

THE HILLS SHIRE COUNCIL

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14 April 2016

Ms Catherine Van Laeren
Department of Planning & Environment
GPO Box 39
SYDNEY NSW 2001

Our Ref: 5/2016/PLP

Ms Van Laeren

PLANNING PROPOSAL – 2-6 AND 7 MAITLAND PLACE, BAULKHAM HILLS

The Hills Local Environmental Plan 2012 (Amendment No. (#)) – to rezone 7 Maitland Place, Baulkham Hills from B7 Business Park to part R4 High Density Residential and part B7 Business Park and amend the maximum permissible building height, floor space ratio and minimum lot size applicable to the land and amend the maximum permissible building height and floor space ratio applicable to land at 2-6 Maitland Place, Baulkham Hills (5/2016/PLP)

Pursuant to Section 117(2) of the *Environmental Planning and Assessment Act 1979* (EP&A Act), it is advised that Council has resolved to prepare a planning proposal for the above amendment.

Please find enclosed the information required in accordance with the guidelines 'A *guide to preparing planning proposals*' issued under Section 55(3) of the EP&A Act. The planning proposal and supporting material is enclosed with this letter for your consideration. It would be appreciated if all queries by the Panel could be directed to Council's A/Principal Forward Planner Nicholas Carlton on 9843 0416.

The planning proposal seeks to amend the zoning, building height, floor space ratio and minimum lot size applicable to land at 7 Maitland Place, Baulkham Hills and amend the building height and floor space ratio applicable to land at 2-6 Maitland Place, Baulkham Hills. The planning proposal would facilitate approximately 369 new dwellings on the site and approximately 6,700m² of non-residential floor space (approximately 276 jobs).

Following receipt by Council of the Department's written advice, Council will proceed with the planning proposal. Any future correspondence in relation to this matter should quote reference number 5/2016/PLP. Should you require further information please contact Nicholas Carlton, A/Principal Forward Planner on 9843 0416.

Yours faithfully



Stewart Seale

MANAGER FORWARD PLANNING

Enclosed CD containing:

1. Planning Proposal – 5/2016/PLP (Including Attachments A and B)
2. Attachment C – Council Report and Minute (22 March 2016)
3. Attachment D – Proponent's Application (Planning Report)
4. Attachment E – Urban Design Report
5. Attachment F – Traffic Report, Traffic
6. Attachment G – Economic Justification Report, MacroPlanDimasi
7. Attachment H – Draft Local Incentives Provision

PLANNING PROPOSAL

LOCAL GOVERNMENT AREA: The Hills Shire Council

NAME OF PLANNING PROPOSAL: Proposed The Hills Local Environmental Plan 2012 (Amendment No (#)) – to rezone 7 Maitland Place, Baulkham Hills from B7 Business Park to part R4 High Density Residential and part B7 Business Park and amend the maximum permissible building height, floor space ratio and minimum lot size applicable to the land and amend the maximum permissible building height and floor space ratio applicable to land at 2-6 Maitland Place, Baulkham Hills (5/2016/PLP)

ADDRESS OF LAND: 2-6 and 7 Maitland Place, Baulkham Hills (Lot 22 DP1034506 and Lot 1 DP866565).

SUMMARY OF HOUSING AND EMPLOYMENT YIELD:

	EXISTING	PROPOSED	TOTAL YIELD
Dwellings	0 (potential for 80)	369	369
Jobs	45 (potential for 580)	276	231

SUPPORTING MATERIAL:

Attachment A	Assessment against State Environment Planning Policies
Attachment B	Assessment against Section 117 Local Planning Directions
Attachment C	Council Report and Minute 22 March 2016
Attachment D	Proponent's Application (Planning Report)
Attachment E	Urban Design Report
Attachment F	Traffic Report, Traffix
Attachment G	Economic Justification Report, MacroPlanDimasi
Attachment H	Draft Local Incentives Provision

THE SITE:

The site is known as 2-6 and 7 Maitland Place, Baulkham Hills comprising two (2) allotments, being Lot 22 DP1034506 (2-6 Maitland Place) and Lot 1 DP866565 (7 Maitland Place). The site is located within the north eastern portion of the Norwest Business Park and is approximately 550 metres walking distance from Norwest Marketown and the Norwest Train Station. The site has a combined total area of approximately two (2) hectares.

The site is irregular in shape and has frontages to Maitland Place, Solent Circuit, Columbia Way and Spurway Drive. Access to the site is via the cul-de-sac of Maitland Place, located off Solent Circuit. The rear (northern) boundary of the site adjoins Spurway Drive however there is currently no access to the site from this road. Spurway Drive is currently a private road however a recent planning proposal relating to land at 47 Spurway Drive and 30 Fairway Drive includes the upgrade and dedication of Spurway Drive as a public road connecting Windsor Road to Fairway Drive.

The site adjoins the Norwest Town Centre Residential Development (East Precinct) to the west which is zoned R4 High Density Residential and although being currently vacant, is subject to existing approvals for approximately 354 dwellings in the form of townhouses and residential flat buildings up to seven (7) storeys in height. Adjoining land to the east is zoned B7 Business Park and is occupied by two (2) storey commercial development. Castle Hill Country Club and a seniors living development known as Castle Pines adjoins the site to the north and is zoned RE2 Private Recreation.

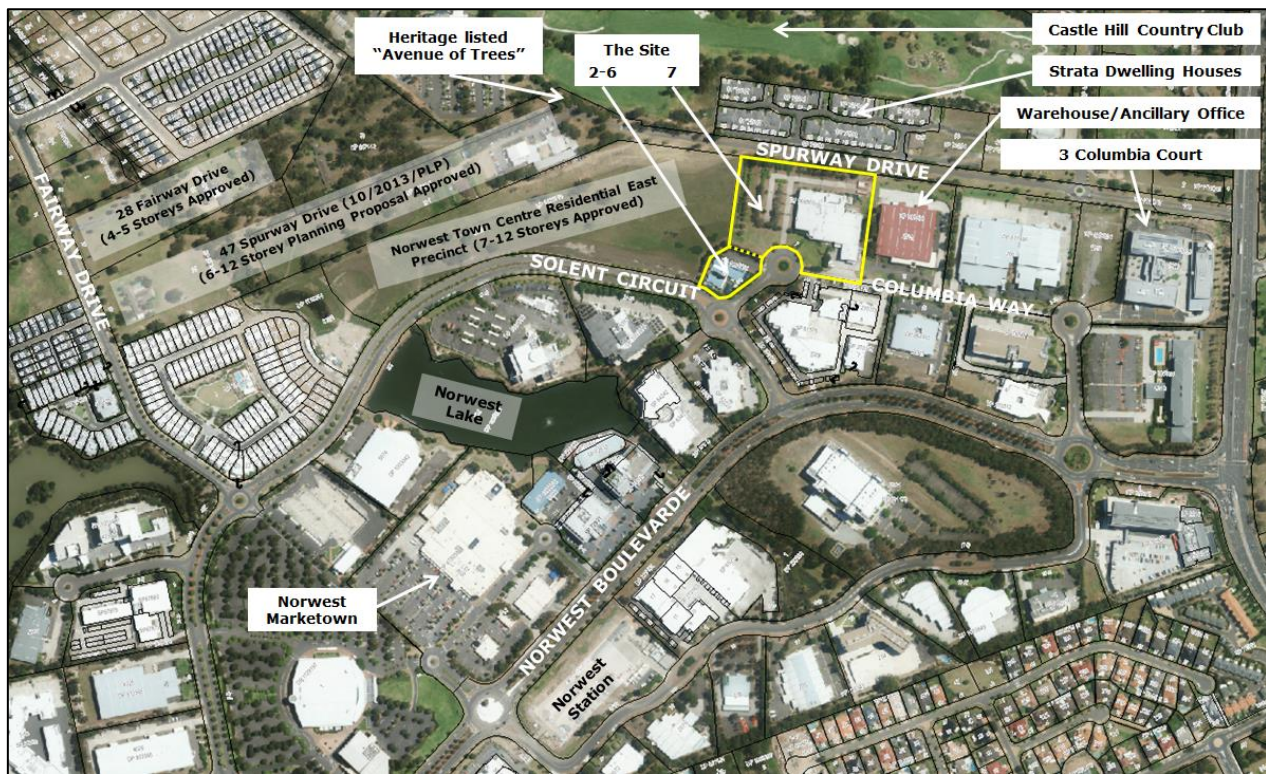


Figure 1
Aerial view of the site and surrounding locality

The portion of the site known as 2-6 Maitland Place has an area of 2,648m² and is currently zoned R4 High Density Residential under LEP 2012 with a maximum height limit of RL 116 metres (which would allow for approximately 10 storeys). This portion of the site currently accommodates a child care centre, however, if redeveloped under the current controls could accommodate high density residential development with a yield of approximately 80 dwellings.

The portion of the site known as 7 Maitland Place has an area of 17,390m² and is currently zoned B7 Business Park under LEP 2012 with a maximum height limit of RL 116 metres (which would allow for approximately 10 storeys) and a maximum FSR of 1:1. This portion of the site currently accommodates a warehouse development and two (2) storey offices with a gross floor area of 7,400m². If redeveloped under the current controls this portion of the site could accommodate up to 17,390m² of commercial floor space (with potential to cater for approximately 580 jobs).

