

LOCAL PLANNING PANEL – THE HILLS SHIRE COUNCIL

DETERMINATION OF THE HILLS LOCAL PLANNING PANEL ON 27 MARCH 2024

PRESENT:

Pamela Soon	Chair
David Furlong	Expert
Eugene Sarich	Expert
Ken Willimott	Community Representative

DECLARATIONS OF INTEREST:

NIL

COUNCIL STAFF:

The Panel were briefed by the following Council Staff on 27 March 2024:

Nicholas Carlton	-	Manager – Forward Planning
Megan Munari	-	Principal Coordinator - Forward Planning

**ITEM 1: PLANNING PROPOSAL – 27 VICTORIA AVENUE, CASTLE HILL
(1/2022/PLP) – LOCAL PLANNING PANEL**

COUNCIL OFFICER'S RECOMMENDATION:

The planning proposal proceed to Gateway Determination.

PANEL'S ADVICE:

1. The planning proposal applicable to land at 27 Victoria Avenue, Castle Hill demonstrates adequate strategic and site-specific merit to proceed to Gateway Determination, subject to the following matters being resolved to Council's satisfaction:
 - a) A site-specific Development Control Plan should be prepared and considered alongside the planning proposal which secures the following key urban design, landscaping and public domain outcomes:
 - i. Building articulation and the requirement for significant recesses and architectural diversity across the front façade of the building to Victoria Avenue;
 - ii. Public domain interface and relationship to the street, including prioritisation and identification of entries and integration with the footpath;
 - iii. Provision of landscaping and deep soil areas;
 - iv. The location of car parking and application of revised parking rates to future development on this site, consistent with Council's draft Norwest Precinct Plan;
 - v. The location of driveways and loading areas (retaining loading areas within the building footprint as currently proposed in the Proponent's concept); and
 - vi. Stormwater and flood management.
 - b) A mechanism should be established to ensure fair and reasonable contributions are made towards new local infrastructure within the Norwest Precinct, noting the extent of uplift proposed is beyond that planned or catered for by The Hills Section 7.12 Contributions Plan which currently applies to the land. It may be more appropriate for contributions to be paid at similar rates to those established by Council's Contributions Plan No. 19 – Showground Precinct, which applies to the adjoining development area and details fair and reasonable contributions for non-residential development towards new local infrastructure upgrades that support development within this locality.

VOTING:

Unanimous

ITEM **PLANNING PROPOSAL – 27 VICTORIA AVENUE, CASTLE HILL (1/2022/PLP) – LOCAL PLANNING PANEL**

THEME: Shaping Growth

MEETING DATE: **27 MARCH 2024**

LOCAL PLANNING PANEL

GROUP: **SHIRE STRATEGY**

PRINCIPAL COORDINATOR

AUTHOR: MEGAN MUNARI

**RESPONSIBLE
OFFICER:** **MANAGER – FORWARD PLANNING**
NICHOLAS CARLTON

PURPOSE

This report presents the planning proposal for 27 Victoria Avenue, Castle Hill (1/2022/PLP) to the Local Planning Panel (LPP) for advice, in accordance with Section 2.19 of the *Environmental Planning and Assessment Act 1979*.



RECOMMENDATION

1. The planning proposal applicable to land at 27 Victoria Avenue, Castle Hill demonstrates adequate strategic and site-specific merit to proceed to Gateway Determination, subject to the following matters being resolved to Council's satisfaction:
 - a) A site-specific Development Control Plan should be prepared and considered alongside the planning proposal which secures the following key urban design, landscaping and public domain outcomes:
 - i. Building articulation and the requirement for significant recesses and architectural diversity across the front façade of the building to Victoria Avenue;
 - ii. Public domain interface and relationship to the street, including prioritisation and identification of entries and integration with the footpath;
 - iii. Provision of landscaping and deep soil areas;
 - iv. The location of car parking and application of revised parking rates to future development on this site, consistent with Council's draft Norwest Precinct Plan;

