

Greater Sydney, Place and Infrastructure

IRF19/7680

Gateway determination report

LGA	The Hills Shire
PPA	The Hills Shire Council
NAME	The Hills LEP 2019 – Amendment to give effect to the Central City District Plan (supports the strategic planning for 38,000 homes, 50,000 jobs by 2036)
NUMBER	PP_2019_THILL_009_00
LEP TO BE AMENDED	The Hills LEP 2019
ADDRESS	Hills LGA
DESCRIPTION	The Hills LEP 2019 - Amendment to give effect to Central City District Plan and The Hills Draft LSPS.
RECEIVED	5 December 2019 (additional information received 23.12.2019 and 6.02.2020).
FILE NO.	IRF19/7680
POLITICAL DONATIONS	There are no donations or gifts to disclose to the knowledge of the team
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1. INTRODUCTION

1.1 Description of planning proposal

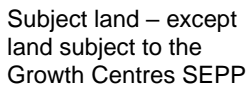
The planning proposal (**Attachment A**) responds to the need for The Hills Local Environmental Plan (LEP) to give effect to the Central City District Plan and to implement The Hills Local Strategic Planning Statement. The Hills LSPS was exhibited from 1 July to 9 August 2019 and endorsed by The Hills Shire Council on 22 October 2019 (**Attachment F**).

This proposal introduces the following provisions:

1. introduce an aim of the LEP and local provision to give effect to the LSPS, district and regional strategic plans;
2. local provision for serviced apartments;
3. local provision for the maximum number of dwellings at the Rouse Hill Town Centre Northern Precinct;
4. local provision for Local Character in Showground Precinct;
5. miscellaneous provision (Standard Instrument – Principal Local Environmental Plan clause 5.16) to minimise potential land use conflict between existing and proposed development on land in rural, residential or environment protection zones (particularly between residential land uses and other rural land uses);

6. amendments to permissibility of certain land uses under the RU1 Primary Production, RU2 Rural Landscape, RU6 Transition and B1 Neighbourhood Centre zones;
7. amendments to height controls for Rouse Hill Town Centre to reflect heights approved under development applications for the Centre;
8. amendments to height and FSR controls for Castle Hill Strategic Centre to reflect approved development for Castle Towers;
9. rezone land at Beaumont Hills, Rouse Hill and Kellyville from R3 Medium Density Residential to R2 Low Density Residential;
10. rezone land Grey Gums Estate, North Kellyville from R4 High Density Residential to a mix of R2 Low Density Residential, R4 High Density Residential and E2 Environmental Conservation;
11. amendments to minimum lot size for 50 parcels in West Pennant Hills;
12. housekeeping related to various LEP clauses:
 - a) amendment to Clause 5.3 Development near zone boundaries to exclude residential zones and E4 Environmental Living zone;
 - b) introduce exempt development provisions for retaining walls;
 - c) remove 'child care facility' as an additional permitted use at Excelsior Avenue, Castle Hill;
 - d) replace references to 40 Solent Circuit in Schedule 1 - additional permitted uses with '2 Natura Rise;'
 - e) remove site specific provisions for land at Lot 1021 DP 1091484, Commercial Road, Rouse Hill;
 - f) remove site specific provisions for land at 15 Old Glenhaven Road; and
 - g) amend mapping to reflect updated cadastre boundaries (including heritage mapping) and update allotment references in Schedule 1 to reflect recent subdivisions;
13. housekeeping related to mapping:
 - a) revert to underlying zoning for the deferred lands within Showground Precinct while precinct planning for this area (Cattai Creek West) is underway;
 - b) rezone some areas of SP2 Infrastructure to the adjacent zone to match cadastral boundaries of land acquired for roadways and stormwater drainage;
 - c) remove properties from Land Acquisition Mapping where the land is now in public ownership;
 - d) rezoning two Council reserves to RE1 Public Recreation; and
 - e) fix various boundary location and road zoning anomalies.

The planning proposal relates to the whole of The Hills LGA (**Figure 1**) as reflected in The Hills LEP 2019 excluding the Box Hill and North Kellyville precincts which are part of the North West Growth Centre under the State Environmental Planning Policy (Sydney Region Growth Centres) 2006.



1.3 Existing planning controls

1.4 Surrounding area

3 / 25

1.5 Background

Amendments to the *Environmental Planning and Assessment Act 1979* in March 2018 require all metropolitan councils to review and amend their LEPs and give effect to the relevant District Plans. The Hills Shire gained funding as part of the Government's Accelerated LEP Review Funding Program to amend their LEP.

1.6 Summary of recommendation

It is recommended that the planning proposal proceed with a Gateway determination subject to conditions as the proposed amendments have strategic and site-specific merit, give effect to the Central City District Plan and The Hills Local Strategic Planning Statement.

2. PROPOSAL

2.1 Objectives or intended outcomes

The planning proposal is to give effect to the Central District Plan and The Hills Draft LSPS. It is anticipated that further amendments will be made to following the adoption of The Hills LSPS.

This proposal also responds to section 3.8(4) of the *Environmental Planning and Assessment Act 1979* which requires councils to review the LEP to ensure it gives effect to the relevant district plan within two years of the district plan being made final.

2.2 Explanation of provisions

The planning proposal (**Attachment A**) seeks to amend The Hills Local Environmental Plan (LEP) 2019.

A summary of the proposed amendments (**Attachment G**) are as follows:

1. Introduce an aim of the LEP and local provision to give effect to the LSPS, district and regional strategic plans

- A. Amendment to the aim of the plan to give effect to the LSPS, district and regional strategic plans. It also includes minor changes to the wording of the aims of the plan.
- B. A local provision (draft clause 7.14 at **Attachment G**) 'Consistency with the Local Strategic Planning Statement' to require consent authorities to have regard for the priorities of the LSPS when assessing development applications. This will ensure implementation of the priorities of the LSPS.

Department Comment

The Department notes that Clause 3.33 of the EP&A Act requires that justification is provided for how a planning proposal gives effect to a LSPS. The LSPS is a separate document that informs changes to the development standards and strategic controls of the LEP.

Although The Hills LSPS has been assured by the GSC, the GSC also advises that Council may need to update the LSPS as key supporting strategies, including the Local Housing Strategy are finalised. Due to the changing nature of the LSPS, it is recommended that the LSPS aim is removed from the planning proposal.

2. Local provision for serviced apartments

- A. A local provision (draft clause 7.15 at **Attachment G**) 'Development for the purpose of serviced apartments.' The provision will apply to B4 Mixed Use and B7 Business Park zones and aims to prevent the repurposing of serviced apartments into substandard residential apartments and to provide employment opportunities in higher order employment areas by ensuring that the majority of floor space in mixed use areas is provided for commercial purposes. It proposes that development consent must not be granted if:
- more than 60% of the gross floor area is to be used for serviced apartments; and
 - on land in B4 Mixed Use zone for the purpose of strata subdivision of a building or part of a building is used for service apartments unless the development satisfies residential flat development design principles under Schedule 1 of State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development, the Apartment Design guide and provisions under Hills LEP clause 7.11(3)(a)-(e) for certain land within the Sydney Metro Northwest Urban Renewal Corridor.

3. Local provision for the maximum number of dwellings at the Rouse Hill Town Centre Northern Precinct

- A. A local provision (draft clause 7.16 at **Attachment G**) 'Maximum number of dwellings at 'Northern Precinct' Rouse Hill Town Centre.' The provision aims to limit the number of residential dwellings on the Northern Precinct of the Rouse Hill Town Centre to 375 consistent with the approved Precinct Plan for the Northern Frame of the Regional Centre. It is proposed that this is accompanied by a key site map to indicate the boundaries of this area (**Figure 2**).



Figure 2: Proposed map to accompany clause 'Maximum number of dwellings at Northern Precinct Rouse Hill' (blue line)

4. Local provision for Local Character in Showground Precinct:

- A. A local provision 'Local Character' (draft clause 7.17 at **Attachment G**). The provision aims to identify areas of local character and guide development in areas of changing local character in the Showground Precinct. This clause is proposed to be accompanied by a 'Built Character Map' (**Figure 3**).

