

MINUTES of the duly convened Ordinary Meeting of The Hills Shire Council held in the Council Chambers on 11 December 2018

**ITEM-24 TENDER T18/37 DESIGN AND CONSTRUCT
PEDESTRIAN BRIDGE FROM BALFOUR TO MCMILLIAN
BUDGET REVIEW**

761 RESOLUTION

Council approve a budget variation of \$79,328 for project 110031 funded from Section 7.11 CP13.

**ITEM-25 TENDER T19/7 CONSTRUCTION OF A PEDESTRIAN
BRIDGE OVER MEMORIAL AVENUE**

762 RESOLUTION

1. Council award Tender T19-07 for Construction of a Pedestrian Bridge over Memorial Avenue to Talis Civil Pty Ltd for an overall cost including contingency of \$3,499,027.40 (excluding GST).
2. Council approve additional funds from Section 7.11 CP12 of \$2,230,324.14 (excluding GST).

ITEM-26 **TENDER T19/12 - BUSHLAND SERVICES PANEL**

763 RESOLUTION

Council accept the Schedule of Rates tender for bushland services from Hills Bushcare and Blue Tongue EcoSystems for a period of 2.4 years with an option to extend one (1) year subject to the tenderers performances as per the "Price Schedule" in ECM Document No 185429327.

**ITEM-3 SUBMISSION TO PLANNING PROPOSAL EXHIBITION
FOR BULL AND BUSH HOTEL**

A MOTION WAS MOVED BY COUNCILLOR UNO AND SECONDED BY COUNCILLOR HASELDEN THAT the Recommendation contained in the report be adopted.

THE MOTION WAS PUT AND CARRIED.

764 RESOLUTION

This report form Council's submission to the Sydney Central City Planning Panel regarding the planning proposal for the Bull and Bush site.

Councillors UNO and THOMAS rose for a Division. The result of the Division was as follows:

VOTING FOR THE MOTION

Mayor Dr M R Byrne
Clr A N Haselden
Clr Dr P J Gangemi
Clr B L Collins OAM
Clr R Jethi

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Clr M G Thomas
Clr E M Russo
Clr S P Uno
Clr F P De Masi
Clr A J Hay OAM
Clr R M Tracey

VOTING AGAINST THE MOTION

None

ABSENT

Clr R A Preston

MEETING ABSENT

Clr J Jackson

ITEM-15 REVIEW OF POLICIES

A MOTION WAS MOVED BY COUNCILLOR HASELDEN AND SECONDED BY COUNCILLOR RUSSO THAT

1. The following policies be deleted:

- Access & Equity
- Youth Ambassador
- Volunteer Program
- Volunteer Network Support
- Community Involvement in Utilisation of Council Assets
- Constitutional Recognition of Local Government
- Councillor Access to Information and Interaction with Staff

2. The following policies be adopted:

- Fraud and Corruption Prevention
- Outdoor Activities
- Commemoration Plaques
- Asbestos
- Assessments of Requests for On-Street Parking Restrictions
- Reward for Information

AN AMENDMENT WAS MOVED BY COUNCILLOR TRACEY AND SECONDED BY COUNCILLOR HAY OAM THAT

1. The following policies be deleted:

- Access & Equity
- Youth Ambassador
- Volunteer Program
- Volunteer Network Support
- Community Involvement in Utilisation of Council Assets
- Constitutional Recognition of Local Government

ITEM-3	SUBMISSION TO PLANNING PROPOSAL EXHIBITION FOR BULL AND BUSH HOTEL
THEME:	Shaping Growth
OUTCOME:	5 Well planned and liveable neighbourhoods that meets growth targets and maintains amenity.
STRATEGY:	5.1 The Shire's natural and built environment is well managed through strategic land use and urban planning that reflects our values and aspirations.
MEETING DATE:	11 DECEMBER 2018 COUNCIL MEETING
GROUP:	SHIRE STRATEGY TRANSFORMATION AND SOLUTIONS
AUTHOR:	PRINCIPAL COORDINATOR FORWARD PLANNING MEGAN MUNARI
RESPONSIBLE OFFICER:	MANAGER FORWARD PLANNING STEWART SEALE

EXECUTIVE SUMMARY

This report recommends that Council make a submission to the Sydney Central City Planning Panel on the planning proposal to facilitate a high rise apartment development at the Bull and Bush Hotel site. The report provides the detail of a submission and raises the key issues with the proposal, including infrastructure provision, housing diversity, the delivery of community and library floor space and development controls.