- v. The location of driveways and loading areas (retaining loading areas within the building footprint as currently proposed in the Proponent's concept); and
 - vi. Stormwater and flood management.
- b) A mechanism should be established to ensure fair and reasonable contributions are made towards new local infrastructure within the Norwest Precinct, noting the extent of uplift proposed is beyond that planned or catered for by The Hills Section 7.12 Contributions Plan which currently applies to the land. It may be more appropriate for contributions to be paid at similar rates to those established by Council's Contributions Plan No. 19 – Showground Precinct, which applies to the adjoining development area and details fair and reasonable contributions for non-residential development towards new local infrastructure upgrades that support development within this locality.

Proponent	MARTIS INVESTMENTS PTY LTD
Owner	MARTIS INVESTMENTS PTY LTD
Planning Consultant	PGH Environmental Planning
Architect	PBD Architects
Landscape Architect	PBD Architects
Stormwater/Flood Engineer	Engineering Studio Civil and Structural
Economic Consultant	Hill PDA
Traffic and Transport	Positive Traffic
Site Area	8,094m ²
List of Relevant Strategic Planning Documents	<p>Greater Sydney Region Plan</p> <p>Central City District Plan</p> <p>Section 9.1 Ministerial Directions</p> <p>North West Rail Link Corridor Strategy</p> <p>The Hills Corridor Strategy</p> <p>Local Strategic Planning Statement and supporting strategies</p> <p>Draft Norwest Precinct Plan</p>
Political Donation	None disclosed

EXECUTIVE SUMMARY

This report provides a summary and assessment of the planning proposal applicable to land at 27 Victoria Avenue, Castle Hill for consideration by the Local Planning Panel. The proposal, as submitted by the Proponent, seeks to facilitate specialised retail, urban services and commercial floorspace on the site through the following amendments to the Hills LEP 2019:

- a) Increase the Maximum Height of Building from 20 metres to 26 metres.
- b) Increase the Maximum Floor Space Ratio from 1:1 to 1.98:1.

The proposal is broadly consistent with Council's objectives for development in this locality and through further detailed design work as part of a future development application, the controls are capable of achieving a positive and acceptable urban design outcome on the site. Based on assessment against the strategic and site specific merit test, it is considered that the proposal generally demonstrates adequate merit to warrant progression to Gateway Determination.

There are however a number of matters identified within this report which should be resolved prior to the matter being reported to Council for consideration. Specifically, if Council were to resolve to proceed to Gateway Determination, Council should first be satisfied that:

- a) A site-specific Development Control Plan will also progress concurrently alongside the planning proposal which secures the key urban design, landscaping and public domain outcomes detailed within the recommendation and discussed in Section 4(d) of this report; and
- b) A mechanism will be in place to ensure fair and reasonable contributions are made towards new local infrastructure within the Norwest Precinct, noting the extent of uplift proposed is beyond that planned or catered for by The Hills Section 7.12 Contributions Plan which currently applies to the land. It may be more appropriate for contributions to be paid at similar rates to those established by Council's Contributions Plan No. 19 – Showground Precinct, which applies to the adjoining development area and details fair and reasonable contributions for non-residential development towards new local infrastructure upgrades that support development within this locality.

1. THE SITE

The site is known as 27 Victoria Avenue, Castle Hill (Lot 5, DP 261795) and is outlined in red in the figure below. It is located within the Showground Station Precinct, approximately 1.1km walking distance from the Showground Metro Station. The site comprises one parcel of land approximately 8,094m² in size. It is a corner lot, with frontages to both Victoria Avenue to the west and Anella Avenue to the north.



Figure 1
Site Aerial – Subject Site and Surrounds

The site is currently zoned E3 Productivity Support, with a maximum building height of 20m and maximum floor space ratio of 1:1, which allows a maximum GFA of 8,094m². The site is currently occupied by a single storey building with a floor area of approximately 2,500m² comprising predominantly specialised retail premises and urban services uses, with at grade car parking.