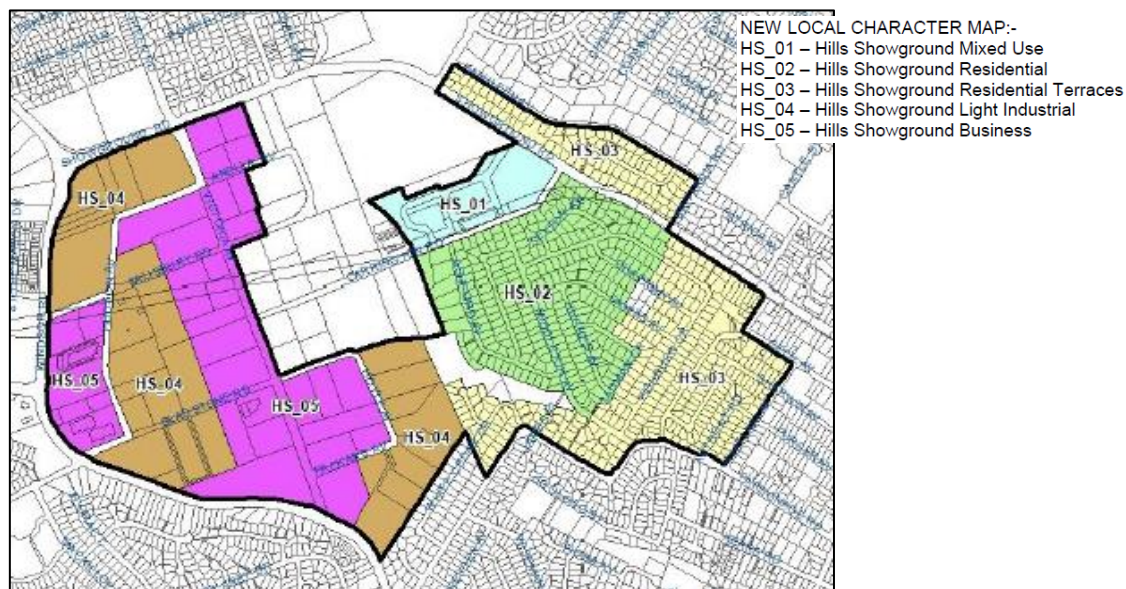


Figure 3: Proposed Showground 'local character' map

5. Proposed miscellaneous provisions

- A. A miscellaneous provision 'Subdivision of, or dwellings on, land in certain rural, residential or environmental protection zones' (inclusion of Principal Local Environmental Plan - Standard Instrument clause 5.16 at **Attachment G**). This provision aims to minimise potential land use conflict between existing and proposed development on land in rural, residential or environment protection zones (particularly between residential land uses and other rural land uses). It would apply where subdivision of land or erection of dwellings is involved in RU1 Primary Production, RU2 Rural Landscape, RU3 Forestry, RU6 Transition, E2 Environmental Conservation, E3 Environmental Management or E4 Environmental Living zones.

6. Proposed alterations to land use tables

- A. Amend permitted land uses in rural zones to support growth in agricultural/rural industries, boutique food and drink operations, tourism and service stations as follows:

RU1 Primary Production zone

Permitted land uses to be removed*	Permitted land uses to be added
<i>Agricultural produce industries;</i> <i>Livestock processing industries;</i> <i>Stock and sale yards</i>	<i>Artisan food and drink industries;</i> <i>Rural industries;</i> <i>Service station</i>

*It is noted that 'rural industry' is a group term under the Standard Instrument LEP that covers the separately defined uses of agricultural produce industries, livestock processing industries and stock and sale yards. These land uses, whilst removed from the land use table, will continue to be permitted under the group term.

RU2 Primary Production zone

Permitted land uses to be added
<i>Artisan food and drink industries;</i> <i>Markets</i>

RU6 Transition zone

Permitted land uses to be removed	Permitted land uses to be added	Prohibited land uses to be added
<i>Places of public worship*;</i> <i>Public administration buildings</i>	<i>Artisan food and drink industries;</i> <i>Cellar door premises;</i>	<i>Livestock processing industries;</i>

	<i>Markets; Rural industries</i>	<i>Sawmill or log processing works; stock and sale yards;</i>
--	--------------------------------------	---

*It is noted 'places of public worship' were removed as a permissible land use in the RU6 zone via The Hills LEP 2019 (Amendment No. 7) on 14 February 2020.

- B. Amend permitted land uses in the B1 Neighbourhood Centre zone to support desired scale and character of the zone in keeping with the small scale of these centres (note neighbourhood shops and neighbourhood supermarkets will remain permitted) as follows:

B1 Neighbourhood Centre zone

Permitted land uses to be removed	Permitted land uses to be added
<i>shops</i>	<i>Artisan food and drink industries;</i>

7. Amendments to controls for Rouse Hill Town Centre

- A. Amend the height of buildings control in the B4 Mixed Use zone of the Rouse Hill Town Centre to reflect the approved heights from the Northern Precinct Plan and Town Centre Precinct Plan which are reflected in the Approved Development Plans for the area: Northern Precinct Plan (354/2013/HB) and the Town Core Precinct Plan (1581/2005/HB) (**Figure 4**).

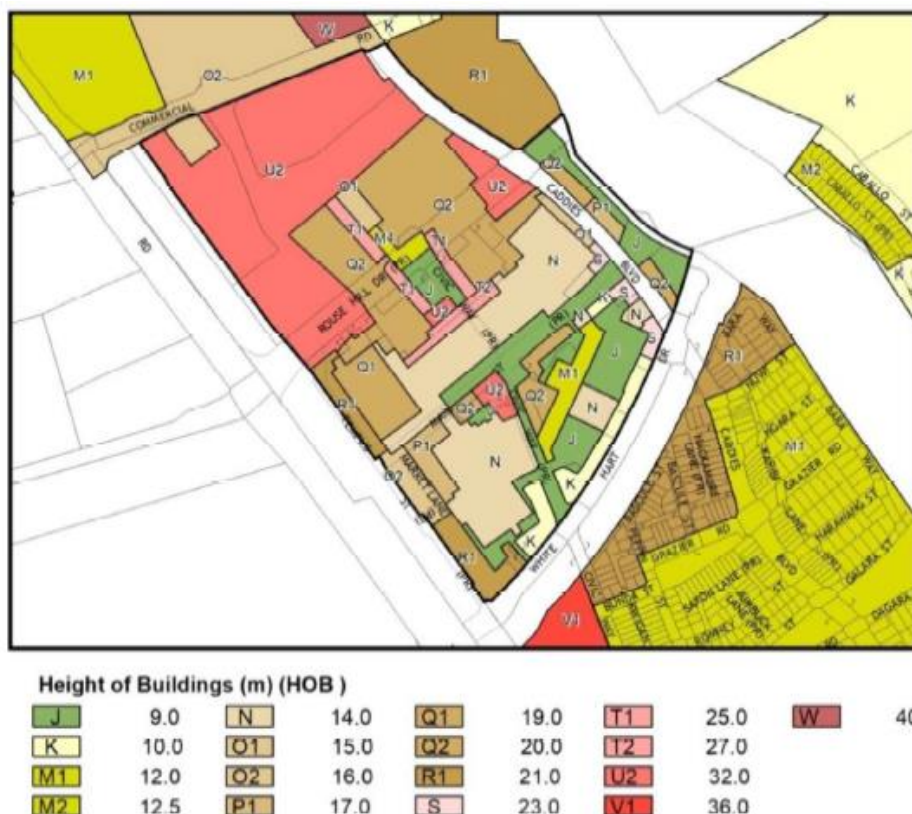


Figure 4: Proposed Rouse Hill Town Centre height of buildings map

8. Amendments to controls for Castle Hill Strategic Centre

- A. Amend the height of buildings and floor space ratio controls for the Castle Hill strategic centre to reflect the Approved Development Plan for Stage 3 expansion of Castle Towers (864/2015/JP/B) as existing buildings on the site exceed maximum FSR and heights. This amendment will bring the controls up to date, recognise the important role of the centre and reduce the need for regulatory processes. It is proposed for the height of buildings to be increased from 12 to 46 metres and for the FSR to be increased from 1.0 to 1.9 (**Figures 5 to 8**).



