6 Business of The Hills DCP 2012 contains existing development controls regarding the location, size and number of loading facilities. This is a matter for assessment at development application stage.

The Balmoral DCP (Part D Section 7) provides a noise attenuation buffer within 50 metres of B2 Local Centre or B1 Neighbourhood Centre zoned land. The control provides that any residential development within the buffer is to submit an acoustic report prepared by a suitably qualified person and include noise attenuation mechanisms if required to comply with the Department of Climate Change standards. It is noted that the buffer located on the DCP map will require relocation further south to encompass the new location for the R4 High density Residential zone.

The recommended changes to the DCP are highlighted in yellow in Attachment 2.

(g) Public Domain

Achieving centres that are vibrant and attractive, as sought under Council's Centres Direction, requires attention to the public domain to encourage people to use the space and ultimately to enhance the amenity of the area. Some key principles include providing a central space to encourage social interaction, maintaining public view corridors to key landscape elements and orientation of buildings to activate the Severn Vale drive frontage.

Appropriate development controls are recommended to maximise on the opportunity for views to the east over Kellyville Memorial Park and to promote a vibrant, mixed use village centre that meets community needs for both shopping and community/social interaction.

The recommended changes to the DCP are highlighted in yellow in Attachment 2.

5. LOCAL ENVIRONMENTAL PLAN CHANGES

The planning proposal, whilst seeking to extend the area of B1 Neighbourhood Centre zone, does not seek to amend the zone to reflect a higher order centre and does not propose any changes to the current development standards applying to the centre, specifically the maximum floor space ratio of 0.5:1, the maximum height of 10 metres and the minimum allotment size of 600m².

As set out in Section 4 of the report a change in the typology of centre to a village centre is considered justified. Elsewhere throughout the Shire village centres are zoned B2 Local Centre. The objectives of this zone better suit the outcomes now envisaged for the Memorial Avenue site in that they focus more on a wider range of retail, business, entertainment and community uses as well as on maximising public transport patronage. The permitted land uses in this zone include uses such as multi dwelling housing, residential flat buildings and office premises on top of the land uses permitted in the B1

Neighbourhood centre zone. Given the proposed increased scale of the centre and the accessibility to a classified road with high accessibility to public transport, the B2 Local Centre zone is considered most suitable for the subject site.

In terms of development standards, those applying to other B2 Local Centre zoned sites throughout the Shire include a maximum floor space ratio of 1:1, a maximum height of 12 metres and a minimum allotment size of 600m². In order to provide a reasonable level of flexibility to achieve a viable outcome for the site the application of development standards consistent with other local centres is considered appropriate.

Maps showing the recommended changes to the zoning and development standards are included in Attachment 1.

6. DEVELOPMENT CONTROLS

Under the B2 Local Centre zoning the proposed commercial development on the site would be assessed with regard to Part D Section 7 of the DCP – Balmoral Road Release Area and Part B Section 6 of the DCP – Business and other relevant sections. Should the proposed rezoning proceed, the applicant has indicated the intention to rely on Council's existing controls to guide future development. The existing controls address the closure of Hector Court and incorporation of the closed road with development on adjoining land. There are also existing measures for setbacks, loading facilities and noise attenuation for adjacent residential development.

As noted in Section 4(f) amendment of the Balmoral DCP map is required to relocate the noise attenuation buffer further to the south to ensure residential development is treated to minimise noise disturbance for future residents. Amendment is also needed to indicate the RMS strategic design for Memorial Avenue upgrade.

This report has identified that whilst development of the site for a village centre is possible, there are some aspects of the proponent's development concept that do not appear to respond to the opportunities of the site, particularly with regard to encouraging walking and cycling to the centre, creating a public domain space for the community and making the most of views across the site to the east.