Council has previously considered this planning proposal and initially resolved to proceed. However, upon further consideration of the infrastructure issues associated with the proposal Council resolved that the proposal should not proceed. The Department of Planning and Environment considered Council's request for the proposal to not proceed along with the applicant's request for an alternative planning proposal authority. The Department of Planning and Environment determined that the proposal should proceed and appointed the Sydney Central City Planning Panel as the authority for this proposal.

Council's key concerns with the proposal relate to traffic and transport infrastructure. The operation of the Windsor Road, Seven Hills Road and Old Northern Road intersection is a key constraint to further development in the Baulkham Hills Town Centre. Council has flagged the need for grade separation of this intersection to improve its performance and reduce traffic congestion in peak periods, however this solution has not received support from Roads and Maritime Services.

In addition, Council's housing diversity provisions were not supported by the Department of Planning and Environment and were required to be removed from the planning proposal. This is inconsistent with Council's policy of providing apartments that meet the projected demographic trends for the Shire.

Further, the planning proposal sought to provide community and library floor space that was proposed to be provided to Council at a discounted price via a preliminary Voluntary Planning Agreement offer. This offer was considered by Council and determined to be inadequate. The current proposal retains the community and library floor space as part of the development concept, however there is no Voluntary Planning Agreement for the developer to provide this space to Council or willingness of Council to take this space. It is likely this space will be absorbed as residential, retail or commercial floor space, which is not an appropriate outcome.

The issues raised in this report have not been addressed through the Gateway process and solutions to infrastructure shortages and traffic congestion have not been addressed. The planning proposal should not proceed until such time as these matters are resolved.

BACKGROUND

The site is located at 360-378 Windsor Road, Baulkham Hills, at the junction of Windsor Road, Seven Hills Road and Old Northern Road. The site has a total area of approximately 9,250m² and currently contains a pub known as the 'Bull and Bush Hotel' which is listed as an Item of Environmental Heritage within Schedule 5 of LEP 2012. The significance of the item lies in its continuity of use from 1822 to the present as an inn at the junction of the two major roads which opened up the Hawkesbury, the Cumberland Plain and the Hunter to European Settlement.

Adjoining land uses include commercial strata development to the west, Conie Avenue Reserve to the north-west, and the Baulkham Hills Community Centre to the north. An aerial photograph of the site is provided below.

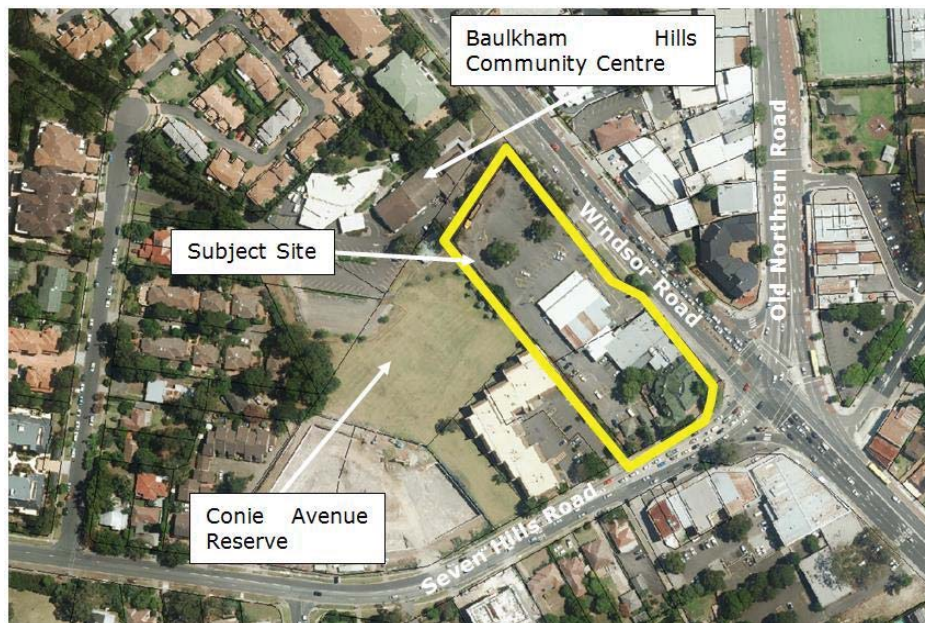


Figure 1
Aerial Photograph - Subject Site

The proposal seeks to rezone the site from R1 General Residential to the B2 Local Centre zone and increase the achievable maximum height of buildings and floor space ratio applying to the site. The amendment would facilitate a mixed use retail/commercial and residential development on the site which includes the following:

- A minimum of 6,040m² of commercial and retail floor space (including a hotel/pub);
- A minimum of 2,500m² of community floor space (including library and community centre floor space); and
- 20,582m² of residential floor space (approximately 200 units).