PART 1 OBJECTIVES OR INTENDED OUTCOME

The planning proposal seeks to allow for a mixed use development outcome on the site of up to 369 dwellings and approximately 6,700m² of non-residential floor space.

In support of the planning proposal, the applicant has submitted a design concept illustrating the intended future development outcomes for the site. The concept demonstrates that the proposed amendments would allow for a mix of residential and commercial development on the site including a child care centre, retail space, a health and fitness centre and a range of medical services and facilities. The design concept envisages six (6) buildings on the site ranging in height from four (4) to nine (9) storeys with two 'trophy' buildings of 20 and 25 storeys in height.



Figure 2

Proposed building platforms and height (left) and view of 25 storey tower from the east (right)

The proposal also seeks to provide a new local road connection from Maitland Place to Spurway Drive which would be dedicated to Council following construction. This proposed road would be approximately 137 metres long and once dedicated, would divide the site into two physically separate parcels of land (west - 12,285m² zoned R4 High Density Residential and east - 4,959m² zoned B7 Business Park).

PART 2 EXPLANATION OF THE PROVISIONS

To achieve this, the planning proposal seeks to amend LEP 2012 to:

1. Rezone land at 7 Maitland Place, Baulkham Hills from B7 Business Park to part R4 High Density Residential and part B7 Business Park;
2. Apply a "base floor space ratio" of 1:1 and an "incentivised floor space ratio" of 3:1 to land at 2-6 Maitland Place, Baulkham Hills and the proposed R4 High Density Residential portion of land at 7 Maitland Place, Baulkham Hills;
3. Increase the maximum floor space ratio from 1:1 to 1.5:1 for the proposed B7 Business Park portion of land at 7 Maitland Place, Baulkham Hills;
4. Increase the maximum building height from RL 116 metres to RL 169 metres for land at 2-6 Maitland Place, Baulkham Hills and the proposed R4 High Density Residential portion of land at 7 Maitland Place, Baulkham Hills;
5. Reduce the minimum lot size from 8,000m² to 4,000m² for land at 7 Maitland Place, Baulkham Hills;
6. Identify 2-6 and 7 Maitland Place, Baulkham Hills as "Key Site M" on the Key Site Map; and

7. Include a local provision which ensures that the “incentivised floor space ratio” for residential development can only be achieved where the proposed development complies with Council’s apartment size, mix and car parking requirements and provides the proposed local road through the site.

PART 3 JUSTIFICATION

SECTION A - NEED FOR THE PLANNING PROPOSAL

1. *Is the planning proposal a result of any strategic study or report?*

The planning proposal has been initiated by a private landowner. However, the site forms part of the Sydney Metro North West Corridor for which Council has recently undertaken a strategic review of redevelopment opportunities around future railway stations. This work was completed to build on the existing NSW Government North West Rail Link Corridor Strategy and is contained within *The Hills Corridor Strategy*.

2. *Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?*

Yes, the planning proposal is considered to be the best way to achieve the intended outcomes for the site.

The proposed amendments will facilitate an increased density of residential development on the site, providing additional housing in a strategic location close to the Norwest rail station and employment opportunities within the Norwest business park, whilst also maintaining a commercial function on the eastern portion of the site.

Given the site forms part of the Norwest station precinct, it would be subject to future precinct planning and potential planning control amendments to achieve the desired development outcomes for the site. The planning proposal has simply expedited consideration of desired outcomes for the site, accelerating the provision of housing and employment to support the future railway.

SECTION B - RELATIONSHIP TO STRATEGIC PLANNING FRAMEWORK

3. *Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Plan for Growing Sydney)?*

Yes, a discussion of consistency is provided below.

- **A Plan for Growing Sydney**

On 14 December 2014, the NSW Minister for Planning released ‘A Plan for Growing Sydney’. The Plan is intended to guide land use planning decisions for the next 20 years and presents a strategy for accommodating Sydney’s forecast population growth over this time. To achieve the Government’s vision for Sydney as a “strong global City and a great place to live”, the Plan sets out four (4) main goals, for Sydney to be:

- A competitive economy with world-class services and transport,
- A City of housing choice with homes that meet our needs and lifestyles,
- A great place to live with strong, healthy and well-connected communities, and
- A sustainable and resilient City that protects the natural environment and has a balanced approach to the use of land and resources.

A key principle for growth includes increasing the housing choice around centres by accelerating the housing supply and renewal and by improving housing choice. The planning

proposal seeks to facilitate the delivery of housing close to an existing local centre and the Norwest rail station.

While the proposal would result in an overall reduction in the amount of *potential* floor space area for employment uses within the Norwest Specialised Centre, it will facilitate redevelopment of the site to provide greater employment opportunities when compared with the existing use of the site and as such, will ultimately comply with the Plan's Direction to "*grow strategic centres and provide more jobs closer to home*".

- **North West Rail Link Corridor Strategy**

The NSW Government Corridor Strategy provides a vision for how the areas surrounding the eight (8) new stations of the Sydney Metro Northwest could be developed to integrate new homes and jobs.

The Norwest Structure Plan projects that within the Norwest Station Precinct, an additional 4,350 dwellings will be provided by 2036 including approximately 2,700 new dwellings in 3-6 storey apartment buildings and 350 dwellings in 7-12 storey apartment buildings. The Structure Plan also projects that the Norwest Station Precinct will accommodate 13,200 additional jobs by 2036 which would see transition away from warehousing/distribution (a reduction of approximately 2,000 jobs), a small growth in retail jobs (by approximately 1,000 jobs) and a substantial increase in commercial/office jobs (by approximately 14,200).

The Structure Plan identifies approximately 13% of the site (2-6 Maitland Place – currently zoned R4 High Density Residential) as being suitable for High Density Apartment Living which could comprise 7-12 storey apartment buildings, carefully master planned around communal open spaces and incorporating landscaped setbacks to existing streetscapes. The Corridor Strategy assumes a floor space ratio of between 3:1 and 4:1 on this portion of the site which would result in a projected yield of between 80 to 106 dwellings.

The Structure Plan identifies the remaining 87% of the site (7 Maitland Place – currently zoned B7 Business Park) as being able to accommodate commercial offices which encourage the emergence of a prominent employment area within the Norwest Business Park. The Corridor Strategy assumes a floor space ratio of between 2:1 and 4:1 on this portion of the site which would result in between 35,000m² and 70,000m² of commercial floor space accommodating between 1,400 and 2,800 new jobs.



Figure 3

North West Rail Link Corridor Strategy 'High Density Apartment Living' (left) and 'Business Park' (right) character areas

It is noted that the proposed development outcome for the site of 369 residential units (with a maximum building height of 25 storeys) and approximately 6,700m² of commercial floor space

(accommodating up to 276 jobs) differs to that identified within the Corridor Strategy (providing marginally higher residential yield and marginally lower commercial yield). However, it is noted that the Corridor Strategy did not take a fine grained look at this site and nor did it envisage the road connection to Spurway Drive. Accordingly, the Corridor Strategy was the precursor to more detailed planning investigations, which have been undertaken as part of this planning proposal.

It is considered that the inconsistencies between the Corridor Strategy and the planning proposal are justified based on the following:

- The Corridor Strategy did not take a fine grained look at the site, nor did it envisage a new local road connection through the site. The planning proposal process allows for expedited consideration of desired outcomes for the site in advance of the master planning for the entire Norwest precinct. The detailed investigations for this site have identified the opportunity to provide a new local road through the site and to create a logical and coherent boundary between residential and commercial uses within the precinct. Having regard to the detailed investigations and desired outcomes for this specific site, and noting that the proposal facilitates redevelopment of a short term opportunity site with an increased residential and commercial yield as compared with the existing use, the inconsistency of the proposal with the Corridor Strategy is considered justified;
- With respect to the provision of lesser employment floor space than envisaged under the Corridor Strategy, it is considered that this inconsistency is also justified on the basis that the detailed investigations for this site have identified the opportunity to provide a new local road through the site and to create a logical and coherent boundary between residential and commercial uses within the precinct (which results in a reduction in the area of the site identified for employment land). It is noted that the detailed master planning for the Norwest rail precinct has not yet commenced and it is considered that any shortfall in the provision of jobs on the site could be easily accommodated on remaining employment lands within the Norwest Business Park, as determined appropriate through more detailed investigations. These opportunities exist in key locations including, but not limited to, the remainder of B7 Business Park land along Columbia Way to the east of the site.

While the planning proposal does not deliver the specific outcomes envisaged for the site under the Corridor Strategy, this is considered reasonable as the proposal will facilitate the redevelopment of a short term opportunity site in close proximity to the Norwest rail station, will improve the permeability of the local road network within the Business Park, will create a logical and coherent boundary between residential and commercial uses and will ultimately contribute to the delivery of new dwellings and jobs (albeit to a lesser extent than envisaged) within the Norwest rail precinct.

4. Is the planning proposal consistent with the local council's Community Strategic Plan, or other local strategic plan?

- **The Hills Future Community Strategic Plan**

The planning proposal seeks to promote the better usage of existing land and capitalise on the strategic location of the site. The proposal, would reduce the overall potential for employment floor space on the site (as compared with the existing controls) however given the strategic location of the site within the Norwest rail precinct and the opportunity for the site to provide a logical and coherent boundary between land zoned R4 High Density Residential (to the west) and B7 Business Park (to the east), it is considered that the mixed use outcome which could be facilitated by the planning proposal is appropriate.

