

# **Planning Services**

# **Gateway Determination Report**

The Hills Shire		
The Hills Shire Council		
The Hills LEP 2012 amendment of Growth Centres SEPP		
(Box Hill and North Kellyville Floor space)		
PP_2017_THILL_008_00		
SEPP (Sydney Region Growth Centres) 2006		
Not Applicable		
The Hills Growth Centre Precinct (Box Hill) & North Kellyville		
Precinct Plan		
19 August 2017		
17/11582		
qA417276		
There are no donations or gifts to disclose and a political		
donation disclosure is not required		
There have been no meetings or communications with		
registered lobbyists with respect to this proposal		

#### INTRODUCTION

#### **Description of Planning Proposal**

The proposal seeks to amend the floor space provisions in and around the Box Hill and North Kellyville commercial centres in the State Environmental Planning Policy (Sydney Region Growth Centres) 2006. It proposes to limit the shop top housing component of mixed use developments by removing floor space bonuses for the residential component and requiring the non-residential component to occupy at least 50% of a building. This proposal complements a previous planning proposal (PP\_2016\_THIL\_005\_00) that gained Gateway determination on 12 May 2016, and that was subsequently granted an extension for completion until 19 November 2017. That proposal is currently being finalised.

#### **Site Description**

The proposal includes multiple sites in or adjoining the commercial centres identified in the North Kellyville and Box Hill Precincts of SEPP (Sydney Region Growth Centres) 2006 shown in Figure 1 and 2. Specifically, it involves the B1 Neighbourhood Centre and B2 Local Centre zones in the North Kellyville Precinct and the B2 Local Centre (except the Windsor Road/Box Hill Inn Village Centre) and R1 General Residential zone in the Box Hill Precinct.

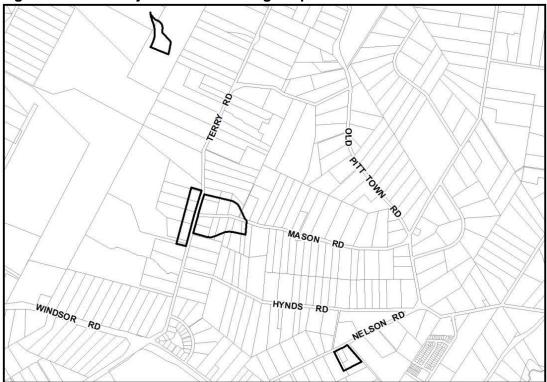
Figure 1: Land subject to the Planning Proposal in North Kellyville



Land to which Planning Proposal Applies

North Kellyville Sites

Figure 2: Land subject to the Planning Proposal in Box Hill



Land to which Planning Proposal Applies

Box Hill Sites

## **Surrounding Area**

The North Kellyville and Box Hill Precincts are predominantly small rural lots with dwellings and some agricultural uses. The precincts are transitioning to planned communities focused around neighbourhood centres which will provide commercial and retail services.

## **Summary of Recommendation**

It is recommended that the Planning Proposal proceed with conditions.

#### **PROPOSAL**

## **Objectives or Intended Outcomes**

The objectives of the proposal are to ensure that the provisions of the Sydney Environmental Planning Policy (Sydney Region Growth Centres) 2006 (the SEPP) are consistent with Council's desired future character of the areas, and that the controls for shop top housing do not result in unintended densities.

The proposal seeks further amendments to the SEPP to change its floor space provisions to harmonise with the yet to be approved planning proposal (PP\_2016\_THIL\_005\_00) for improving shop top housing outcomes throughout The Hills LGA.

## **Explanation of Provisions**

The proposal seeks to compliment planning proposal (PP\_2016\_THIL\_005\_00) currently with the Department for finalisation, by additional changes to the floor space provisions and an amended clause relating to controls for shop top housing only. These are discussed below.

# North Kellyville Growth Centre

The proposal seeks the following changes:

- delete clause 4.4(2A) which currently excludes residential component of buildings from the calculation of floor space in zones B1 & B2 zones;
- amend objective (1)(b) of Clause 4.4 to seek a built form that is compatible with the role of local and neighbourhood centres; and
- an increase of floor space ratios for the commercial zones.

In summary, the planning proposal seeks to amend Appendix 2 North Kellyville Precinct Plan floor space ratios as described in Table 1 below.