The built form would consist of three buildings, two being 15 storeys and the remaining building being 8 storeys. The proposed built form massing is included within the following figure.

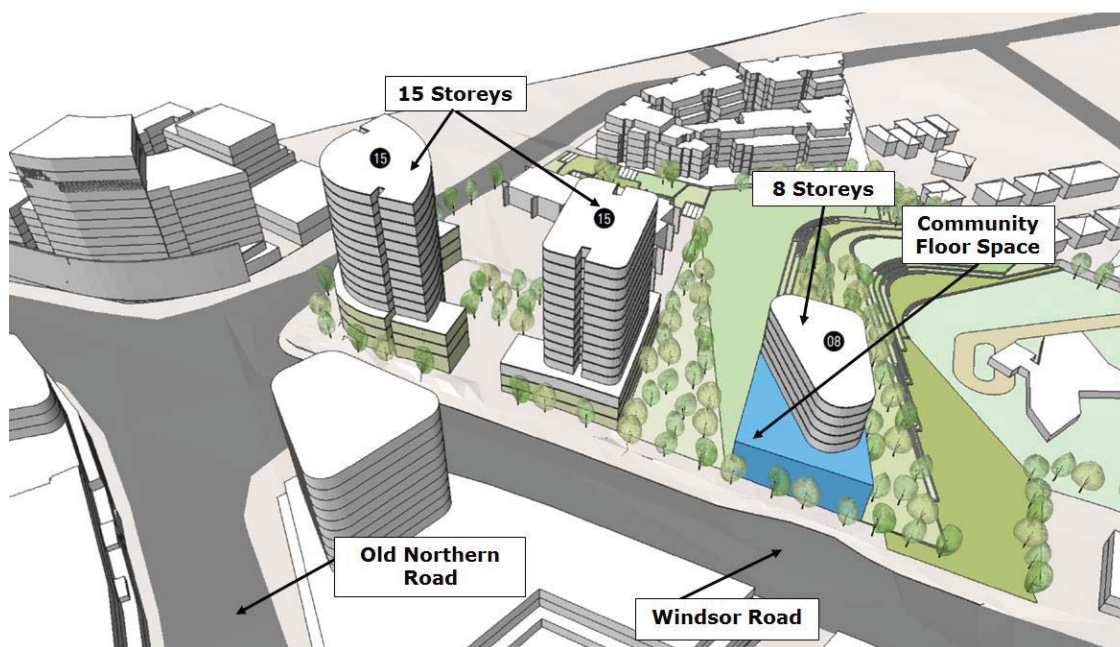


Figure 2
Built Form Photomontage – Current Concept

The planning proposal, as submitted to the Department of Planning and Environment, sought to utilise a development incentive provision (including a base Floor Space Ratio and an Incentive Floor Space Ratio), where the maximum development potential for the land, being a height of building requirement of 49 metres and a Floor Space Ratio of 3.2:1, would only be achieved if the development complied with the following requirements:

- The development provides a minimum of 6,042m² of commercial and retail floor space (including the hotel/pub);
- The development provides a minimum of 2,502m² of community floor space;
- The development provides a Family Friendly Dwelling Mix (minimum of 20% 3 bedroom apartments and a maximum of 25% 1 bedroom apartments);
- The development provides a Diversity of Housing (at least 40% of all 2 bedroom dwellings and 40% of all 3 bedroom dwellings have a minimum internal floor area of 110m² and 135m² respectively);
- The provision of car parking shall not be less than the following:
 - 1 space per 1 bedroom unit;
 - 1.5 spaces per 2 bedroom unit;

- 2 spaces per 3 bedroom unit;
- 2 visitor spaces per 5 units.

The proposed provision was very similar to the approach which the Department has agreed to for land within the Sydney Metro Northwest Corridor. The maximum FSR would only be permitted if the development complies with all of the above requirements. If the developer decided to not comply with one or more to the above requirements, the maximum development potential of the site would be 1:1.