The planning proposal is considered to be consistent with the following Hills Future Community Outcomes:

- Vibrant Communities – Public spaces area attractive, safe and well maintained providing a variety of recreational and leisure activities to support active lifestyle;
 - Vibrant Communities – A connected and supported community with access to a range of services and facilities that contribute to health and wellbeing;
 - Balanced Urban Growth – Safe, convenient and accessible transport options that enable movement through and within our Shire;
 - Balanced Urban Growth – Responsible planning facilitates a desirable living environment and meets growth targets;
- **Local Strategy**

Council's Draft Local Strategy was adopted in 2008, it is the principal document for communicating the future planning of the Shire and includes the objectives of longer term planning projects of the State Government as well as responding to, and planning for, local needs such as employment, housing and transport.

The draft Local Strategy was adopted principally as a land use planning document to guide local planning and reflect the following five key themes of "Hills 2026 Community Strategic Direction: Looking Towards the Future":

- Resilient Local Leadership;
- Vibrant Communities;
- Balanced Urban Growth;
- Protected Environment; and
- Modern Local Economy.

The Local Strategy continues to provide a clear statement of the overall strategic land use management and planning objectives for the Hills Shire. However, it is noted that the dwelling and job growth targets detailed within the Local Strategy represent Council's projected growth targets as at June 2008.

The key directions and objectives of the Local Strategy relevant to this proposal are:

- R1 Accommodate population growth;
- R2 Response to changing housing needs;
- R4 Facilitate quality housing outcomes;
- E1 Accommodate the growth of a local economy to meet community needs;
- E3 Promote growth in local business and employment opportunities;
- E4 Enhance the use and viability of existing employment lands; and
- E6 Encourage quality employment lands.

The planning proposal is consistent with the principles of the Local Strategy Residential Direction as it seeks to provide additional residential accommodation in close proximity to the Norwest Town Centre, employment opportunities within Norwest Business Park and existing and planned services and infrastructure. Notwithstanding the strategic justification for residential development on the site, it is noted that residential development on the site is not required to meet Council's projected housing growth targets within the Local Strategy.

The Employment Lands Direction identifies Norwest Business Park as a key employment destination within the Shire and seeks to support the *"core economic role of the Norwest Business Park"* as a *"premiere professional employment precinct with a focus on professional, scientific and technical service industries"*. The Direction also identifies the need for sufficient commercial office space to be provided to match the skills of residents within the Shire.

It is acknowledged that the type and extent of non-residential floor space proposed will not contribute to employment growth and the provision of commercial office space within the Norwest Business Park. Notwithstanding this, it is noted that the proposal will allow for the redevelopment of the site with greater employment capacity than the current use. Further, the range of non-residential uses proposed are complementary to and necessary for the function and operation of the Business Park and would support the viability of the Norwest Business Park as well as the diversification of industry promoting a Norwest Business Park that is more resistant to external shocks.

In light of the above, and the outcomes of the detailed investigations for this site which have identified the opportunity to provide a new local road through the site and to create a logical and coherent boundary between residential and commercial uses within the precinct, it is considered that the inconsistency of the proposal with the Employment Lands Direction is justifiable.

- **The Hills Corridor Strategy**

The Hills Corridor Strategy was adopted by Council on 24 November 2015 to build upon the platform established by the NSW Governments Corridor Strategy and articulate redevelopment opportunities arising from the Sydney Metro Northwest around each of the seven (7) stations that are within, or close to, the Shire. It is underpinned by guiding principles that reflect the long held strategic direction of Council that is embedded in Council's Local Strategy and Local Environmental Plan (LEP) with the key being a hierarchy of zones that see the greatest densities closer to the transport or centres, while maintaining low density housing choices in more peripheral locations.

The Strategy identifies Norwest Business Park as major specialised centre and seeks to reinforce the centre as a key employment destination, becoming the largest employment centre for the North West. The Hills Corridor Strategy identifies opportunity for 5,320 additional dwellings and 14,450 additional jobs within the Norwest Precinct by 2036.

To achieve this, the Strategy identifies the site as being suitable for commercial development with a minimum floor space ratio of 1.5:1. Based on this assumption, the site would be expected, under The Hills Corridor Strategy to accommodate a minimum of approximately 30,000m² of commercial floor space (approximately 1,000 jobs). The Strategy anticipates a commercial outcome on the site of a greater intensity than the current use, with no residential development.

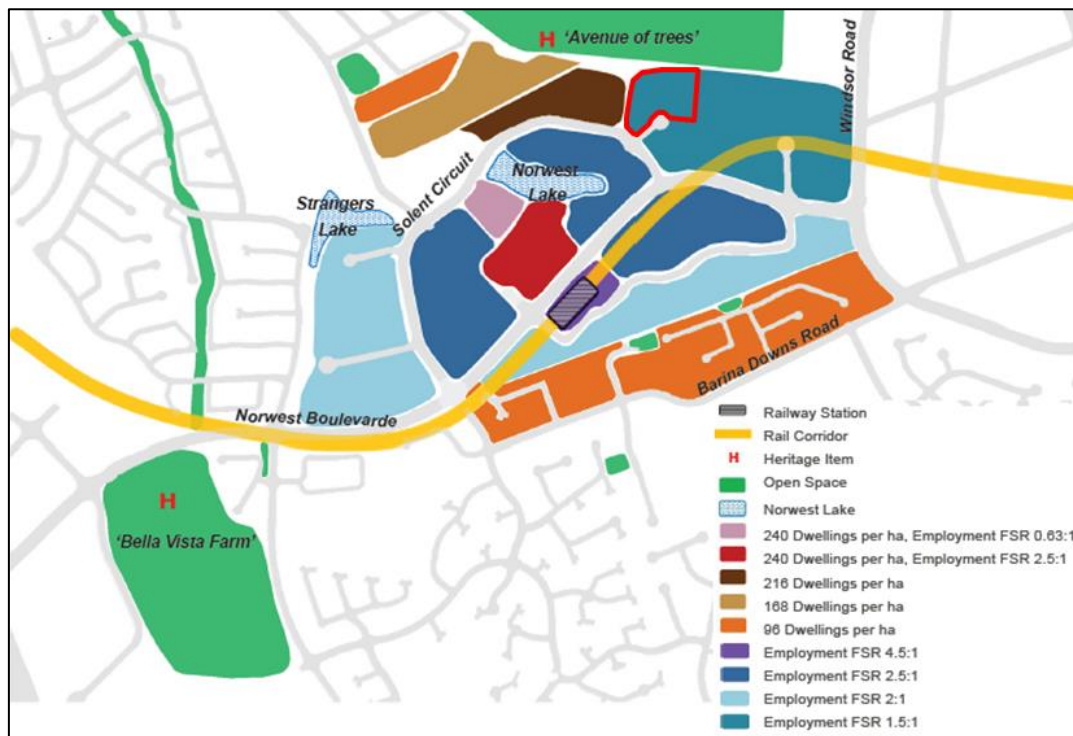


Figure 4

The Hills Corridor Strategy Norwest Station Precinct Desired Outcomes

The proposal would facilitate a development outcome that is inconsistent with the Hills Corridor Strategy as it provides a substantially greater residential yield and reduces the extent of commercial floor space and employment opportunities identified for the site (providing only 276 jobs versus a projected minimum of 1,000 jobs under the Strategy).

It is considered that this inconsistency is justified on the basis that the detailed investigations for this site have identified the opportunity to provide a new local road through the site and to create a logical and coherent boundary between residential and commercial uses within the precinct through a mixed use development outcome (with a reduction in the area of the site identified for employment land). It is noted that the detailed master planning for the Norwest rail precinct has not yet commenced and it is considered that any shortfall in the provision of jobs on this site could be easily accommodated on remaining employment lands within the Norwest Business Park, as determined appropriate through more detailed investigations. These opportunities exist in key locations including, but not limited to, the remainder of B7 Business Park land along Columbia Way to the east of the site.

5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

The planning proposal is consistent with all applicable State Environmental Planning Policies. An assessment of the proposal against applicable State Environmental Planning Policies is provided in Attachment A.

6. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

The consistency of the planning proposal with the s.117 Ministerial Directions is detailed within Attachment B. A discussion on the consistency of the proposal with each relevant Direction is provided below.

- Direction 1.1 Employment and Resources**

The objective of this Direction is to encourage employment growth, protect employment lands and support the viability of strategic centres. This Direction is relevant given the planning

proposal would reduce the area of land zoned B7 Business Park on the site, within the Norwest Business Park.

If redeveloped under existing controls, the existing portion of the site zoned B7 Business Park would be expected to accommodate up to 580 jobs. The planning proposal seeks to accommodate 276 jobs, primarily as a result of the proposed reduction in area on the site to be zoned B7 Business Park.

Accordingly, the planning proposal is inconsistent with this Direction as it reduces the area of an existing business zone and reduces the total potential floor space area for employment uses. However, taking into account the context of the site (at the interface between residential and employment land and within the Sydney Metro North West corridor) as well as the findings of the *Economic Justification* (prepared by Macro Plan Dimasi, October 2015) submitted in the support of the planning proposal, it is considered that the inconsistency is justified.