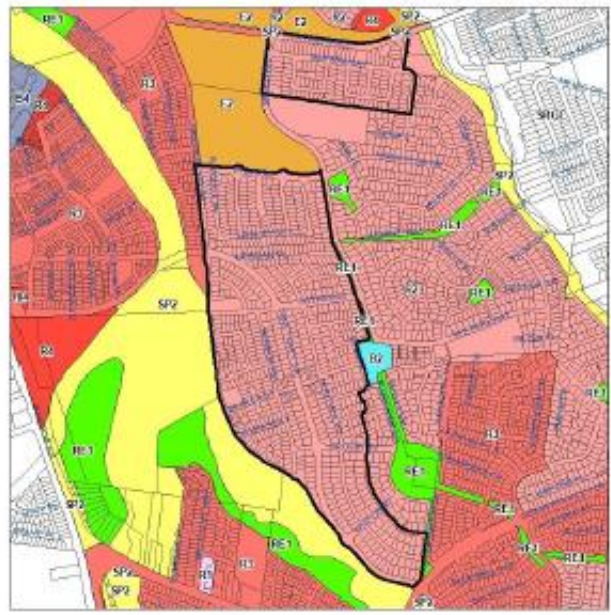
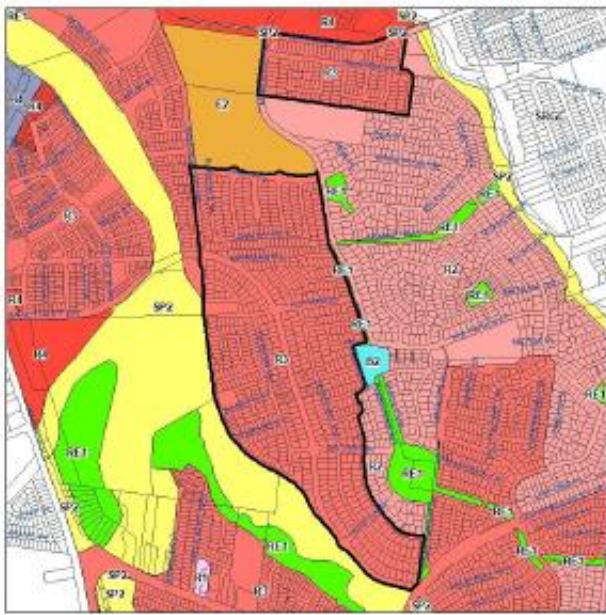
Figure 5 and 6 (left and right): Proposed Castle Hill height of buildings map



Figure 7 and 8 (left and right): Proposed Castle Hill FSR map

9. Rezone land at Beaumont Hills, Rouse Hill and Kellyville

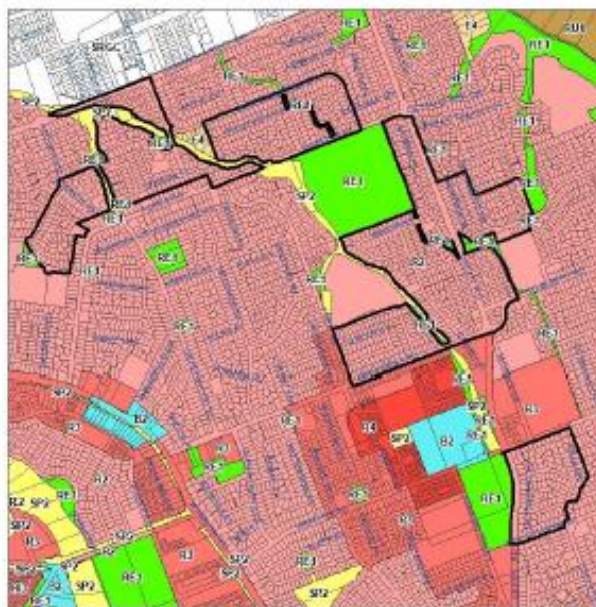
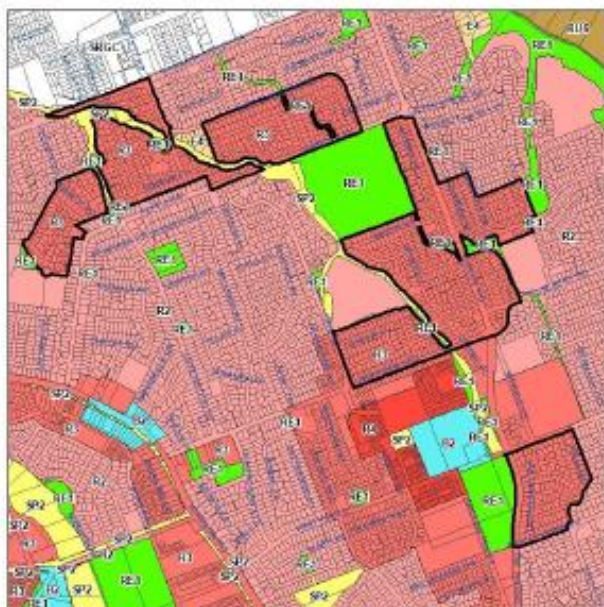
- A. Rezone 2,130 parcels of land in several areas of Beaumont Hills, Rouse Hill and Kellyville from R3 Medium Density Residential to R2 Low Density Residential to better reflect existing density and built form (**Figures 9 to 14**). Council states the originally planned and current built character in this area better suits the objectives of R2 Low Density Residential zone. This will reduce the potential dwelling types permissible on this land by removing attached dwellings, multi dwelling housing, and seniors housing.



Figures 9 to 10 (left to right): Proposed R3 to R2 changes in Beaumont Hills



Figures 11 to 12 (left to right): Proposed R3 to R2 changes in Rouse Hill



Figures 13 to 14 (left to right): Proposed R3 to R2 changes in Kellyville

10. Rezone land in Grey Gums Estate, North Kellyville

- A. Rezone R4 High Density Residential land within the Grey Gums Estate, North Kellyville to a mixture of R2 Low Density Residential, R4 High Density Residential and E2 Environmental Conservation (**Figures 15 and 16**) and accompanying controls as follows:

Zone	Minimum lot size	Height of buildings
R2	700sqm	10m
R4	1800sqm	16m
E2	40ha	NIL

The proposed changes aim to reflect the current built form/subdivision and protect land subject to a biobanking agreement.