Table 1: Summary of proposed North Kellyville Precinct Plan floor space amendments

Zone	Current	Proposed	SEPP Amendment
B1 Neighbourhood	0.5:1	1:1	Amend Map Sheets
Centre			FSR_008A &
			FSR_012C
B2 Local Centre	0.5:1	1:1	Amend Map Sheet
			FSR_012B

#### Box Hill Growth Centre

The proposal seeks the following changes:

 delete clause 4.4A (2)(a)(b)(c) that specify additional "bonus" floor space ratios for shop top housing within B2 Local Centre and R1 General Residential zones and the related FSR hatching;

- increase the Box Hill Town Centre floor space ratio for development site areas of 3 hectares or more (i.e. to encourage site amalgamations);
- increase the floor space ratios for the Box Hill Town Centre and for the Nelson Road and Mt Carmel Road villages; and
- include a new clause requiring that a development application for a building containing shop top housing includes at least 50% of the total floor area of the building as non-residential uses for land zoned R1 General Residential adjoining the Box Hill Town Centre.

In summary, the planning proposal seeks to amend Appendix 11 The Hills Growth Centre Precinct Plan (Box Hill centres) 2006 floor space provisions as described in Table 2 below.

Table 2: Summary of current and proposed Box Hill centres floor space amendments

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Site	Current	Proposed	SEPP Amendment		
Sites >3 ha	1:1	2:1	Amend clause 4.4A (1)		
Box Hill Town Centre					
B2 Local Centre	0.5:1	1.5:1	Amend Map Sheet FSR_008		
Nelson Road Village					
B2 Local Centre	0.5:1	1:1	Amend Map Sheet FSR_008		
Mt Carmel Village					
B2 Local Centre	0.5:1	1:1	Amend Map Sheet FSR_008		
Shop top housing within adjoining R1 Residential zone	Not applicable	Minimum 50% non- residential floor space	Add sub-clause to proposed clause 6.8 and add Area F to proposed Key Sites Map		

#### **Mapping**

The proposal includes a series of floor space maps showing the proposed amendments. It will also add a new key site on the Key Sites Map, which will be introduced into the SEPP by PP 2016 THIL 005 00 when it is finalised.

# Comment on maps

It should be noted that that the Box Hill centre "Proposed floor space ratio map (whole precinct)" is missing a floor space legend category "S" for a floor space category of 1.5 :1. This anomaly and should be corrected before exhibition.

#### **NEED FOR THE PLANNING PROPOSAL**

As mentioned above, the proposal complements planning proposal PP\_2016\_THIL\_005\_00. Council notes that the proposal is necessary to ensure that there is consistency with shop top housing controls across The Hills Shire LGA. Further, the Department is aware of instances where excessive residential development has occurred, beyond what was envisaged during the precinct planning process.

Council contends that current shop top housing controls are leading to undesirable outcomes with developments that have minimal non-residential floor space and are predominantly residential apartment blocks that utilise generous floor space bonus provisions.

The proposed amendments to the SEPP are a satisfactory approach to achieving the desired town centres of North Kellyville and Box Hill Precincts.

#### STRATEGIC ASSESSMENT

#### **State**

The NSW Premier's Priorities highlight the importance of creating jobs, building infrastructure and affordable housing. The planning proposal is considered to be consistent with these priorities by ensuring viable centres are achieved and are accessible to areas experiencing rapid residential growth.

# Regional / District

## A Plan for Growing Sydney- Directions

The Plan for Growing Sydney contains two Directions relevant to this proposal;

- Direction 1.4: Transform Western Sydney through growth and investment: and
- Direction 1.7: Grow centres that provide more jobs closer to homes.

The proposal will ensure there are opportunities for greater commercial activity within the growth centres, and therefore provide job opportunities in closer proximity to areas of increasing population growth.

## Draft West Central District Plan- Action

# **Productivity**

The draft West Central District Plan (draft District Plan) discusses the importance of concentrating jobs and employment activity in strategic and district centres, and promotes increased economic activities in the strategic centres (Productivity Priority 7) and differentiating the employment opportunities of these district centres with the strategic centres (Productivity Priority 8).

The sites are existing planned local centres, and the proposal essentially seeks to ensure they are not undermined by excessive residential development. The proposed requirement for 50% of new floor space to be non-residential will help ensure the local centres are achieved.

#### Local

The proposal is consistent The Hills Local Strategy and Directions (2010). The Strategy seeks to create new, sustainable centres in release areas that satisfy the social, economic and cultural needs of new communities. The continued inclusion of shop top housing in and around the centres will contribute to their vibrancy and attractiveness to people. The Department notes that this strategy, and its supporting studies are almost a decade old however current initiatives by the Greater Sydney Commission may help update local strategies.

# **Section 117(2) Ministerial Directions**

The Planning Proposal is consistent with all S117 Directions.