Context of the Site

The site is located at the interface between high density residential development (to the west) and commercial development (to the east). In recognition of this specific location, it is considered appropriate for the site to accommodate a mixed use development outcome, with the proposed new local road forming a logical and coherent boundary between the two land uses (such a boundary does not currently exist). While the formation of this boundary based on the proposed local road does result in a reduction in land zoned B7 Business Park on the site, this is considered reasonable given the orderly development outcome which the proposal encourages.

For the purpose of assessing the implications of the loss of jobs on the subject site, consideration has also been afforded to the broader context of the site within the Sydney Metro Northwest corridor and the significant opportunities for growth in employment opportunities within the Norwest rail precinct.

Within the Norwest rail precinct the potential employment yield under existing controls will increase from 13,000 jobs in 2012 to 16,550 jobs by 2036. This equates to a total employment growth of 3,550 jobs. However, under the proposed controls contained within the Corridor Strategy the projected employment yield will increase from 13,000 jobs in 2012 to 26,200 jobs in 2016. This equates to a total employment growth of 13,200 jobs which is 9,650 jobs over and above what could be achieved under current controls.

Accordingly, whilst the *potential* employment yield on the site will reduce, the overall employment yield within the Norwest rail precinct will increase as employment lands are redeveloped. It is noted that the Corridor Strategy did not take a fine grained look at this site and was prepared as the precursor to further detailed investigations and master planning within the Norwest rail precinct. In consideration of the specific location of the site at the interface of residential and commercial land, and the opportunity for an additional road link to be provided through the site, it is considered that the detailed investigations as part of this planning proposal justify the marginal reduction in *potential* employment capacity on the site. Further, any *potential* jobs which will not be provided on the site will be easily offset within the additional 9,650 jobs proposed within the remainder of the precinct (including key employment land to the east of the site along Columbia Way). In light of the expected growth in jobs, any loss of employment potential on this site will not prevent the Shire or Subregion from achieving its overall employment targets.

Economic Justification

In accordance with Clause 5 (b) of the Direction, a planning proposal may be inconsistent with this direction where a relevant planning authority can satisfy the Secretary of the Department that the provisions of the planning proposal which are inconsistent are "*justified by a study (prepared in support of the planning proposal) which gives consideration to the objective of this Direction*".

It is considered that the *Economic Justification* (prepared by Macro Plan Dimasi, October 2015) submitted in the support of the planning proposal (Attachment G) satisfies this clause and in particular the following findings of the report are noted:

- The site current accommodates 45 jobs, comprising 25 jobs within the existing child care centre and 20 jobs within a custom built warehouse building (Sigma Pharmaceuticals). Sigma Pharmaceuticals is relocating to Victoria and the current owners of the land have been unable to secure new tenants for the building as a result of the specialised nature of the premises (custom built for pharmaceutical manufacturing). Accordingly, the current employment outcomes (of 45 jobs) on the site cannot be maintained without significant investment;
- Based on examination of market potential, Macro Plan Dimasi advises that it is their professional view that redevelopment of the site under the current controls for either stand-alone industrial or commercial uses would not be viable or feasible;
- The report advises that a development format which allows for a combination of R4 and B7 land uses enables a genuinely feasible development outcome involving a mix of commercial, retail and residential uses and represents the highest-and-best use of the site. The report advises that in the absence of a mixed use development outcome, *"it is expected that the site will struggle to even maintain its current employment yield"*; and
- The planning proposal would deliver a superior employment outcome compared with the current use of the site, providing an additional 231 jobs (276 jobs rather than 45 jobs).

The *Economic Justification* addresses each objective of Section 117 Direction 1.1 and finds that despite result in a reduction in the area of land zoned for employment and *potential* employment floor space on the site, the proposal will assist in achieving the objectives of the direction as Detailed below.

(a) *Encourage employment growth in suitable locations*

As mentioned above, the proposal would promote investment in the site and employment growth, when compared to the existing use and current employment generation and when consideration is given to the viability of redevelopment under current controls. The site is located in close proximity to amenities and services, current and future residential development and public transport. Accordingly, the proposal would ultimately encourage employment growth in a suitable location.

(b) *Protect employment land in business and industrial zones*

The *Economic Justification* states that the proposal will improve the employment outcome on the site and result in better utilisation of the employment land. It will also protect the employment function of the site by facilitating redevelopment of the site to be undertaken in a feasible manner which allows for additional employment generation when compared to the existing situation.

(c) *Support the viability of strategic centres*

The *Economic Justification* states that the proposal would strongly support the viability of the Norwest Business Park by introducing a range of services which are complementary to and necessary for the function and operation of the Business Park. Further, the report advises that *"the proposed mixed-use development achieves a highest-and-best-use outcome for the subject site, which, in the absence of redevelopment, would become subject to immense pressure to maintain its current employment functions (which is also low relative to the broader Norwest Business Park)"* and that the suggested *"uses are compatible with market need and promote industry diversification, essentially, creating a Norwest Business Park that is more resistant to external shocks"*.

Whilst the area of employment land and *potential* employment floor space will reduce as a result of this proposal, it is considered that the proposal does give effect to the objectives of this Direction as it will encourage employment growth on the site as compared with the

existing use, will result in better utilisation of the site for employment uses through facilitation of a viable/feasible development outcome and will support the viability of the Norwest Business Park. Further, it is considered that any *potential* jobs which will not be provided on the site is justifiable given the opportunity for the proposed new local road through the site to provide a logical and coherent boundary between residential and commercial land uses (which would not otherwise be provided) and the opportunity for any jobs to be easily offset by the additional jobs proposed within the remainder of the Norwest rail precinct.

Given the foregoing, any possible inconsistency with the Direction is considered justified.

- **Direction 3.1 Residential Zones**

This Direction applies when a planning proposal will affect land within any zone in which significant residential development is proposed to be permitted. This Ministerial Direction is applicable in this instance as it proposes an intensification of residential densities within an existing residential zone (and the facilitation of residential development on land not previously identified for residential development). The objectives of the Direction are:

- *to encourage a variety and choice of housing types to provide for existing and future housing needs,*
- *to make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and*
- *to minimise the impact of residential development on the environment and resource lands.*

The planning proposal is considered to be consistent with this Direction as it will broaden the choice of building types and locations available in the housing market, make more efficient use of existing infrastructure and services, and reduce the consumption of land for housing and associated urban development on the urban fringe.

The proposed local provision is entirely consistent with this Direction as it responds to the expected future demographics of The Hills Shire and aims to ensure housing product is provided which is appropriate for this demographic to meet the specific future housing needs of the area.

- **Direction 3.4 Integrating Land Use and Transport**

This Direction aims to ensure that development improves access to housing, jobs and services, increase choice of available transport, reduce travel demand, and provide for the efficient movement of freight. A planning proposal must locate zones for urban purposes and include provisions that are consistent with the aims, objectives and principles of *Improving Transport Choice – Guidelines for planning and development* (DUAP 2001) and *The Right Place for Business and Services – Planning Policy* (DUAP 2001).

The proposal is considered to be consistent with this Direction as it will facilitate development which meets the following key objectives:

- a) Improve access to housing, jobs and services by walking, cycling and public transport; and
- b) Increase the choice of available transport and reducing dependence on cars; and
- c) Reduce travel demand including the number of trips generated by development and the distances travelled, especially by car; and
- d) Support the efficient and viable operation of public transport services including the North West Transitway and the North West Rail Link.

- **Direction 5.9 North West Rail Link Corridor Strategy**

The objectives of this Direction are to promote transit-oriented development and manage growth around the eight train stations of the Sydney Metro Northwest and to ensure

development within the rail corridor is consistent with the proposals set out in the Corridor Strategy and precinct Structure Plans

The Structure Plan identifies approximately 13% of the site (2-6 Maitland Place – currently zoned R4 High Density Residential) as being suitable for High Density Apartment Living which could comprise 7-12 storey apartment buildings, carefully master planned around communal open spaces and incorporating landscaped setbacks to existing streetscapes. The Corridor Strategy assumes a floor space ratio of between 3:1 and 4:1 on this portion of the site which would result in a projected yield of between 80 to 106 dwellings.

The Structure Plan identifies the remaining 87% of the site (7 Maitland Place – currently zoned B7 Business Park) as being able to accommodate commercial offices which encourage the emergence of a prominent employment area within the Norwest Business Park. The Corridor Strategy assumes a floor space ratio of between 2:1 and 4:1 on this portion of the site which would result in between 35,000m² and 70,000m² of commercial floor space accommodating between 1,400 and 2,800 new jobs.

The proposed development outcome for the site of 369 residential units (with a maximum building height of 25 storeys) and approximately 6,700m² of commercial floor space (accommodating up to 276 jobs) differs to that identified within the Corridor Strategy (providing marginally higher residential yield and marginally lower commercial yield). Accordingly, the proposal is inconsistent with this Direction as it facilitates an outcome on the site which differs to that envisaged under the Corridor Strategy and Norwest Structure Plan.