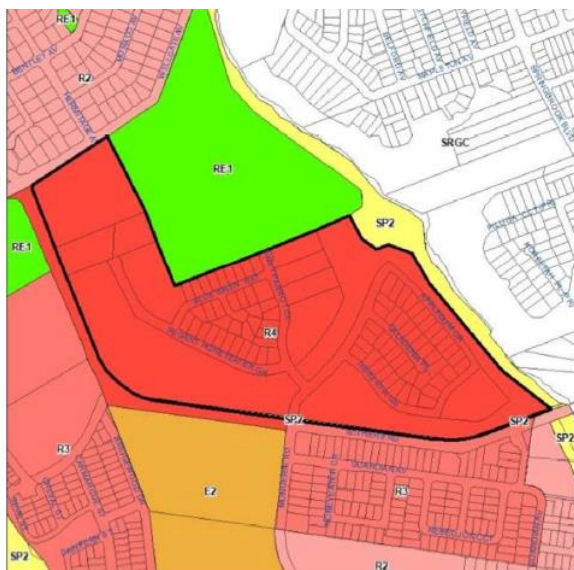
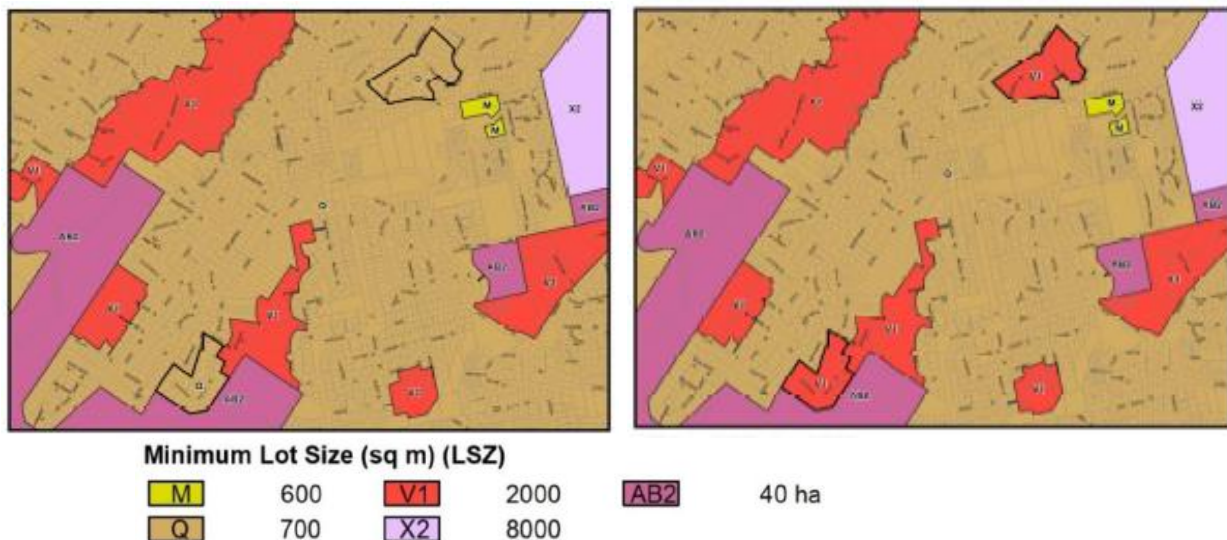


Figure 15 and 16 (left and right): Proposed R4 zoning changes in Grey Gums Estate

11. Amendments to West Pennant Hills

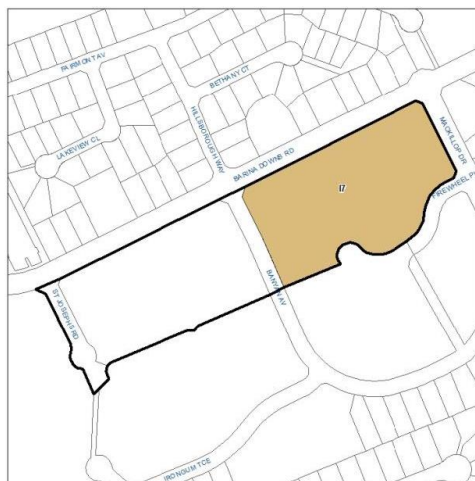
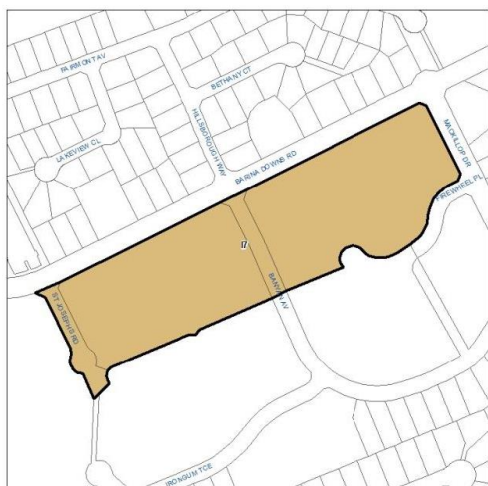
- A. Increase minimum lot sizes from 700m² to 2,000m² for 50 parcels of land at West Pennant Hills. The proposed amendment aims to reflect the prevailing lot size and to preserve established streetscape character (**Figures 17 and 18**).



Figures 17 and 18 (left and right): Proposed increase in minimum lot size

12. Proposed housekeeping related to various LEP clauses

- A. Amend clause 5.3 'Development near zone boundaries' to exclude residential zones (R1 General Residential, R2 Low Density Residential, R3 Medium Density Residential, R4 High Density Residential) and E4 Environmental Living zone to prevent inappropriate use of the clause to enable higher density development than intended.
- B. Introduce exempt development provisions for boundary 'retaining walls,' including a maximum height of 0.5m above or below natural ground level, under Schedule 2 Exempt Development.
- C. Remove 'child care facility' from Schedule 1 Additional Permitted Uses at Excelsior Avenue, Castle Hill, as child care facilities are already permissible in R2 Low Density Residential zones in accordance with SEPP (Educational Establishments and Child Care Facilities) 2017.
- D. To replace references to '40 Solent Circuit' in Schedule 1 Additional Permitted with '2 Natura Rise' to reflect a change in address.
- E. Remove the 1.8A Savings Provision for development application 187/2012/JP at Lot 1021 DP1091484, Commercial Road, Rouse Hill as development of a homemakers centre was approved by order of the NSW Land and Environment Court and therefore it is not necessary to retain the clause.
- F. Remove 'Exemptions to minimum lot size for residential care facilities' relating to 15 Old Glenhaven Road from Part 7 Additional Local Provisions as the clause relates to an application for subdivision which has since been completed. All conditions of the clause have been met and it is no longer necessary to retain the clause.
- G. Amend the mapping of items to reflect current cadastral boundaries where they have been altered because of recent subdivision and to reflect any changes to the legal descriptions associate with those subdivisions (under Schedule 1). This includes amendments to heritage mapping with an example shown in **Figures 19 and 20**.



Figures 19 and 20: Example of heritage mapping amendment – existing (left) and proposed (right) boundary realignment of heritage Item 17.

Corresponding changes have also been made to Schedule to update property descriptions as per the tables below:

Changes to Addresses / Legal Descriptions

Item No	Item Name	Previous Property Description / Address	Development Application	New Property Description / Address
I7	St Joseph's Novitiate	Lot 1002, DP 1190982	6/2012/JP	Lot 217, DP 1239622
I8	"Creasey's"	Lots 2 and 3, DP 1108855	1259/2016/ZC	Lot 34, SP 93170 & Common Property
I11	House	Lot B, DP 420528	987/2011/ZC	Lot 5, SP 85667 & Common Property
I20	Thornbury Lodge	9-13 Owen Avenue	N/A	11 Owen Avenue
I30	Bull and Bush Hotel	378 Windsor Rd	N/A	360 Windsor Road
I63	Castle Hill Public School	264 and 266 Old Northern Rd	N/A	264-266 Old Northern Road
I64	Former police station	264 and 266 Old Northern Rd	N/A	264-266 Old Northern Road
I87	"The Pines"	656A Old Northern Rd	N/A	656Z Old Northern Road
I89	Emmanuel Anglican Church	31A Glenhaven Rd Lot 1, DP 1100022	Plan of consolidation	31 Glenhaven Rd Lot 1, DP 1240537
I91	Felton Mather Marked Tree	Broadwater Rd	N/A	140 Broadwater Rd
I105	House	35-37 Annangrove Rd	N/A	33 Annangrove Rd
I130	"Dargle"	351-353 River Rd	N/A	312 River Rd
I187	Christchurch	Windsor Rd	N/A	2 Adelphi Street
I189	Private Burial Ground	Withers Rd	N/A	49Z Greensborough Ave
I206	St Mary Magdalene Church	Lot 37, DP 752025	Plan of delimitation	Lot 37 DP 1247320

Other changes

Item No	Item Name	Previous Property Description / Address	Description of Change
I24	Pearce family graves	Seven Hills Road	Suburb name has changed from Baulkham Hills to Bella Vista.