Figure 2
Aerial View of Existing Development



Figure 3
Existing Development

The site benefits from a right of carriageway for access and car parking via the adjoining property 3 Anella Avenue, Castle Hill (refer to Figure 2). Additionally, the site is encumbered by a 2-7m wide easement for drainage along the northern end, which Council is the benefited authority.

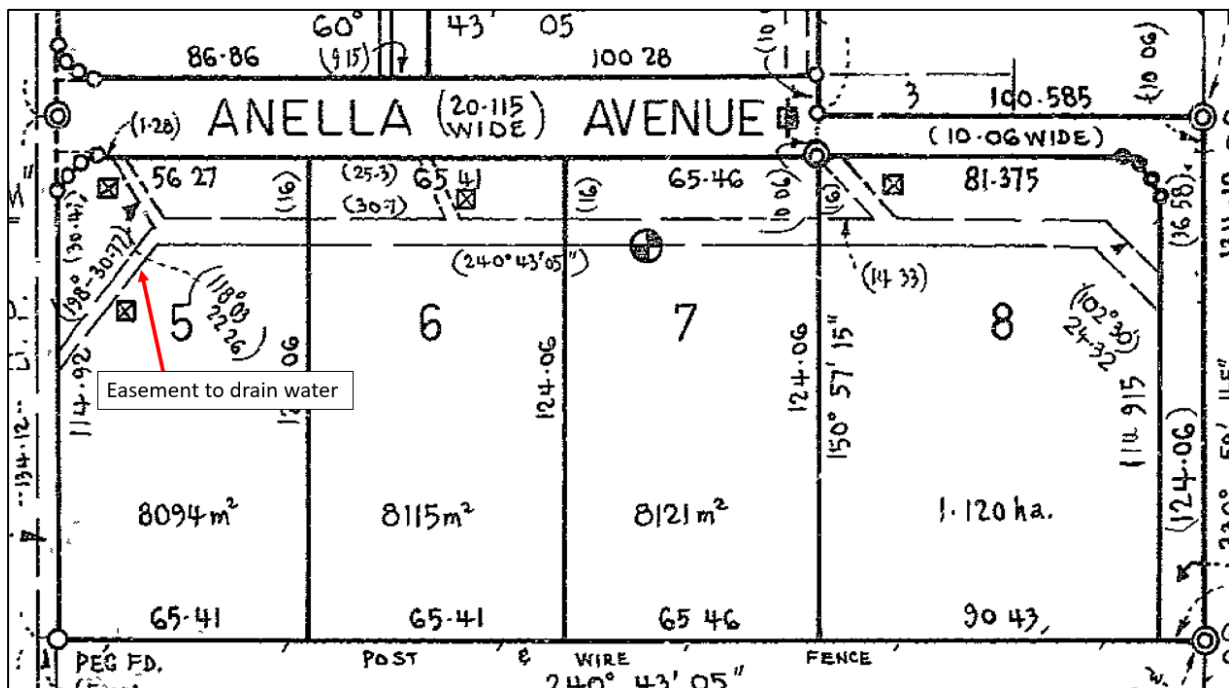


Figure 4
Easement for drainage

2. DESCRIPTION OF PLANNING PROPOSAL

The planning proposal seeks increased density and building height on the site to facilitate redevelopment comprising a range of uses, including specialised retail premises (bulky goods), vehicle sales, vehicle repair station, centre based childcare facility, indoor recreation facility (gym) and medical centre. All of the proposed uses are currently permitted in the E3 Productivity

Support zone which applies to the land. The proposal seeks to permit up to 16,026m² of Gross Floor Area within a built form ranging from 4-5 storeys.

To enable this, the application seeks to make the following amendments to The Hills LEP 2019:

- Increase the maximum floor space ratio from 1:1 to 1.98:1; and
- Increase the maximum building height from 20m to 26m.