It is considered that the inconsistency of the proposal is justified and appropriate on the basis that:

- The Corridor Strategy did not take a fine grained look at the site, nor did it envisage a new local road connection through the site. The planning proposal process allows for expedited consideration of desired outcomes for the site in advance of the master planning for the entire Norwest precinct. The detailed investigations for this site have identified the opportunity to provide a new local road through the site and to create a logical and coherent boundary between residential and commercial uses within the precinct. Having regard to the detailed investigations and desired outcomes for this specific site, and noting that the proposal facilitates redevelopment of a short term opportunity site, it is considered that the alternative outcome facilitated by this proposal is suitable and promotes transit-oriented development around the Norwest station, giving effect to Objective 1 (a) of the Direction;
- The Corridor Strategy identifies that the residential portion of the site is suitable for high density apartment living in a 7-12 storey built form with an associated floor space ratio of 3:1 to 4:1. The planning proposal seeks to apply a maximum floor space ratio of 3:1 to the residential portion of the site. Accordingly, while the planning proposal seeks to increase the portion on the site on which residential development can occur (and as a result would allow for a higher residential yield than envisaged), it does propose a density for residential development (floor space ratio of 3:1) which is consistent with the density of residential development envisaged on the site under the Corridor Strategy;
- With respect to the provision of lesser employment floor space than envisaged under the Corridor Strategy, it is considered that this inconsistency is also justified on the basis that the detailed investigations for this site have identified the opportunity to provide a new local road through the site and to create a logical and coherent boundary between residential and commercial uses within the precinct (which results in a reduction in the area of the site identified for employment land). It is noted that the detailed master planning for the Norwest rail precinct has not yet commenced and it is considered that any shortfall in the provision of jobs on the site could be easily accommodated on remaining employment lands within the Norwest Business Park, as

determined appropriate through more detailed investigations. These opportunities exist in key locations including, but not limited to, the remainder of B7 Business Park land along Columbia Way to the east of the site;

While the planning proposal does not deliver the specific outcomes envisaged for the site under the Corridor Strategy, it does facilitate the redevelopment of a short term opportunity site in close proximity to the Norwest rail station and promotes transit-oriented development in a manner consistent with the Corridor Strategy.

Accordingly, the inconsistency with the Direction is considered justified.

- **Direction 6.1 Approval and Referral Requirements**

The purpose of this Direction is to ensure that LEP provisions encourage the efficient and appropriate assessment of development by minimising the inclusion of provisions that require the concurrence, consultation or referral of development applications to a Minister or public authority. The proposal is considered to be consistent with this Direction as it does not include any concurrence, consultation or referral provisions and does not identify any development as designated development.

- **Direction 6.3 Site Specific Provisions**

This Direction applies *"when a relevant planning authority prepares a planning proposal that will allow a particular development to be carried out"* and requires that a planning proposal must either:

- a) allow that land use to be carried out in the zone the land is situated on, or
- b) rezone the site to an existing zone already applying in the environmental planning instrument that allows that land use without imposing any development standards or requirements in addition to those already contained in that zone, or
- c) allow that land use on the relevant land without imposing any development standards or requirements in addition to those already contained in the principal environmental planning instrument being amended.

The objective of this Direction is to discourage unnecessarily restrictive site specific planning controls. To enable higher density residential development to occur on the site, a planning proposal is required to amend Local Environmental Plan 2012. The purpose of the proposed amendment is to facilitate a higher density mixed use development outcome than could occur under current controls, within close proximity to the Norwest Station and employment and services within the Norwest Business Park. The proposed changes relate to the zoning, maximum height of buildings, maximum floor space ratio and minimum lot size. The whole site (2-6 and 7 Maitland Place) is currently zoned part R4 High Density Residential (2-6 Maitland Place) and part B7 Business Park (7 Maitland Place). The proposal seeks to maintain this zoning mix on the site however increase the portion of the site which is zoned R4 High Density Residential (reducing the extent of the site zoned B7 Business Park).

A new clause is proposed to encourage the delivery of residential development which is consistent with the needs of expected future residents (Attachment H). It relates to the residential portion of the site and allows for development for the purpose of a residential flat building to occur with a floor space ratio of 1:1 (the 'base floor space ratio'). However the clause provides an incentive for the developer to achieve a floor space ratio of 3:1 (the 'incentivised floor space ratio'). The clause is not unnecessarily restrictive and provides an incentive to developers, rather than imposing standards or requirements on the key land use proposed for the site (residential flat buildings). Accordingly, the planning proposal is consistent with Direction 6.3 Site Specific Provisions.

SECTION C - ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACT

7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

No, the land that is subject to the planning proposal is generally void of any significant vegetation or trees. Therefore the planning proposal is unlikely to create any adverse impacts on critical habitat or threatened species, populations or environmental communities and their habitats.

8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

The subject site is currently zoned part R4 High Density Residential and part B7 Business Park and as such, development for the purpose of residential flat buildings as well as commercial development is already permissible under the current controls.

The planning proposal would allow for increased intensity of development on the site (by way of increased building height and floor space ratio) however it is considered that the site is appropriately located and is capable of accommodating a higher density form of development without any unacceptable environmental effects (subject to further investigations through the Gateway Process as well as any subsequent Development Assessment process). The proposed character of development on the site is consistent with the envisaged future character within the Norwest station precinct and on land within proximity to the site.

It is considered the proposed amendments to *The Hills Local Environmental Plan 2012* do not result in any additional likely environment effects that would not already be anticipated under the current controls applicable to the site.

Any future development application for the site would be assessed against the LEP provisions and the Hills Development Control Plan having regard to potential impacts of the development on adjoining and surrounding property owners.

SECTION D - STATE AND COMMONWEALTH INTERESTS

9. Is there adequate public infrastructure for the planning proposal?

It is considered that the existing and planned local infrastructure within the locality in combination with additional monetary contributions from the developer towards the provision of additional local infrastructure (to be negotiated further as a draft Voluntary Planning Agreement) will be sufficient to accommodate the additional residential density on the site facilitated by the planning proposal.

10. What are the views of State and Commonwealth Public Authorities consulted in accordance with the gateway determination, and have they resulted in any variations to the planning proposal? (Note: The views of State and Commonwealth Public Authorities will not be known until after the initial gateway determination. This section of the planning proposal is completed following consultation with those public authorities identified in the gateway determination.)

A list of relevant agencies would be determined as part of the Gateway Determination. Following the Gateway determination, all relevant agencies will be consulted.

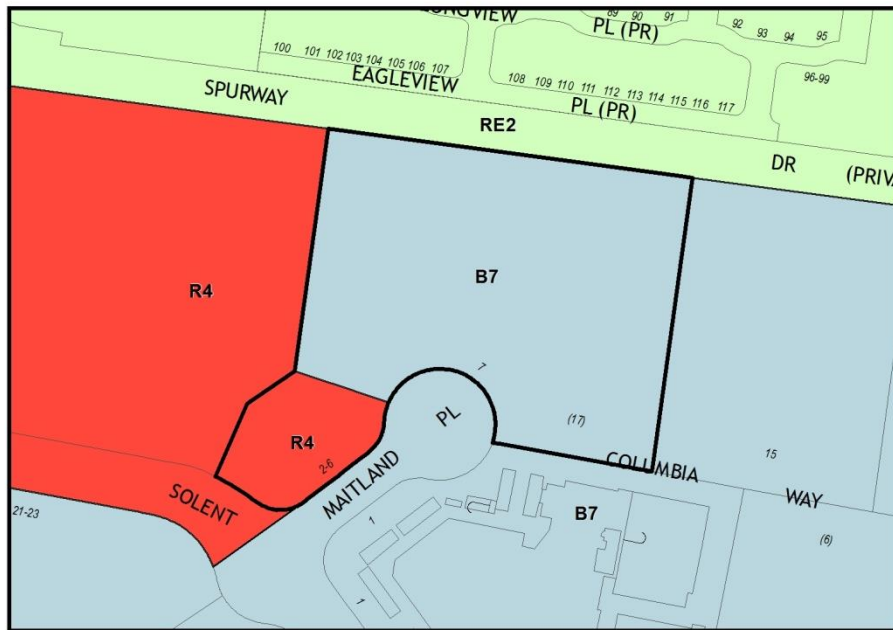
A preliminary list of public agencies which could be consulted is included below.

- Sydney Water;
- Office of Environment and Heritage;
- Roads and Maritime Services; and
- Transport for NSW.

PART 4 MAPPING

The planning proposal seeks to amend the Land Zoning Map of *The Hills Local Environmental Plan 2012*.