In recognition of the need for an agreed methodology and consistent policy for housing diversity, on 10 January 2017 a letter was sent to the Department of Planning and Environment requesting the commencement of negotiations for the preparation of a development incentive provision that would facilitate the delivery of housing diversity for land outside of the Sydney Metro Northwest Corridor. A potential methodology was supplied with the letter.

The Minister for Planning the Hon. Anthony Roberts MP responded to Council's request on 1 May 2017. Within this letter the Minister stated that he did not support Council's request. The basis of this decision was that the area outside of the Sydney Metro Northwest Corridor is not subject to the same rate of change as land within the Corridor, and that there are no special circumstances for land outside the Corridor that differentiate it from land elsewhere in the metropolitan Sydney. Furthermore the Minister outlined that he is concerned that increasing the standards that apply to apartments will adversely impact on housing affordability and undermine the Government's priority to deliver housing and increase supply.

A conditional Gateway Determination was subsequently issued for the planning proposal on 12 May 2017. A condition of the Gateway Determination required the removal of the housing diversity provision, updates to specialist studies to reflect this change and inclusion of maps in the proposal.

On 12 December 2017 Council considered a report regarding the Voluntary Planning Agreement offer and the conditions of the Gateway Determination. Council resolved that:

1. *Council not proceed with the Planning Proposal (19/2016/PLP) which seeks to amend the land zoning, height of buildings and floor space ratio for the Bull and Bush Hotel site at 360-378 Windsor Road, Baulkham Hills (Lots 1 and 2 DP 783941).*
2. *The draft Voluntary Planning Agreement not proceed to public exhibition.*

REPORT

The purpose of this report is to provide a submission for Council to make to the Sydney Central City Planning Panel regarding a planning proposal for the Bull and Bush Hotel site in Baulkham Hills.

ALTERNATIVE PLANNING PROPOSAL AUTHORITY

Following Council's resolution on 12 December 2017, the Minister for Planning was notified of Council's decision and a request was made that the plan not proceed. At this time, the applicant wrote to the Department of Planning and Environment and requested an alternative planning proposal authority be appointed for the proposal. On 6th June 2018 the Department of Planning and Environment appointed the Sydney Central City Planning Panel as the planning proposal authority for this proposal.

The planning proposal now has no site specific clauses proposed and will make the following amendments to the Hills LEP 2012 for the subject site:

- Rezone the site from R1 General Residential to B2 Local Centre
- Increase the Maximum Floor Space Ratio from 1:1 to 3.2:1; and
- Increase the Maximum Building Height from 12m to 49m.

On 31st October 2018 the Sydney Central City Planning Panel considered a revised planning proposal and resolved to proceed to public exhibition of the planning proposal.

KEY ISSUES

The key issues with the planning proposal are detailed below:

1. Strategic Context and Consistency

The Greater Sydney Region Plan and Central City District Plan both identify the need for growth, supported by infrastructure, to deliver the 30-minute city. The strategic planning framework has a strong emphasis on infrastructure to support growth. The success of the plan will be measured against the outcomes achieved by city-shaping infrastructure that facilitates the three cities and city-serving infrastructure that is sequenced and aligned with forecast growth. The Central City District Plan identifies that the NSW Department of Planning and Environment is the lead agency in delivering transformative corridors including, new land release areas, city-shaping transport investment and urban renewal by preparing infrastructure schedules and funding options.

Future Transport 2056 identifies city-shaping transport projects that will, in the long term, improve accessibility to jobs and services, and act as a stimulus for additional housing supply. As part of aligning infrastructure delivery and forecast growth, the Central City District Plan encourages Councils to investigate and recognise opportunities for long-term housing supply associated with city-shaping transport corridors; growing, emerging and new centres; and other areas with high accessibility.

Baulkham Hills is currently not part of the city-shaping network. It does not have high capacity, high frequency services. However, it is located on a future city-shaping corridor, identified in the aspirational plans for 2056. In the future, Baulkham Hills may have high capacity turn-up-and-go services, as part of the future network across Greater Sydney.

The key objective of the 30 minute city requires significant infrastructure investment to come fruition. At this point in time there is no certainty with respect to the infrastructure investment needed in Baulkham Hills to support increased density. While the long term strategic planning points to much improved transport services for Baulkham Hills, until there is certainty regarding the funding, timing and delivery of this infrastructure it would be unwise to increase densities on an ad hoc basis. In addition, Council is currently preparing its Local Strategic Planning Statement and with this will identify how it will meet the long term housing supply targets. This strategic approach to delivering housing supply will enable it to align with infrastructure delivery.