The existing and proposed LEP maps are provided below:

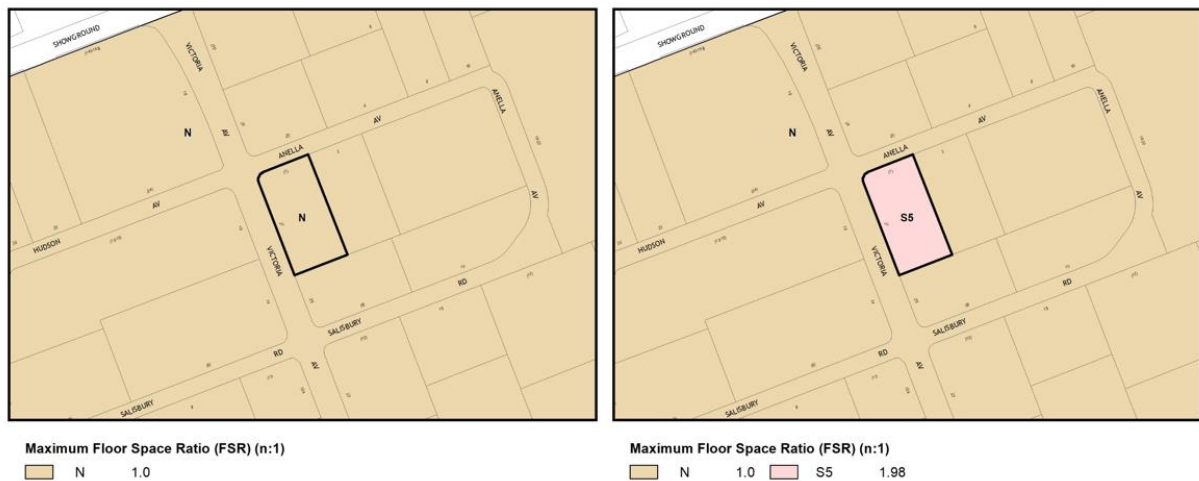


Figure 5
Existing (left) and proposed(right) maximum floor space ratio map

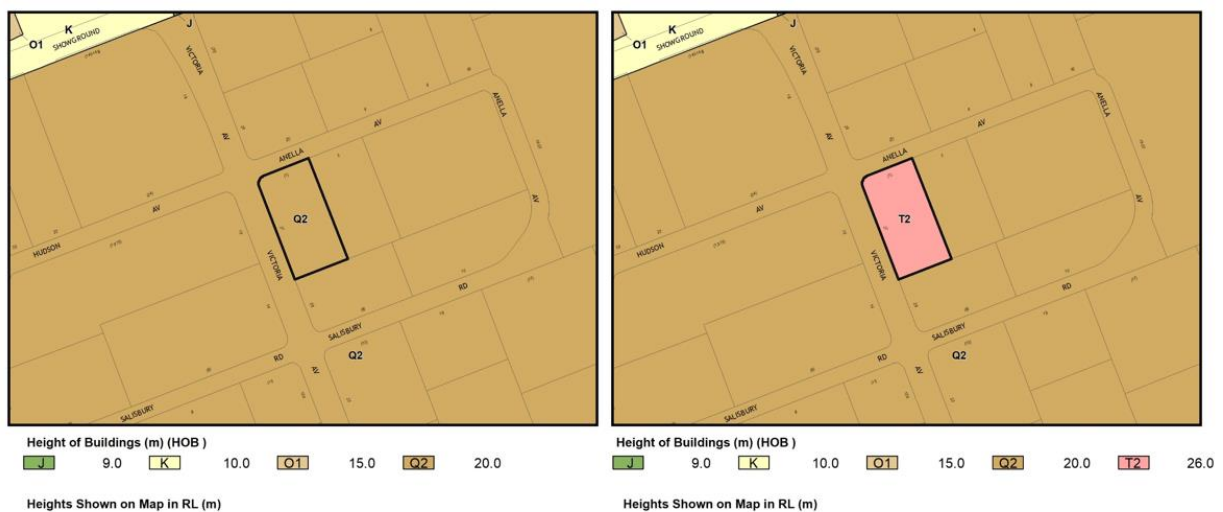


Figure 6
Existing (left) and proposed(right) maximum height of building map

Extracts of the concept plans submitted by the Proponent are provided below.