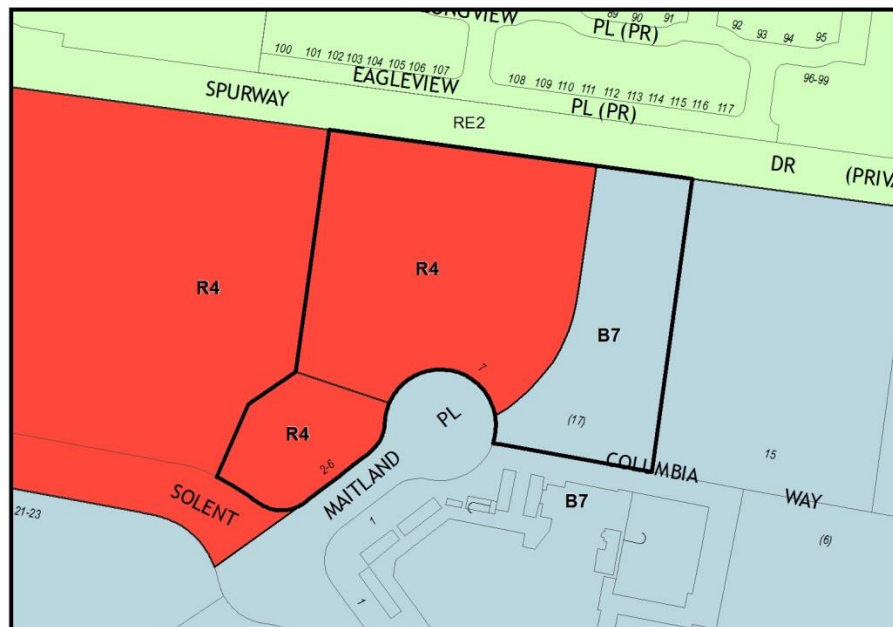
Existing Land Zoning Map



Land Zoning (LZN)

B7 Business Park R4 High Density Residential RE2 Private Recreation

Proposed Land Zoning Map

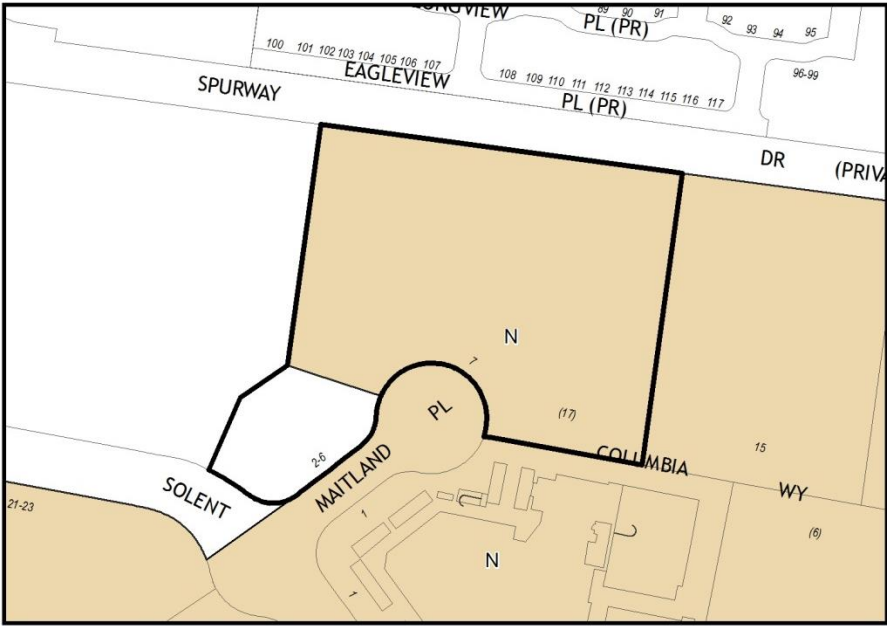


Land Zoning (LZN)

B7 Business Park R4 High Density Residential RE2 Private Recreation

The planning proposal seeks to amend the Floor Space Ratio Map of *The Hills Local Environmental Plan 2012*.

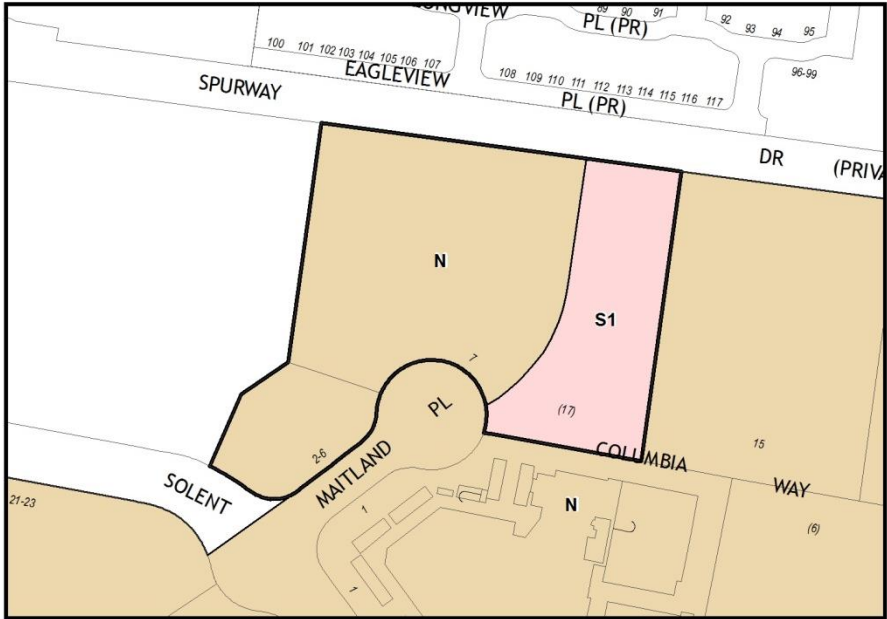
Existing Floor Space Ratio Map



Maximum Floor Space Ratio (FSR) (n:1)

N 1.0

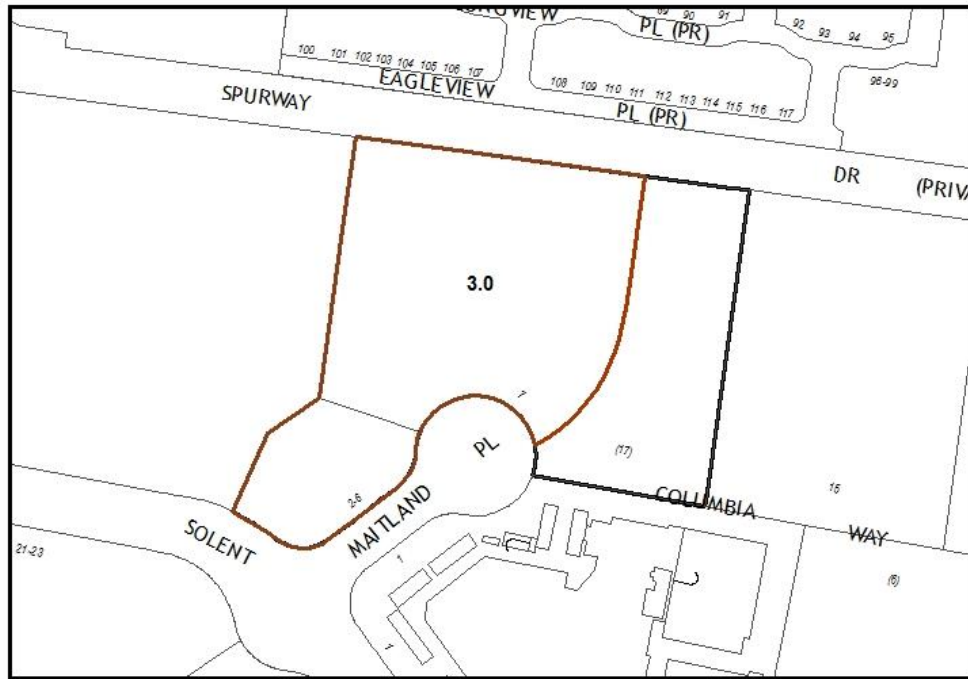
Proposed Base Floor Space Ratio Map



Maximum Floor Space Ratio (FSR) (n:1)

N 1.0 S1 1.5

Proposed Floor Space Ratio Incentives Map

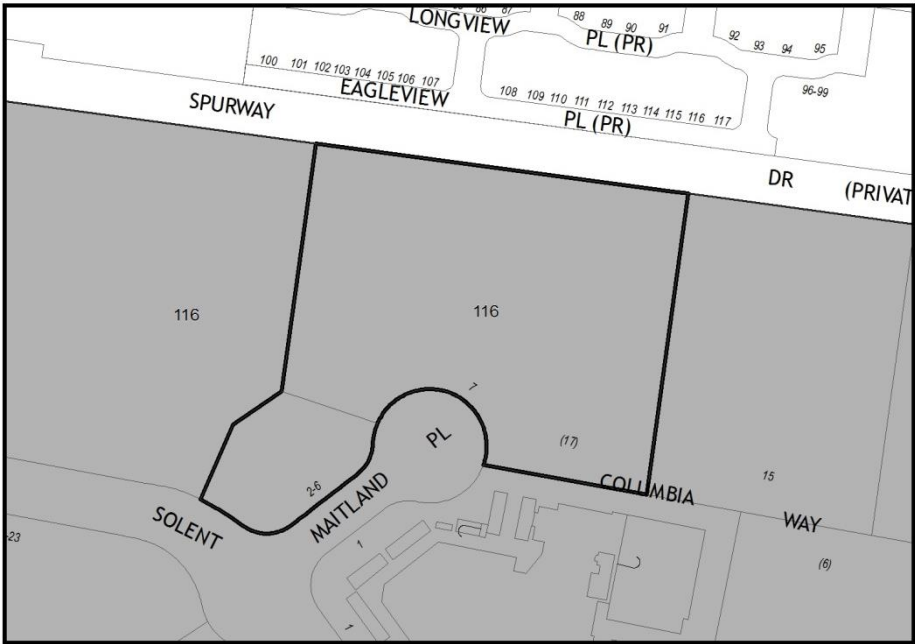


Maximum Floor Space Ratio (FSR) (n:1)

FSR Incentive Clause

The planning proposal seeks to amend the Height of Buildings Map of *The Hills Local Environmental Plan 2012*.