			Note: The level of listing has been incorrectly identified as 'Local', this will need to be amended to 'State'.
I25	Avenue of Trees leading to Castle Hill Country Club	RMB 47 Spurway Drive and Castle Hill Country Club, 9 Spurway Drive	Suburb name changed to 'Norwest' to reflect current suburb boundaries.
I28	Windsor Road from Baulkham Hills to Box Hill	Windsor Road	Suburb name changed to 'Norwest' to reflect current suburb boundaries.

13. Proposed housekeeping related to mapping

- A. To lift the deferred matter so underlying IN2 Light Industrial and B5 Business Development zoning will continue to apply for the Cattai Creek West deferred area within the Showground Station Precinct, while precinct planning for Cattai Creek West is undertaken.
- B. Rezone several small areas of SP2 Infrastructure zoning to the relevant adjacent zone to match cadastral boundaries of land acquired by Sydney Water.
- C. Remove Land Reservation Acquisition mapping where land has been acquired and confirmed to be in public ownership for certain open space, drainage and road reservations.
- D. Rezone two parcels of land that form part of Council's reserves to RE1 Public Recreation to reflect the current land use.
- E. Fix various boundary location and road zoning anomalies.

2.3 Mapping

The planning proposal requires several mapping amendments. The map sheets proposed to be amended are listed in the following table and detailed at **Attachment D**. The maps are adequate for public exhibition.

Rouse Hill Town Centre	HOB_007, FSR_007, CL2_007
River Road and Hawkesbury River Wisemans Ferry	LZN_008, HOB_008, LSZ_008, CL2_008
Valletta Drive and Ironstone Parkway Box Hill	LZN_006, HOB_006, LSZ_006
R3 to R2 zoning in several areas	LNZ_006, LNZ_007, LNZ_015
Built character map for Showground Precinct	BCH_016, BCH_024
Minimum lot size of 700sqm to 2000sqm	LSZ_024
Castle Hill Town Centre	HOB_024, FSR_024
Corner Annangrove Road and Withers Road Rouse Hill	LZN_006, LRA_006, FSR_006
Corner Windsor Road and Commercial Road Rouse Hill	LZN_007, LRA_007, FSR_007
Adjacent to Bruce Purser Reserve Caballo Street Rouse Hill	LZN_007, LZN_015, HOB_007, HOB_015
Grey Gums Estate Withers Road North Kellyville	LZN_015, HOB_015, LSZ_015
Buffalo Way Beaumont Hills	LZN_015, HOB_015
Windsor Road and Caddies Creek Sports Complex Beaumont Hills	LZN_015, HOB_015, LRA_015
Samantha Riley Drive and Poole Road Kellyville	LZN_015
Vantage Crescent Reserve Kellyville	LRA_015
Ballymena Way Kellyville	LZN_015, LSZ_015, LRA_015
Glenhaven Road Glenhaven	HER_023
Windsor Road Kellyville	LRA_015
Lewis Jones Drive Kellyville	LSZ_015, LRA_015
Memorial Avenue towards Balmoral Road Kellyville & Bella Vista	LZN_015, HOB_015, FSR_015, LSZ_015, LRA_015, APU_015, CL3_015, LZN_016, HOB_016, FSR_016, LSZ_016, LRA_016, APU_016, CL3_016
Balmoral Road and Free Settlers Drive Bella Vista	LSZ_016, LRA_016

Fairway Drive and Pasquale Avenue Norwest and Bella Vista	LZN_016, HOB_016, LRA_016
Laura Street and Spurway Drive Norwest	LZN_016, HOB_016, FSR_016, LRA_016
Fairway Drive Norwest	LZN_016, HOB_016, LRA_016
Memorial Avenue, Severn Vale Drive and Fairway Drive Kellyville	LZN_016, FSR_016, HOB_016, LSZ_016, LZN_015, FSR_015, HOB_015, LSZ_015
Fairway Drive Kellyville and Norwest	LZN_016, HOB_016, LRA_016
Trunk Drainage land between Windsor Road and Memorial Avenue Kellyville	LZN_015, LRA_015, HOB_015
Half Penny Avenue Reserve Kellyville	LRA_015
Memorial Avenue Kellyville	LRA_015
Memorial Avenue & Windsor Road Kellyville	LRA_015
Florence Avenue and Hector Court Kellyville	LRA_015
Hodges Road and Pellizzer Boulevard Kellyville	LZN_016, HOB_016, LRA_016, LZN_015, LRA_015, HOB_015
Balmoral Road Kellyville	LRA_016
St Pauls Avenue Kellyville	LZN_015
Spurway Drive Norwest	HER_016
Stone Mason Drive (at Spurway Drive) Norwest	LZN_016, HOB_016, LSZ_016, LRA_016
Kathleen Avenue Castle Hill	LZN_016, LZN_024
Carrington Road Castle Hill	LZN_016, HOB_016, LSZ_016, LRA_016, FSR_016
Showground Road Castle Hill	LZN_016, LRA_016
Showground Road, Anella Avenue, Carrington Road and Hoyle Avenue Castle Hill	LZN_016
Dawes Avenue Castle Hill	LRA_024
Showground Road Castle Hill	LZN_016, HOB_016, LRA_016
Excelsior Avenue Castle Hill	APU_024
Old Northern Road Castle Hill	LRA_023, LRA_024
Barina Downs Road Norwest	HER_016
Windsor Road Baulkham Hills	LZN_016, HOB_016
Henry Street Baulkham Hills	HER_024
Hill Road West Pennant Hills	LRA_024
Seven Hills Road Baulkham Hills	LZN_024, LSZ_024, LRA_016
Appian Circuit Baulkham Hills	LZN_016, HOB_016
Old Northern Road Baulkham Hills	LZN_024, HOB_024, LSZ_024
Glenhaven Road Glenhaven	LSZ_023, LSZ_015

3. NEED FOR THE PLANNING PROPOSAL

The planning proposal gives effect to The Hills Draft Local Strategic Planning Statement and Central City District Plan as required under Section 3.8(4) of the *Environmental Planning and Assessment Act 1979*.

The planning proposal is the best means of delivering changes in the LSPS and associated strategic documents. The planning proposal intends to repeal The Hills Local Environmental Plan 2019 and make a new LEP 2020 (**Attachment G**).

Given the requirement for Council to submit the proposal to the Department for finalisation prior to 30 June 2020 to meet the conditions of the NSW Government's Accelerated LEP Review Funding Program, the Gateway requires the proposal to be revised prior to public exhibition so that it reflects an amendment to The Hills Local Environmental Plan 2019, rather than a new LEP 2020.

An amendment to The Hills LEP 2019 will be a timelier process, as any new comprehensive LEP which will include a clause relating to the suspension of covenants, agreements and instruments (currently clause 1.9A under The Hills LEP 2019) would require Governor's approval under section 3.16 of the *Environmental*

Planning and Assessment Act 1979 prior to finalisation. Further discussion on the merits of the proposal is provided under the following sections of this report.

4. STRATEGIC ASSESSMENT

4.1 District

4.1.1 Central City District Plan

The Greater Sydney Commission released the Central City District Plan on 18 March 2018. The plan contains planning priorities and actions to guide the growth of the district while improving its social, economic and environmental assets.

The planning proposal is consistent with the priorities for infrastructure and collaboration, liveability, productivity and sustainability in the plan.

- Planning Priority 1 Planning for a City Supported by Infrastructure; Planning Priority 9 Delivering integrated land use and transport planning and a 30-minute city; and Planning Priority 10 Growing investment, business opportunities and jobs in strategic centres

These Priorities aim to provide access to jobs, goods and services in centres and prioritise strategic land use and infrastructure plans for growing centres. The planning proposal is consistent with these Priorities particularly with the amendments of provisions relating to Castle Hill and Rouse Hill to reflect approved development applications and provisions for serviced apartments to ensure appropriate mixed use outcomes.

- Planning Priority 4 Fostering healthy, creative, culturally rich and socially connected communities

This Priority aims to foster healthy, resilient and socially connected communities with diverse neighbourhoods through promotive active lifestyles and the arts. The proposal gives effect to this Priority, particularly as the proposed local character clause for the Showground Precinct will provide specific objectives related to existing or future desired character for this mixed-use precinct.