Figure 7
Proposed development façade, viewed from Victoria Avenue

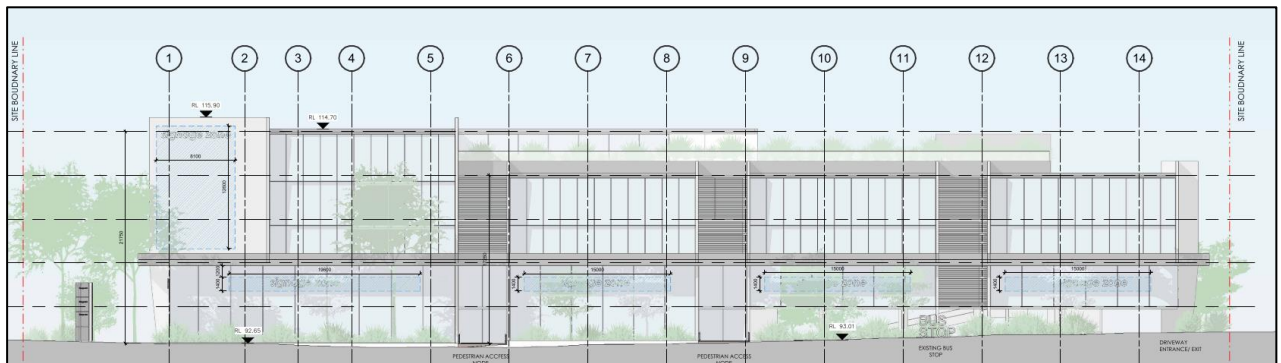


Figure 8
Front elevation of the concept design (view from Victoria Avenue)

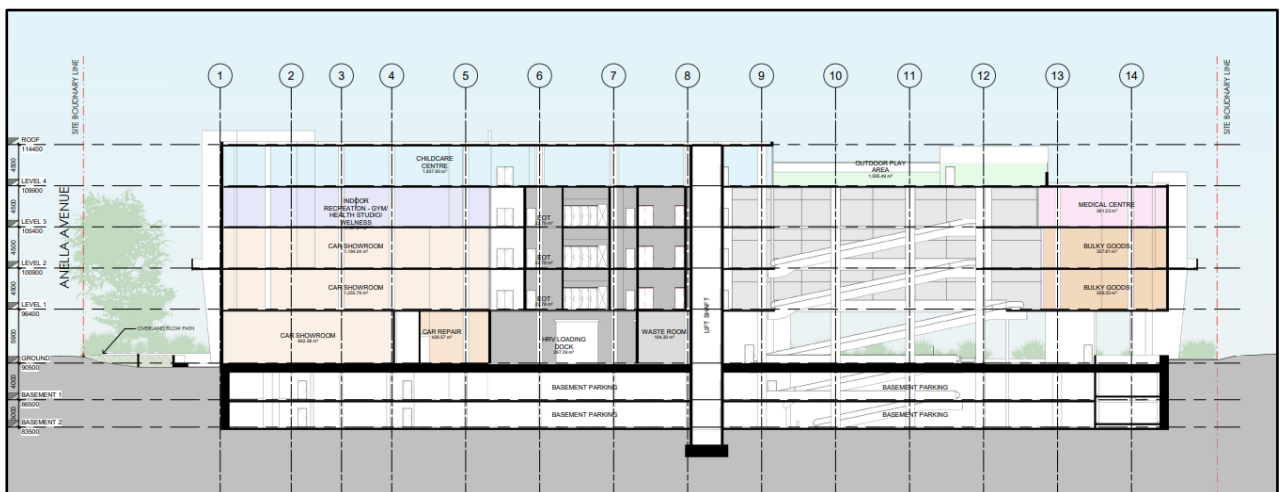


Figure 9
Cross section of concept design

A comparison between the current planning controls, outcomes articulated within the applicable strategic planning policies and the proposed amendments to LEP 2019 is shown below:

	LEP 2019	NWRL Corridor Strategy	Hills Corridor Strategy	Draft Norwest Precinct Plan	Planning Proposal (Oct 2023)
Zone / Land Use	E3 Productivity Support	Bulky Goods	Light Industrial	Urban Support Services	E3 Productivity Support
Additional Permitted Use	N/A				Nil
Max. Height	16 metres (3 storeys)	2-3 storeys	2-3 storeys	2-3 storeys	26 metres (5 storeys)
Max. FSR	1:1	1:1	0.5 - 1:1	1:1 - 2:1*	1.98:1
Min. Lot Size	8,000m ²	N/A		N/A	8,000m ² (no change)
Job provision**	210	210	210	210-421	421

Table 1

Comparison of Existing and Proposed Standards under LEP 2019 and the Strategic Planning Framework

*Notes: * The Draft Norwest Precinct Plan identifies the potential for FSR's of up to 2:1 for "urban services" development outcomes envisaged in this locality, such as those being proposed through this application.*

*** Based on assumed density in the Hills Corridor Strategy & LSPS of 1 employee per 38m² GFA.*

The proposal was originally lodged in August 2021 and at that time, sought a floor space ratio of 2.1:1 and a maximum building height of 33m (approximately 7-10 storeys). Council officers provided feedback to the Proponent that these controls would facilitate a development outcome inconsistent with the strategic framework and Council's articulated vision for this site, noting that it is more than 1km walking distance from Hills Showground Station.

The Proponent considered this feedback and requested in September 2022 that the planning proposal be held in abeyance, to enable time for Council to consider and then exhibit its draft Norwest Precinct Plan, noting this could change the strategic framework relating to the proposal.

Following release of Council's draft Precinct Plan in mid-2023, the Proponent revised and resubmitted the proposal in October 2023 with a view to being more aligned with the outcomes articulated in Council's draft Precinct Plan. This amended proposal is the subject of this report.

3. STRATEGIC MERIT CONSIDERATION

a) Greater Sydney Region Plan and Central City District Plan

Objective 23 of the Greater Sydney Region Plan and Planning Priority C11 of the Central City District Plan seek to protect industrial and urban services land (including specialised retail premises) from encroachment by other uses and maximise opportunities to attract advanced manufacturing and innovation in industrial and urban services areas.

The Greater Sydney Region Plan and Central City District Plan contain categories for the consideration of industrial and urban services land and categorise employment land within the Hills Shire as 'Review and Manage'. This categorisation indicated that a review would be appropriate to determine whether land is suitable for retention as industrial land. As part of the subsequent preparation of Council's Local Strategic Planning Statement, this review of industrial and urban services land was completed and all industrial and employment land in the Hills Shire was categorised as 'Retain and Manage'.

The planning proposal is broadly consistent with these objectives and planning priorities as it seeks to retain the existing zoning and increase the development potential of the land to facilitate investment and redevelopment of the site for uses that are generally industrial and/or urban services in nature.

At the time both these plans were published, the applicable zone framework under LEP 2019 was different than it is now. Specifically, the subject site was zoned B5 Business Development, which was intended to facilitate clusters of specialised retail premises. Office premises were generally not permitted in the same zones as urban services, industry and specialised retail premises. However, since this time, the State Government implemented its Employment Zone Reforms, which aimed to provide additional flexibility for a broader range of outcomes in employment land uses. This reform created the E3 Productivity Support zone, which now applies to the site and permits a broader range of office premises, urban services, light industry and specialised retail premises.