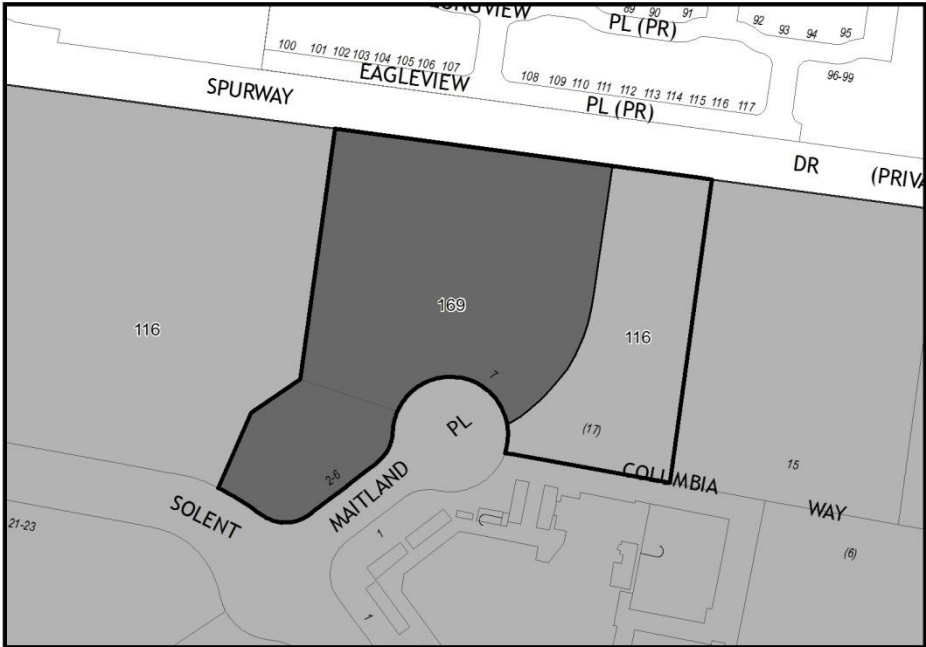
Existing Height of Buildings Map



Height of Buildings (m) RL (HOB)

116

Proposed Height of Buildings Map



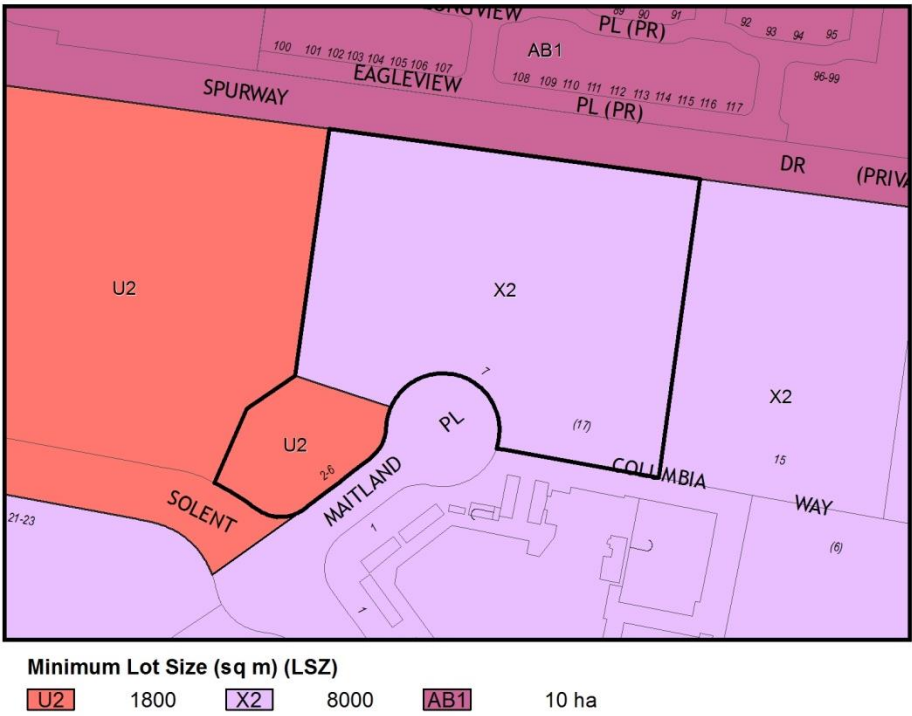
Height of Buildings (m) RL (HOB)

116

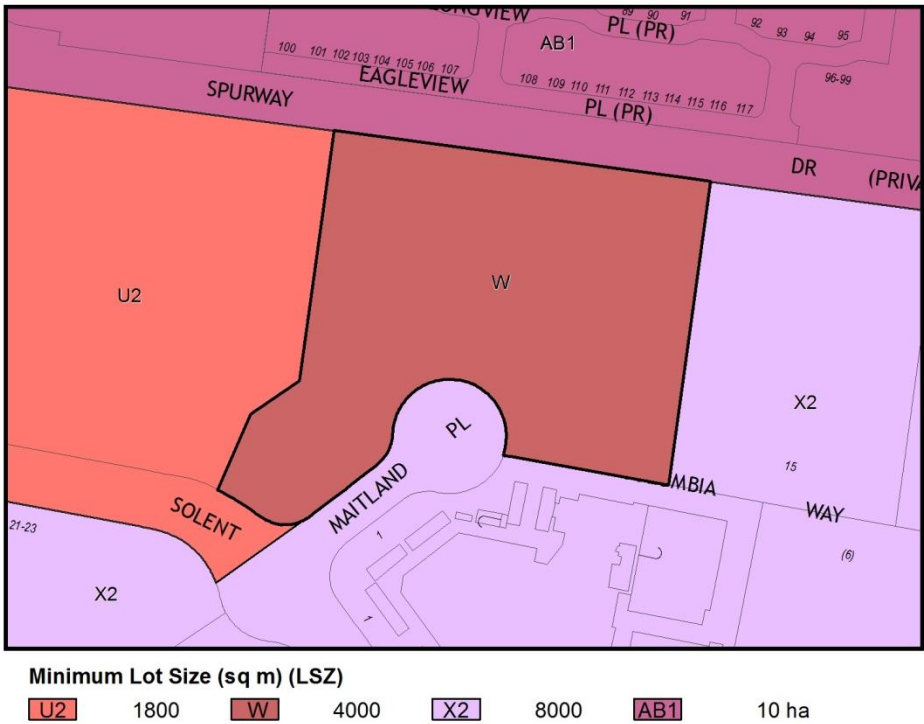
169

The planning proposal seeks to amend the Minimum Lot Size Map of *The Hills Local Environmental Plan 2012*.