- Planning Priority 5 Providing housing supply, choice and affordability, with access to jobs and services

This Priority aims to provide greater housing supply, diversity and affordability through well designed, well located housing and a variety of housing stock to suit all stages of life. The proposal gives effect to this Priority as it seeks to align planning for housing growth with master planning for key centres (such as Rouse Hill) with the Central City District Plan, LSPS and Draft Housing Strategy.

The proposal seeks to rezone approximately 2,130 land parcels in parts of Beaumont Hills, Rouse Hill and Kellyville from R3 Medium Density Residential to R2 Low Density Residential as well as increasing the minimum lot size from 700m² to 2,000m² for some land parcels in West Pennant Hills.

As discussed in the planning proposal (**Attachment A**) the areas in Beaumont Hills, Rouse Hill and Kellyville were part of a historic land release and identified under The Hills Historic Development Control Plan No. 32. DCP 32 identified the parcels as 'Local Centre Density' at 15-20 dwellings per hectare. Council notes these areas were developed at an overall density of 13 dwellings per hectare.

Council states when it was preparing the Standard Instrument Local Environmental Plan (The Hills LEP 2012), these 'Local Centre Density' areas were translated to R3 Medium Density Residential zoning. Upon review, Council notes the R3 zoning did not align with the built form outcomes that were being built at the time in those areas

(predominantly 3-4 bedroom detached houses) and further R3 Medium Density outcomes generally anticipate 38 dwellings per hectare. Council also notes the finalisation package for the North West Growth Centres recommends 15-20 dwellings per hectare for R2 Low Density Residential areas.

Council notes these proposed amendments are consistent with maximising use of existing infrastructure and services and facilitating diversity of housing and density in well serviced locations. The planning proposal (**Attachment A**) states the sites in Beaumont Hills, Rouse Hill and Kellyville have been developed within the last 20 years and the age of this housing stock, location away from Metro stations and with varying degrees of regular bus servicing these areas – it is unlikely these sites will be redeveloped within the foreseeable future.

The planning proposal (**Attachment A**) notes these amendments from R3 to R2 zoning will not impact Council's ability to meet its housing targets and delivery of housing diversity and these sites in Beaumont Hills, Rouse Hill and Kellyville are not identified for growth. Growth is anticipated to primarily be accommodated within release areas around Box Hill and North Kellyville and Metro Station Precincts.

Further, the proposed increases in minimum lot size for 50 parcels in West Pennant Hills seeks to maintain existing residential subdivision patterns and established character. In theory under the current lot sizes for these sites, an extra 51 dwellings could be yielded. However, this would result in a built form outcome inconsistent with the R2 Low Density Residential zoning and character of the area. The proposal also notes that this amendment will not impact upon Council's ability to meet housing targets.

- Planning Priority 6 Creating and renewing great places and local centres and respecting the District's Heritage

This Priority aims to create great places which bring people together and where heritage is identified, conserved and enhanced. The proposal gives effect to this Priority, particularly the removal of 'shops' from permissible land uses under the B1 Neighbourhood Centre zone, which will support the character of smaller centres with neighbourhood shops and neighbourhood supermarkets remaining permissible. Amendments to the cadastral boundaries and allotment descriptions of certain items of environmental heritage under the LEP are only administrative to reflect recent subdivisions and will not have any adverse impacts on the heritage value of these items.

- Planning Priority 11 Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land; and Planning Priority 12 Supporting growth of targeted industry sectors

These Priorities aim to retain and manage industrial lands, manage interfaces with industrial areas, facilitate health and education precincts, enable economic opportunities, and consider ways to support export and tourism industries.

The amendment to lift the deferred matter so underlying zoning will continue to apply for the Cattai Creek West area within the Showground Station Precinct is consistent with this Priority. Reverting to the underlying IN2 Light Industry and B5 Business Development zoning of Cattai Creek West will provide an interim measure while further work on the Cattai Creek West mixed-use master plan is undertaken.

The amendments to permissibility in rural land use zones will support the growth of targeted rural tourism industry sectors and is consistent with these Priorities.

- Planning Priority 17 Delivering high quality open spaces

This Priority aims to protect, enhance and expand public open space. The proposal includes rezoning two allotments that are part of Council's reserves to RE1 Public Recreation to reflect current land use. The proposal is consistent with this Priority.

- Planning Priority 18 Better managing rural areas

This Priority aims to use place-based planning to maintain or enhance the values of and limit urban development in the Metropolitan Rural Area. The proposed amendments to certain land uses under the RU1 Primary Production, RU2 Rural Landscape and RU6 Transition zones is consistent with this Priority as the land uses are consistent with prevailing character and will encourage rural support industries and tourism. Further the proposed amendment to include Principal Local Environmental Plan - Standard Instrument Clause 5.16 Subdivision of, or dwellings on, land in certain rural, residential or environment protection zones will minimise potential land use conflict between existing and proposed residential land uses and other rural land uses. This amendment is consistent with this Priority as it seeks to better manage the Shire's rural productive capacity.

4.2 Local

4.2.1 Local Strategic Planning Statement

The proposal directly seeks to implement The Hills Future 2036 Local Strategic Planning Statement (LSPS), Draft Housing Strategy, Productivity and Centres Strategy, Integrated Transport and Land Use Strategy, Recreation Strategy, Rural Study and Environmental Strategy.

The LSPS was exhibited from 1 July to 9 August 2019 and endorsed by The Hills Shire Council on 22 October 2019. The Greater Sydney Commission's assurance letter endorsing the draft LSPS was issued on 4 March 2020.

The planning proposal directly gives effect to the below priorities and actions of the LSPS (as discussed elsewhere in this report):

LSPS Planning Priority	LSPS Action
PP1 Plan for sufficient jobs, targeted to suite the skills of the workforce; PP3 Retain and manage valuable industrial and urban service land.	Protect the extent, role and function of strategic centres and employment lands through land use zones and objectives (June 2020).
PP2 Build strategic centres to realise their potential.	Investigate and implement measures to manage serviced apartment outcomes in employment zones (June 2020).
PP4 Retain and manage the Shire's rural productive capacity. PP5 Encourage support activities and tourism in rural areas	Review planning controls and permissible uses in rural zones to minimise land use conflict and maintain desired character (June 2020). Review planning controls and permissible uses in rural zones to facilitate land uses that will support and serve rural industry and encourage tourism in appropriate locations (June 2020).
PP8 Plan for a diversity of housing	Review residential zonings, objectives and provisions to ensure the planning framework effectively provides for a diversity of housing in the right locations, with a specific focus on the capacity of land currently zoned R3 Medium Density Residential (June 2020).

	Investigate demand for affordable rental housing and options for improving housing permissibility (June 2022)*.
PP9 Renew and create great places	<p>Introduce a character clause and map to The Hills LEP to guide development to reflect desired character in the Showground station precinct (June 2020).</p> <p>Review permissible uses in the B1 Neighbourhood Centre zone to ensure they are in keeping with the small-scale objective of neighbourhood centres (June 2020).</p>

*This LSPS action is not directly addressed in this proposal and will be subject to future policy investigations and potential LEP amendments. The subject proposal does not adversely impact upon these future investigations and policy amendments.

4.2.2 Local Planning Panel

The Hills Shire Local Planning Panel considered the planning proposal on 19 September 2019 (**Attachment E**). The Panel supported the proposal subject to the proposal being updated to re-word the local provision requiring consistency with the LSPS and local character. Council updated the planning proposal accordingly.

4.3 Section 9.1 Ministerial Directions

Direction 1.1 Business and Industrial Zones

The objectives of this Direction are to encourage employment growth in suitable locations, protect employment land in business and industrial zones, and support the viability of identified centres. As discussed in this report, the proposal seeks to provide clarity around commercial and industrial uses in Castle Hill, Rouse Hill and Cattai Creek West and is consistent with this Direction.