There are a number of other developments currently under construction or seeking development consent that will also contribute to the demand for further traffic infrastructure in the locality. While these developments will contribute to the overall vibrancy of the centre, it would be unwise to permit additional density until such time as the strategic context and infrastructure investment align to deliver the best outcomes for the community.

2. Traffic Infrastructure

The subject site is located at the intersection of Old Northern Road, Windsor Road and Seven Hills Road. This intersection directs a large volume of regional traffic through the Baulkham Hills Town Centre. The existing intersection configuration consists of between three and five approach lanes on each leg of the intersection, in a mixture of through and turning lanes. The large number of approach lanes at the existing intersection reflects the high volume of traffic passing through the intersection and the resultant conflicting priority of movement. The existing network in the vicinity of this intersection is heavily congested, as a result of the poor intersection performance.

Council has advocated either a partial or full grade separation of this intersection to improve the intersection capacity and the through traffic speed for some time. This approach to resolving the traffic congestion in this locality has not been supported by State government or Roads and Maritime Services to date. As these are regional roads and the majority of traffic is through traffic. It is the responsibility of the RMS to resolve this issue, but they appear unwilling at this point in time. Increased development potential that would have impact on these roads should not be supported until such time as the responsible State government authorities have a clear plan for ensuring these roads operate at acceptable levels.

Council's own studies that have analysed the intersection of Seven Hills Road, Windsor Road and Old Northern Road indicate that this intersection is already failing. The existing conditions quoted in the applicant's traffic report indicate that the intersection operates at a level of service 'E' with an average delay of 70 seconds in the evening peak period (at May 2015). Reports commissioned by Council indicate that the intersection operates at level of service 'F' with average delays of 95 seconds in the morning peak and 88 seconds in the afternoon peak (November 2014). This study includes analysis of options for grade separation of this intersection to improve the intersection operation.

The traffic report provided does not include accurate calculation of car parking numbers. It relies on outdated information from previous versions of the planning proposal and design concept. The report uses the 'centres' car parking rate from the Hills DCP 2012 development, which are the appropriate car parking rates for the development. The traffic report states that this is excessive and will be reviewed at the Development Application stage. The 'centres' car parking rate is a reduced rate, compared to other locations, acknowledging the services within walking distance of the site. Review of development standards such as car parking rates is not appropriate at the Development Application stage. Further, there is currently no transport infrastructure investment that warrants a further reduction in car parking rates. The car parking rate should remain as the 'centres' rate, as this is deemed appropriate for a centre of this size and accessibility.

The traffic report also notes that an upgrade of the intersection of Conie Avenue and Seven Hills Road to signals is proposed, however this is not the case. There are upgrades to the Arthur Street and Seven Hills Road intersection included in Council's Section 7.12 Contributions Plan, however this will not improve access to the subject site significantly.

Traffic report notes that Council is negotiating with RMS regarding upgrades to Windsor Road, Seven Hills Road and Old Windsor Road intersection. Council has approached the State government regarding this intersection several times and had little success in getting any works or plans prioritised. This intersection is not Council's responsibility, as the roads are RMS controlled. The traffic report notes that if no upgrades occur the intersection will

operate at Level of Service 'F'. It is not appropriate to enable increased density in this locality without upgrades to the road network to improve the current situation.

The traffic report and issues with regional traffic infrastructure need to be addressed before the planning proposal proceeds. The issue of regional traffic infrastructure is the responsibility of Roads and Maritime Services.

3. Housing Diversity

The planning proposal originally supported by Council included a local incentive provision which ensures that the uplift generated by the planning proposal can only be achieved where the development delivers the housing product that meets Council's apartment mix, apartment size and centres' car parking rate. The proposed provision is very similar to the approach which the Department has agreed to for land within the Sydney Metro Northwest Corridor. The base Floor Space Ratio would be the existing 1:1 which currently applies to the site. This is consistent with the agreed position for proposals within the Sydney Metro Northwest Corridor, where 1:1 was considered to be an appropriate base floor space ratio provision for land between 400m-800m of a railway station. Whilst the subject site is not located within walking distance of a railway station it is located within a centre which is serviced by high frequency public transport services.