A draft amendment to the DCP has been prepared to address the key issues of concern. The draft DCP provided as Attachment 2 is proposed as an amendment to Part D Section 7 of the DCP – Balmoral Road Release Area and all other sections of the DCP will continue to apply over the subject site as relevant. In summary the proposed amendments to the DCP include:

- Deletion of special provisions relating to the transit centre development site.
- Including provisions for the connection of the development to the pedestrian/cycle links as well as a connection through the development site to facilitate access to the nearby playing fields.
- Identification of the Roads and Maritime Services (RMS) Strategic Design Plan for Memorial Avenue upgrade so that future developments are properly considered within the context of the required road works.
- Including provisions requiring arrangements to the satisfaction of Council and the RMS to assist the delivery of signals at the Memorial Avenue/ Severn Vale Drive intersection.
- Including provisions regarding the amalgamation of the business zoned land as a single development site to ensure proper and orderly development.

- Relocating the noise attenuation buffer on the map further south to cover the R4 High Density Residential zone fronting Affleck Circuit.
- Including objectives and principles related to achieving a quality public domain that capitalises on views, provides for a central space or plaza and activates the main Severn Vale Drive frontage.

The proposed amendments seek to guide development to achieve a centre that, apart from meeting retail needs, promotes orderly and connected development and provides a focus and vibrant space for social interaction for the community.

7. NEXT STEPS

Should Council resolve to support the planning proposal for the site, it will then be forwarded to the Department of Planning and Infrastructure for a Gateway Determination. The Gateway Determination is likely to contain conditions which must be satisfied before public exhibition can commence. Following exhibition, the matter will be reported back to Council for determination.

CONCLUSION

The planning proposal seeks to rezone residential zoned land to a business zoning to provide for a larger retail facility than what was planned for at Memorial Avenue. Whilst this is not consistent with the hierarchy of centres identified in Councils Centres Direction, a change in the role and function of a centre at this location is considered warranted.

A change from a neighbourhood centre to a village centre typology is considered appropriate given the locational characteristics and the expected retail demand in the locality. In this regard the site (as expanded) is easily walkable, located close to dwellings and accessible by public transport and presents the opportunity to provide a range of retail and other uses to meet the weekly convenience shopping needs of residents with a scale in keeping with the surrounding residential character.

The most appropriate zoning to facilitate the development of the site as a village centre is the B2 Local Centre zone. A change to this zone together with amendment of development standards and development control plan requirements as set out in the report will facilitate an appropriate development outcome for the site.

IMPACTS

Financial

As set out in Section 4(b) of the report the planning proposal will result in a reduced residential yield due to reduction in the area zoned R4 High Density Residential. Consequently there will be reduction in expected s94 developer contributions in the order of \$2.2m. The implications of such are balanced by other proposals within the release area that would achieve a higher dwelling yield than originally anticipated as part of the contributions planning for the release area.

Hills 2026

The Hills 2026 vision for vibrant communities and balanced urban growth will be realised through this rezoning and subsequent development. The proposal allows for the provision of retail facility which will meet future demand for services due to planned population growth. This proposal will ensure that there are shopping facilities that the residents can enjoy ensuring success of the local centre.

RECOMMENDATION

1. A planning proposal be forwarded to the Department of Planning and Infrastructure for a Gateway Determination to rezone land at Hector Court and Memorial Avenue from part B1 Neighbourhood Centre and part R4 High Density Residential to B2 Local Centre with a maximum floor space ratio of 1:1, a maximum height of 12 metres and a minimum lot size of 600m², as detailed in Attachment 1.
2. Amendments to The Hills Development Control Plan 2012 Part D Section 7 Balmoral Road Release Area, as detailed in Attachment 2, be exhibited concurrent with the planning proposal.

ATTACHMENTS

1. Proposed amendments to The Hills LEP 2012 map sheets (2 pages)
2. Proposed amendment to The Hills DCP 2012 Part D Section 7 Balmoral Road Release Area (42 pages)

[Attachment 1 - PLANNING PROPOSAL NOS 2A AND 2B HECTOR COURT, KELLYVILL...](#)

[Attachment 2 - PLANNING PROPOSAL NOS 2A AND 2B HECTOR COURT, KELLYVILL...](#)