Direction 1.2 Rural Zones

This Direction seeks to protect the agricultural production value of rural land and applies to this proposal as it seeks to include service stations as a permissible land use in the RU1 Primary Production zone.

The planning proposal (**Attachment A**) states this amendment will provide benefits as follows:

- allow farming equipment and goods to be purchased, repaired and maintained locally;
- provide access to a service which is currently limited; and
- support the location of a possible future rural services hub in the northern area of the Shire as supported by Council's LSPS and Draft Rural Strategy.

The proposal is consistent with this Direction as it will not rezone land from a rural zone to a residential, business, industrial, village or tourist zone. It will also not increase the permissible density of land within a rural zone.

Direction 2.1 Environmental Protection Zones

This Direction applies to all planning proposals and aims to protect and conserve environmentally sensitive areas. As discussed in this report, the proposal does not impede controls which protect environmentally sensitive lands and aims to apply the E2 Environmental Conservation zone over lands which were previously R4 High Density Residential in Grey Gums estate.

The proposal also seeks to rezone a small portion of land (at Ballymena Way, Kellyville) forming part of an access area to two existing lots from R2 Low Density to E4 Environmental Living to match cadastral boundaries (**Figures 21 and 22**). The proposal is consistent with this Direction.



Figures 21 and 22: Proposed rezoning from R2 Low Density Residential to E4 Environmental Living

Direction 2.3 – Heritage Conservation

This Direction aims to conserve items of environmental heritage significance. As discussed previously in this report, the proposal includes amendments the cadastral boundaries and references of some heritage items to reflect recent subdivisions. These amendments do not adversely impact upon the heritage significance of these items and is consistent with this Direction.

Direction 3.1 – Residential Zones

This Direction aims to encourage a variety and choice of housing types, make efficient use of infrastructure and services, and minimise the impact of residential development on environmental and resource lands. This Direction applies where a planning proposal will affect residential land.

The proposal is inconsistent with this Direction as it seeks to reduce dwelling potential by seeking to rezone 2,130 parcels of land in Beaumont Hills, Rouse Hill and Kellyville from R3 Medium Density Residential to R2 Low Density Residential and to increase the minimum lot size of 50 parcels of land in West Pennant Hills from 700m² to 2,000m².

As noted previously, Council has stated that the R3 zone does not align with the built form outcomes for these areas as an overall density of 13 dwellings per hectare was built. The R3 zone would permit only 38 dwellings per hectare and Council also notes the finalisation package for the North West Growth Centres recommends 15-20 dwellings per hectare for R2 Low Density Residential areas.

Council also note that these sites have been developed within the last 20 years and the age of this housing stock, location away from Metro stations and with varying degrees of regular bus servicing these areas – it is unlikely these sites will be redeveloped within the foreseeable future.

The proposed amendment to introduce a site-specific provision to include a 375 dwelling cap for the Rouse Hill Northern Precinct (Town Centre Frame) is inconsistent with this Direction as it places a cap on residential density, however the consistency is of minor significance as the cap is consistent with development applications approved for the area and will not impede on the LSPS 800 dwelling target for Rouse Hill by 2036. However, it is recommended for the Gateway to require the cap to be an interim measure through drafting a LEP sunset clause

stating the cap may be reviewed when Council completes the Rouse Hill Precinct Plan in June 2021.

Council has sufficiently demonstrated these proposed amendments would not significantly reduce the Shire's potential to meet their 2036 housing targets and is consistent with the Central City District Plan and LSPS as discussed in Section 4.1 and 4.2 of this report.

However, it is recommended that the proposal's inconsistency with this Direction is further justified through a quantitative analysis to assess the impacts of the proposal on housing diversity and supply.

Direction 4.3 – Flood Prone Land

This Direction aims to ensure that development on flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005 and considers potential flood impacts.

This Direction applies as the proposal seeks to rezone some portions of land from SP2 Infrastructure (Stormwater Management) to the adjoining residential zone to match the cadastral boundaries of land acquired by Sydney Water. Council have indicated that this change reflects recent flood modelling by Sydney Water and is consistent with this Direction.

Direction 4.4 Planning for Bushfire Protection

This Direction seeks to protect life, property and the environment from bushfire hazards. In accordance with the terms of the Direction, a planning proposal must have regard to Planning for Bush Fire Protection 2006 and introduce controls that avoid placing inappropriate developments in hazardous areas.

The planning proposal is generally consistent with this Direction as it will not significantly increase density in bushfire prone land or alter the existing bushfire controls under the LEP or DCP.

However, in accordance with the requirements of this Direction, Council is required to consult with NSW Rural Fire Service prior to public exhibition to ensure it does not object to the progression of the planning proposal.

Direction 5.9 Northwest Rail Link Corridor Strategy

This Direction seeks to promote transit-orientated development and manage growth around the eight train stations of the North-West Rail Link (now Northwest Metro) to be consistent with the North-West Rail Link Corridor Strategy 2013 and Station Structure Plans. This Direction applies as discussed previously, the proposal includes amendments to Showground, Rouse Hill and Castle Hill Metro Precincts. The Hills Draft LSPS makes a commitment to have the precinct planning for these areas completed by June 2021 and this proposal's amendments are an interim measure while precinct planning is underway. Inconsistencies with this Direction are justified.

Direction 6.2 Land Reservation for Public Purposes

This Direction seeks to facilitate the provision of public services and facilities and removal of reservations of land which are no longer needed for public purposes. This Direction applies as the proposal includes amendments to the Land Reservation Acquisition Map proposed for the sites in the table below.

Location	Public purpose	Current acquisition authority	Revised acquisition authority
Lot 38 DP 1153570	Drainage / Public Reserve	Council and Sydney Water	Sydney Water
Carrington Rd and Showground Rd Castle Hill	Classified Road	Council	Transport for NSW (Roads and Maritime Services)

The proposed amendments are inconsistent with this Direction as the acquisition authorities have not been consulted on the proposed changes.

Direction 6.3 Site Specific Provisions

The objective of this Direction is to discourage unnecessarily restrictive site-specific planning controls. As discussed earlier in this report, the proposal seeks to include a dwelling cap for the Rouse Hill Northern Precinct (Town Centre Frame). This amendment is inconsistent with this Direction and is of minor significance. However, it is recommended for the Gateway to require the cap to be an interim measure through drafting a LEP sunset clause.

4.4 State environmental planning policies (SEPPs)

SEPP No. 55 Remediation of Land

This SEPP relates to the remediation of land where rezoning occurs. It is recommended the planning proposal be updated prior to exhibition to include assessment under the SEPP. Further, site contamination studies can be undertaken as part of any future development or strategic studies.

SEPP (Exempt and Complying Development Codes) 2008

The new Low Rise Medium Density Housing Code under the SEPP aims to provide greater housing choice and facilitate faster housing approvals for medium-density housing. It allows one-storey and two-storey dual occupancies, manor houses and multi-dwelling housing (terraces) to be developed in accordance with a complying development certificate provided this development fully accords with the requirements of the code. The Code will commence for The Hills Shire on 1 July 2020.

As the proposal seeks to rezoning R3 Medium Density Residential land to R2 Low Density Residential land in Beaumont Hills, Rouse Hill and Kellyville, it will reduce opportunities for manor houses and terraces (multi-dwelling housing) to be built in these areas as they are not permissible under R2 zoning.

However, as discussed in this report, this proposed amendment is consistent with the established character of the area and is unlikely to be redevelopment in the immediate future. The proposal's inconsistencies with this SEPP are of minor significance.

SEPP (Infrastructure) 2007

This SEPP aims to facilitate the effective delivery of infrastructure. The planning proposal seeks to rezone small portions of land from SP2 Infrastructure to match changed cadastral boundaries resulting from recent acquisitions for road widening or stormwater management.

While these proposed amendments to rezone services land is inconsistent with the aims of the SEPP, it is of minor significance as it is residual land more than what is required for infrastructure purpose that is being rezoned.