The Department's decision to not allow housing diversity provisions to be applied outside the Sydney Metro Northwest corridor has led to the Gateway Determination condition to remove this clause from the planning proposal. This is inconsistent with Council's policy position regarding SEPP65 and the delivery of diverse housing to meet the needs of the Shire. Further, the minimum SEPP65 apartment sizes will result in a development that does not meet the projected demographic profile of the Shire in the future.

The planning proposal should not proceed as will not provide the diversity of housing needed to support incoming future population.

4. Library and Community Floor Space

The planning proposal includes library and community centre floor space within the development. Council has considered a Voluntary Planning Agreement offer from the proponent which sought to deliver a 'cold shell' at a discounted price for use as a library and community centre. This would require Council to significantly invest in the fitout of the space to make it appropriate for use by the community. Council is unwilling to take this space and it is not clear how this space will be used if Council does not take it on. The planning proposal as it stands now would allow the developer to take up this space as additional residential or commercial floor space, however this option has not been reflected in the planning proposal or supporting documentation. The planning proposal and supporting documentation should have been updated to reflect the development outcomes proposed and not include floor space that was to be provided for a library and community uses in a Voluntary Planning Agreement offer that was not accepted by Council.

If the proposal proceeds, the maximum floor space ratio applicable to the site should be reduced to reflect the reduction in floor space of the library and community centre, as this space is no longer to be used for this purpose.

5. Heritage Conservation

The development concept includes the demolition of the existing Bull and Bush Hotel and construction of a new hotel within the redevelopment, to facilitate the continuation of the site's historic use as a hotel.

A key recommendation of the heritage assessment is that future development should be preceded by appropriate archaeological investigation, archival photographic recording and the preparation and implementation of an interpretation strategy to identify significant aspects of the site to future users. In order to achieve an appropriate outcome in terms of heritage conservation, development controls were recommended to Council to achieve the re-interpretation of the hotel on the site. As Council resolved not to proceed with the proposal, draft development controls no longer form part of the proposal and as such, no controls are proposed that would guide development to deliver a new hotel on the site and undertake the recommended archaeological investigation and recording.

6. Development Control Plan

Council has previously prepared draft development controls to support this planning proposal, in recognition of the existing development control plan anticipating a significantly less dense development with built form that complies with the current LEP standards. If the planning proposal proceeds and amends the LEP standards, but no amendments are made to the development control plan, the two plans will be inconsistent. This will create uncertainty as to the intended development outcomes on the site and cause delays and difficulty with the consideration of any future development application.

The purpose of the development controls is to regulate future development so as to ensure that the objectives of the zone and the desired future character for the site are achieved. If the proposal is to proceed, it is recommended that the Panel direct the applicant to prepare development controls for the site.

Any draft development controls would need to reflect the final development outcome, including the removal of the library / community floor space and any other changes required in response to submissions.

7. Local Infrastructure

Council's Section 7.12 Developer Contributions Plan does not anticipate an increase in development potential on this site. This plan levies development based on a percentage of the cost of works. However, it is noted that the proposed 200 additional dwellings were not originally envisaged on the site and as such have not been accounted for in the planning of local infrastructure within and within the vicinity of the town centre. Accordingly, any additional population on the subject site will generate additional demand, over and above the demand, originally forecast for the area.

The 200 additional dwellings proposed by the current planning proposal would generate the need for approximately:

- 10% of a new sports field;
- 10% of a local park;
- 10% of a netball court;
- 10% of a tennis court; and
- 4% of a local community centre.

The Voluntary Planning Agreement offer put to Council was not adequate to deal with the increase in demand for public infrastructure and as such the applicant has not resolved how the increase in additional infrastructure demand will be met. The strategic planning framework emphasises the delivery of infrastructure to support growth. This is best done through holistic contributions planning in situations such as Baulkham Hills Town Centre where significant uplift is envisaged.

CONCLUSION

It is recommended that this report form Council's submission to the Sydney Central City Planning Panel with respect to the planning proposal for the Bull and Bush site. The planning proposal has significant unresolved issues including the delivery of traffic and transport infrastructure to support growth in Baulkham Hills Town Centre. The planning proposal should not progress until a solution to the traffic congestion in the locality is available.

IMPACTS**Financial**

This matter has no direct financial impact upon Council's adopted budget or forward estimates.

Strategic Plan - Hills Future

The planning proposal would not facilitate development that meets the needs and aspirations of the Shire's residents.

RECOMMENDATION

This report form Council's submission to the Sydney Central City Planning Panel regarding the planning proposal for the Bull and Bush site.

ATTACHMENTS

Nil.