## **State Environmental Planning Policies**

When the SEPP was implemented, it excluded residential component of shop top housing development from FSR calculations. This was to provide an incentive for residential development. However, this has resulted in unwanted built form outcomes as the take up of residential development has exceeded expectations, and risks undermining the local centres. The proposal seeks to amend the SEPP by removing the floor space bonus provisions that provide an incentive for the development of shop top housing, and requiring a minimum of 50% of non-residential floor space for the "shop" component of a development.

The proposal is supported as it complements PP\_2016\_THIL\_005\_00. The Gateway determination for that proposal required Council to consult the Department's Land Release Team, who raised no objections and have since proposed dwelling yield caps for priority precincts subject to the SEPP. The proposal will contribute to achieving Council's desire for a lower scale urban form outcome for the North Kellyville and Box Hill Precinct centres.

#### SITE SPECIFIC ASSESSMENT

#### Social

The centres within the North Kellyville and Box Hill Precincts were planned to provide a balance of commercial, retail and residential and recreation uses that all residents in the precincts would use to shop, work, and socialise.

Recent developments indicate the anticipated outcomes for the centres are at risk as the current planning controls are providing for unintended high residential densities. This may result in the centres being less diverse in terms of non-residential floor space uses reducing their vitality and vibrancy making them less attractive to people and adversely affecting their sustainability in the longer term.

The planning proposal aims to address this risk by limiting residential densities in the centres.

#### **Environmental**

There are no significant environmental impacts of the proposal.

#### **Economic**

Implementation of the proposal will result in more balanced diversity of uses in the centre which are anticipated to produce larger economic returns than a residential dominated, less diverse centre.

There are no significant economic impacts of the proposal.

#### Infrastructure

The provision and funding of state infrastructure is not a consideration in the assessment of the proposal.

#### CONSULTATION

## Community

A community consultation period of 28 days is considered an appropriate amount of time to obtain feedback from the community.

Pursuant to Section 57(8) of the *EP&A Act 1979* the Responsible Planning Authority must consider any submissions made concerning the proposed instrument and the report of any public hearing.

## **Agencies**

Consultation is required with the following public authorities under section 56(2)(d) of the Act:

- Transport for NSW
- Roads and Maritime Services
- Endeavour Energy
- Sydney Water
- Telstra
- Department of Planning and Environment Land Release Team

#### **TIMEFRAME**

The timeframe to finalise this Planning Proposal is 6 months, which is considered appropriate.

#### **DELEGATION**

Council has not requested delegation of the plan making function in relation to this planning proposal and it is recommended that delegation of the Greater Sydney Commission not be issued in this instance.

#### CONCLUSION

The proposal will reduce the size and scale of shop top housing developments in and around the Box Hill and North Kellyville commercial centres in the State Environmental Planning Policy (Sydney Region Growth Centres) 2006. Setting a limit on the shop top housing component of mixed use developments by removing floor space bonuses for the residential component and requiring the non-residential component to occupy at least 50% of a building will avoid inappropriate over development of this housing type.

This proposal complements a previous planning proposal (PP\_2016\_THIL\_005\_00) that which is currently with the Department for finalisation.

#### RECOMMENDATION

It is recommended that the delegate of the Greater Sydney Commission, determine that the planning proposal should proceed subject to the following conditions:

1. Prior to exhibition of the Planning Proposal, Council should be required to make the following map amendments prior to exhibition.

- In the Box Hill centre map entitles "Proposed floor space ratio map (whole precinct)" insert a floor space legend category "S" with a floor space category of 1.5:1.
- 2. is Community consultation is required under Sections 56(2)(c) and 57 of the EP&A Act as follows:
  - (a) the planning proposal must be made publicly available for a minimum of 28 days; and
  - (b) the relevant planning authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in Section 5.5.2 of *A guide to preparing local environmental plans* (Department of Planning and Environment 2016).
- 3. Consultation is required with the following public authorities and / organisations under Section 56(2)(d) of the Act and/or to comply with the requirements of relevant Section 117 Directions:
  - Transport for NSW
  - Roads and Maritime Services
  - Endeavour Energy
  - Sydney Water
  - Telstra
  - Department of Planning and Environment Land Release Team

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Each public authority/organisation is to be provided with a copy of the Planning Proposal and any relevant supporting material, and given at least 21 days to comment on the proposal.

- 4. A public hearing is not required to be held into the matter by any person or body under Section 56(2)(e) of the Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).
- 5. The timeframe for completing the LEP is to be 6 months from the date of the Gateway determination.
- 6. Given the nature of the planning proposal, Council should be authorised to exercise delegation to make this plan.

8/9/11

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