5. SITE-SPECIFIC ASSESSMENT

5.1 Social

The planning proposal supports the local character of the Showground Precinct (consistent with the Department's Local Character and Place Guideline), continues to support the role of local centres that offer a range of community services and enables provisions for high density zoning around Metro Station precincts. The proposal also secures two of Council's reserves by rezoning the allotments from R2 Low Density Residential and R3 Medium Density Residential to RE1 for public open space. The proposal's housekeeping amendments will provide consistency and clarity to the community and align local planning with the strategic planning framework. It is not anticipated that the proposal will result in any adverse social impacts.

5.2 Environmental

The planning proposal adopts Clause 5.16 of the Standard Instrument – Principal Local Environmental Plan which aims to protect environmental protection zones and certain rural land from dwellings and subdivisions which conflict with surrounding land uses. This supports the Draft LSPS which separates environmental and Metropolitan Rural Areas from existing urban areas and release areas where residential growth will occur. It is not anticipated that the planning proposal will result in any adverse environmental effects.

5.3 Economic

The planning proposal supports the role of the strategic centres and neighbourhood centres through the removal of 'shops' as a permissible land use in B1 zones, amending controls for Castle Hill and Rouse Hill to reflect approved development, introducing controls for serviced apartments, reinstating the underlying industrial zoning at Cattai Creek West (Showground Precinct), and introducing land uses to support rural tourism and industry in rural land use zones. It is not anticipated that the planning proposal will result in any adverse economic effects.

5.4 Infrastructure

It is noted the Department, The Hills Shire Council and Transport for NSW are undertaking a cumulative traffic and transport study for Castle Hill, Norwest and Showground Precincts. The comprehensive study will provide greater clarity around how future growth will impact road infrastructure provision.

The proposal primarily consists of housekeeping amendments and will not directly result in major developments that would place significant demands on infrastructure in terms of utilities, transport or other services. Any future development applications which are enabled by the planning proposal will be required to either demonstrate that there are adequate services or will address arrangements for the provision of infrastructure as part of the DA process.

5.5 Local Character

The Department has prepared a Discussion Paper – Local Character Overlays which explores a proposed approach for introducing local character overlays into the Standard Instrument Local Environmental Plan. The exhibition of the discussion paper concluded on 20 May 2019.

Local character overlays were first identified as a mechanism for embedding local character into the planning framework in the January 2018 Planning Circular. The

Circular notes that Character overlays will only be permitted in exceptional areas as part of LEPs where the council has:

- demonstrated the character of a local area is significant in accordance with guidelines to be issued by the Department; and
- ensured that the local government area will meet the dwelling targets for future growth as established by the relevant regional or district plan.

The Department acknowledges the intent of the proposed local character clause but notes that the Department is preparing a standard approach for the application of the local character overlay.

Therefore, the planning proposal is required to be amended to note the Department's work and that the proposed clause could change subject to Department's legal drafting. Council should also expand the explanation of the intent of the proposed clause to provide clarity to the community on how the clause intends to be implemented.

6. CONSULTATION

6.1 Community

A public exhibition period of 28 days is considered an appropriate amount of time to gauge the response by the community. It is anticipated consultation will include mail to affected owners, advertising on Council's website, community drop in sessions, advertising in newspapers and social media.

6.2 Agencies

At a minimum, referral to the following agencies prior to exhibition is recommended:

- Rural Fire Service NSW;

During the exhibition period, as a minimum, referral to the following agencies is recommended:

- Sydney Water;
- Department of Premier and Cabinet – NSW Heritage; and
- Greater Sydney Commission.

7. TIME FRAME

Council is required to submit the planning proposal to the Department for finalisation prior to 30 June 2020 to meet the conditions of the NSW Government's Accelerated LEP Review Funding Program.

As discussed earlier in this report, in order to meet the timeframe, the Gateway requires for the proposal to remove any references to 'a comprehensive review of the LEP' and 'LEP 2020,' and for the planning proposal to be an amendment to The Hills LEP 2019.

8. LOCAL PLAN-MAKING AUTHORITY

As the planning proposal is to give effect to the Central City District Plan and The Hills Shire are an accelerated Council under the LEP Review Funding Program, it is recommended that Council is not given local plan-making authority in this instance.

9. CONCLUSION

The planning proposal is supported to proceed to Gateway Determination subject to conditions as the proposed amendments have strategic and site-specific merit, are

generally consistent with the Central City District Plan and aligns The Hills LEP with The Hills Local Strategic Planning Statement.

10. RECOMMENDATION

It is recommended that the delegate of the Secretary:

1. agrees that any inconsistencies with Section 9.1 Directions 5.9 Northwest Rail Link Corridor Strategy and 6.3 Site Specific Provisions are minor or justified; and
2. notes that consistency with Section 9.1 Directions 3.1 Residential Zones, 4.4 Planning for Bushfire Protection, and 6.2 Land Reservation for Public Purposes are unresolved and will require further justification.

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

1. Prior to public exhibition, the planning proposal is to be amended as follows:
 - (a) remove references to “The Hills Local Environmental Plan 2020” and a “comprehensive review” of the Local Environmental Plan;
 - (b) update references to the proposal to represent an amendment to The Hills Local Environmental Plan 2019;
 - (c) remove the proposed amendment to introduce an aim of the LEP and local provision to give effect to the LSPS, district and regional strategic plans and any other references;
 - (d) include a draft sunset provision under the proposed clause ‘Maximum number of dwellings at ‘Northern Precinct’ Rouse Hill Town Centre stating that the 375 dwelling cap may be revised once Council complete precinct planning for Rouse Hill by June 2021;
 - (e) for the proposed amendment to rezone land at Beaumont Hills, Rouse Hill and Kellyville provide a quantitative analysis to assess the impacts of the proposal on housing diversity and supply, as follows:
 - (i) the number of unconstrained lots which can be redeveloped for attached dwelling, multi-dwelling housing, and seniors housing developments;
 - (ii) the number of reduced potential dwellings from the rezoning;
 - (iii) the number of potential lots that would be eligible for manor houses/multi-dwelling housing under the Low Rise Medium Density Housing Code in the R3 Medium Density Residential zone, considering the SEPP exclusions (such as sites below the minimum lot size and land subject to heritage provisions); and
 - (iv) the number of attached dwelling, multi-dwelling housing, and seniors housing developments approved in the R3 Low Density Residential zone in the past five years;
 - (f) for the proposed local character clause:
 - (i) update the explanation of the proposed clause to include how the clause intends to be implemented and the desired outcome for the Showground Station Precinct; and
 - (ii) note the Department’s work on a local character overlay and state that the wording of the proposed clause could change subject to legal drafting;

- (g) include an assessment under State Environmental Planning Policy No 55 – Remediation of Land;
 - (h) consult the NSW Rural Fire Service prior to public exhibition in accordance with section 9.1 Direction 4.4 Planning for Bushfire Protection and address any comments from this agency;
 - (i) include the intention to introduce a new savings and transitional clause to ensure that proposed amendments do not affect any development applications or appeal processes; and
 - (j) include a note that the draft proposed clauses will be subject to legal drafting and may alter under this process.
2. The planning proposal should be made available for community consultation for a minimum of 28 days.
 3. Council is to inform all landowners affected by amendments to minimum lot sizes and rezoning from R3 Medium Density Residential to R2 Low Density Residential in writing about the exhibition of the proposal, outlining the effect of the proposed changes.
 4. Consultation is required with the following public authorities:
 - Sydney Water;
 - NSW Rural Fire Service;
 - Department of Premier and Cabinet – NSW Heritage; and
 - Greater Sydney Commission
 5. Council is required to submit the planning proposal to the Department for finalisation prior to 30 June 2020.
 6. Given the nature of the planning proposal, Council is not authorised to exercise delegation to make this plan.



10 March 2020
Gina Metcalfe
Acting Director, Central (Western)
Central River City and Western Parkland City

Assessment officer: Angela Hynes
Acting Place and Infrastructure Manager
(The Hills Shire and Hawkesbury)
Central (Western)
Phone: 9860 1558