Existing Minimum Lot Size Map

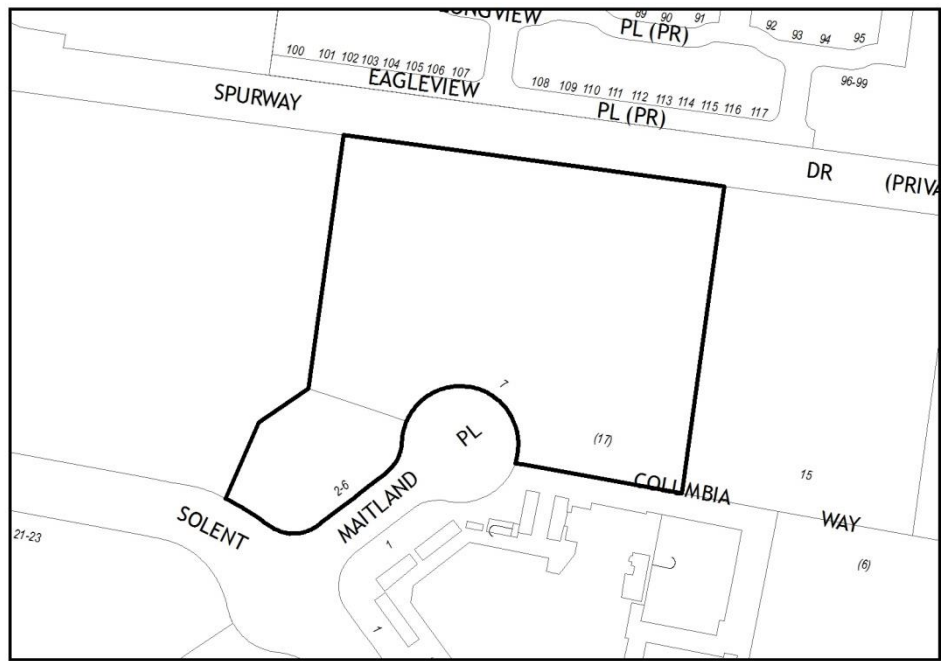


Proposed Minimum Lot Size Map



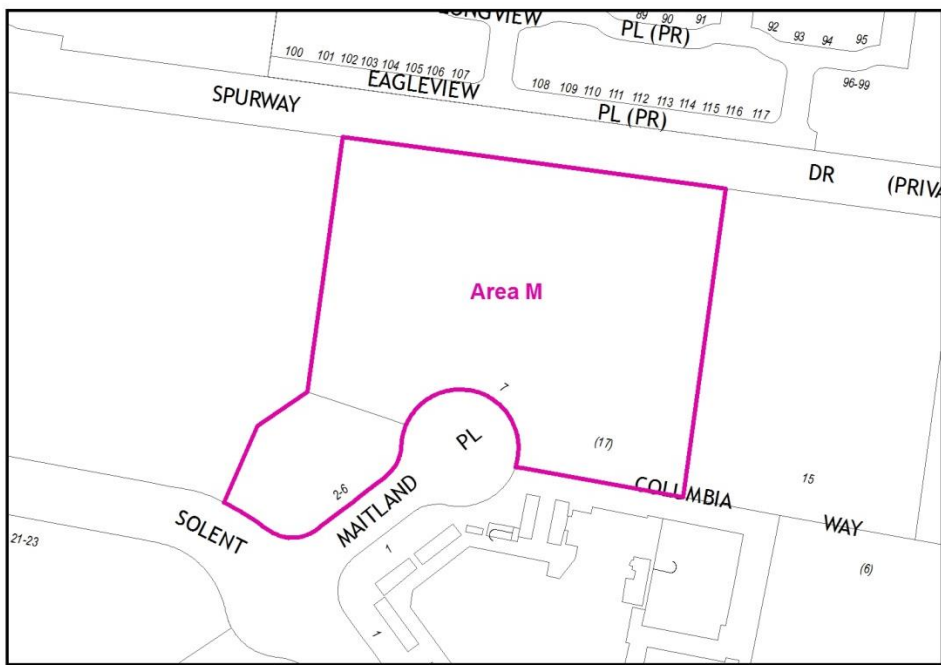
The planning proposal seeks to amend the Key Site Map of *The Hills Local Environmental Plan 2012*.

Existing Key Sites Map



Key Sites Map

Proposed Key Sites Map



Key Sites Map

 Area M

PART 5 COMMUNITY CONSULTATION

The planning proposal will be advertised in local newspapers and on display at Council's administration building, Castle Hill Library and Rouse Hill Library. The planning proposal will also be made available on Council's website. In addition, letters will be issued to adjoining and nearby property owners and stakeholders.

PART 6 PROJECT TIMELINE

STAGE	DATE
Commencement Date (Gateway Determination)	May 2016
Government agency consultation	June 2016
Commencement of public exhibition period (28 days)	July 2016
Completion of public exhibition period	August 2016
Timeframe for consideration of submissions	September 2016
Timeframe for consideration of proposal post exhibition	September 2016
Report to Council on submissions	October 2016
Planning Proposal to PCO for opinion	November 2016
Date Council will make the plan (if delegated)	December 2016
Date Council will forward to department for notification (if delegated)	December 2016

ATTACHMENT A: LIST OF STATE ENVIRONMENTAL PLANNING POLICIES

STATE ENVIRONMENTAL PLANNING POLICY (SEPP)		APPLICABLE	RELEVANT? (YES/NO)	(IF RELEVANT) INCONSISTENT/CONSISTENT
No. 1	Development Standards	YES	NO	-
No. 14	Coastal Wetlands	NO	-	-
No. 15	Rural Landsharing Communities	NO	-	-
No. 19	Bushland in Urban Areas	YES	NO	-
No. 21	Caravan Parks	YES	NO	-
No. 26	Littoral Rainforests	NO	-	-
No. 29	Western Sydney Recreation Area	NO	-	-
No. 30	Intensive Agriculture	YES	NO	-
No. 32	Urban Consolidation (Redevelopment of Urban Land)	YES	NO	-
No. 33	Hazardous and Offensive Development	YES	NO	-
No. 36	Manufactured Home Estates	NO	-	-
No. 39	Spit Island Bird Habitat	NO	-	-
No. 44	Koala Habitat Protection	NO	-	-
No. 47	Moore Park Showground	NO	-	-
No. 50	Canal Estate Development	NO	-	-
No. 52	Farm Dams and Other Works in Land and Water Management Plan Areas	NO	-	-
No. 55	Remediation of Land	YES	NO	-
No. 59	Central Western Sydney Regional Open Space and Residential	NO	-	-
No. 62	Sustainable Aquaculture	YES	NO	-
No. 64	Advertising and Signage	YES	NO	-
No. 65	Design Quality of Residential Flat Development	YES	YES	CONSISTENT
No. 70	Affordable Housing (Revised Schemes)	YES	NO	-
No. 71	Coastal Protection	NO	-	-
Affordable Rental Housing (2009)		YES	NO	-
Building Sustainability Index: BASIX 2004		YES	NO	-
Exempt and Complying Development Codes (2008)		YES	NO	-
Housing for Seniors or People with a Disability (2004)		YES	NO	-
Infrastructure (2007)		YES	NO	-
Kosciuszko National Park – Alpine Resorts (2007)		NO	-	-
Kurnell Peninsula (1989)		NO	-	-
Major Development (2005)		NO	-	-
Mining, Petroleum Production and Extractive Industries (2007)		NO	-	-
Miscellaneous Consent Provisions (2007)		YES	NO	-
Penrith Lakes Scheme (1989)		NO	-	-
Port Botany and Port Kembla (2013)		NO	-	-
Rural Lands (2008)		NO	-	-

STATE ENVIRONMENTAL PLANNING POLICY (SEPP)	APPLICABLE	RELEVANT? (YES/NO)	(IF RELEVANT) INCONSISTENT/ CONSISTENT
SEPP 53 Transitional Provisions (2011)	NO	-	-
State and Regional Development (2011)	NO	-	-
Sydney Drinking Water Catchment (2011)	NO	-	-
Sydney Region Growth Centres (2006)	NO	-	-
Three Ports (2013)	NO	-	-
Urban Renewal (2010)	NO	-	-
Western Sydney Employment Area (2009)	NO	-	-
Deemed SEPPs			
SREP No. 8 (Central Coast Plateau Areas)	NO	-	-
SREP No. 9 – Extractive Industry (No. 2 – 1995)	YES	NO	-
SREP No. 16 – Walsh Bay	NO	-	-
SREP No. 18 – Public Transport Corridors	NO	-	-
SREP No. 19 – Rouse Hill Development Area	NO	-	-
SREP No. 20 – Hawkesbury – Nepean River (No 2 – 1997)	YES	NO	-
SREP No. 24 – Homebush Bay Area	NO	-	-
SREP No. 25 – Orchard Hills	NO	-	-
SREP No. 26 – City West	NO	-	-
SREP No. 30 – St Marys	NO	-	-
SREP No. 33 – Cooks Cove	NO	-	-
SREP (Sydney Harbour Catchment) 2005	NO	-	-

ATTACHMENT B: ASSESSMENT AGAINST SECTION 117 MINISTERIAL DIRECTIONS

DIRECTION		APPLICABLE	RELEVANT? (YES/NO)	(IF RELEVANT) INCONSISTENT/ CONSISTENT
1. Employment and Resources				
1.1	Business and Industrial Zones	YES	YES	INCONSISTENT See Section B Question 6
1.2	Rural Zones	NO	-	-
1.3	Mining, Petroleum Production and Extractive Industries	NO	-	-
1.4	Oyster Aquaculture	NO	-	-
1.5	Rural Lands	NO	-	-
2. Environment and Heritage				
2.1	Environment Protection Zone	YES	NO	-
2.2	Coastal Protection	NO	-	-
2.3	Heritage Conservation	YES	NO	-
2.4	Recreation Vehicle Area	YES	NO	-
2.5	Application of E2 and E3 Zones and Environmental Overlays in Far North Coast LEPs	NO	-	-
3. Housing, Infrastructure and Urban Development				
3.1	Residential Zones	YES	YES	CONSISTENT See Section B Question 6
3.2	Caravan Parks and Manufactured Home Estates	YES	NO	-
3.3	Home Occupations	YES	NO	-
3.4	Integrating Land Use and Transport	YES	YES	CONSISTENT See Section B Question 6
3.5	Development Near Licensed Aerodomes	NO	-	-
3.6	Shooting Ranges	NO	-	-
4. Hazard and Risk				
4.1	Acid Sulfate Soils	NO	-	-
4.2	Mine Subsidence and Unstable Land	NO	-	-
4.3	Flood Prone Land	NO	-	-
4.4	Planning for Bushfire Protection	NO	-	-
5. Regional Planning				
5.1	Implementation of Regional Strategies	NO	-	-
5.2	Sydney Drinking Water Catchment	NO	-	-
5.3	Farmland of State and Regional Significance on the NSW Far North Coast	NO	-	-

DIRECTION		APPLICABLE	RELEVANT? (YES/NO)	(IF RELEVANT) INCONSISTENT/ CONSISTENT
5.4	Commercial and Retail Development along the Pacific Highway, North Coast	NO	-	-
5.8	Second Sydney Airport: Badgerys Creek	NO	-	-
5.9	North West Rail Link Corridor Strategy	YES	YES	INCONSISTENT See Section B Question 6
6. Local Plan Making				
6.1	Approval and Referral Requirements	YES	YES	CONSISTENT See Section B Question 6
6.2	Reserving Land for Public Purposes	YES	NO	-
6.3	Site Specific Provisions	YES	YES	CONSISTENT See Section B Question 6
7. Metropolitan Planning				
7.1	Implementation of the Metropolitan Plan for Sydney 2036	N/A	N/A	N/A
7.2	Implementation of Greater Macarthur Land Release Investigation	NO	-	-