The additional flexibility in the zoning framework means that the market has greater flexibility to deliver employment outcomes across a broader range of permissible outcomes. Accordingly, increasing the proposed LEP height and floor space ratio control may inadvertently incentivise a commercial office type outcome in a location where this is not necessarily envisaged, rather than the industrial and urban services uses which Council has earmarked for this locality. However, this risk is relatively minor in both likelihood and implication and should not outweigh the positive opportunity and potential to promote increased investment more generally in employment outcomes and ideally urban services development. Notwithstanding this, some minor adjustments to the proposed height of building control (as well as a site specific DCP) are recommended to encourage the delivery of urban services uses, rather than a commercial office building on the site.

As the proposal seeks to deliver an outcome that is permitted within the current E3 Productivity Support zoning and does not include any changes to the permissible uses, it is considered consistent with this objective and planning priority.

Objective 14 of Greater Sydney Region Plan and C9 of Central City District Plan seek to integrate land use planning with transport and infrastructure corridors to facilitate 30-minute cities where houses, jobs, goods and services are co-located by public infrastructure. Having sufficient areas for feasible urban services development is a critical component of achieving this vision. The planning proposal seeks to increase development potential for urban services development in an area specifically identified for urban services outcomes and is therefore closely aligned with this objective. The site is located approximately 1.1km from the Hills Showground metro station, outside of the typical walkable catchment. Therefore, unlike sites in closer proximity to the station, a lower proportion of users of the site are expected to use the metro to access the site, particularly as some of the intended uses (such as the car dealership and bulky goods retailing) are car dependent. The level of uplift sought would however strike the right balance between providing these services in close proximity to the future worker and resident populations that will benefit from the provision of urban services and industrial land.

Objective 22 of the Region Plan and Planning Priority C10 of the District Plan seek to attract investment and business activity in strategic centres. The proposal is consistent with this objective as it would facilitate additional development potential in close proximity to the growth being experienced as a result of the metro and will provide necessary industrial and urban services facilities. The proposal will attract investment to the Norwest Strategic Centre, as well as support other businesses and future residents in the Strategic Centre, as the site is well positioned in relation to where the local population and businesses will locate. Although providing different services to the community, urban services and specialised retail both utilise industrial and urban service land, as it provides areas where the larger floorplates necessary for these uses can be located.

b) Section 9.1 Ministerial Directions

▪ Direction 1.16 North West Rail Link Corridor Strategy

This direction seeks to promote transit-oriented development and manage growth around the stations along the North West Rail Link (NWRL), and to ensure the NWRL corridor is consistent with the NWRL Corridor Strategy and precinct structure plans. The planning proposal is broadly consistent with this direction as it delivers specialised retail (bulky goods) and associated uses in an area identified for that outcome. The proposed floor space ratio is marginally higher than anticipated within the strategy however the development is consistent with the character description of bulky goods retail and service centres within a landscaped setting, with generous setbacks from the street (also refer to section 3c) of this report below). Furthermore, the character and built form requirements for feasible industrial and urban service development outcomes has shifted significantly since the preparation of the Government's Corridor Strategy in 2012.

▪ Direction 4.1 Flooding

This direction seeks to ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005. It also seeks to ensure that the provisions of an LEP that apply to flood prone land are commensurate with flood behaviour and includes consideration of the potential flood impacts both on and off the subject land.

The subject site is identified as a flood prone lot under the Hills DCP 2012. The site contains a stormwater easement which ranges from 2m to 7m. The easement secures Council's right of access to ensure that stormwater infrastructure can be adequately repaired, replaced and maintained as required. The proposed concept design will require re-routing of the stormwater pipe along the perimeter of the site. At this stage, the re-routing of the pipe is a viable possibility and has satisfied Council's Stormwater Engineers to the extent that the planning proposal could progress, however further detail will be required in the future stages of the design and development application process.

The easement also aligns with an overland flow path, which has the potential for flooding during heavy rainfall. The proposal indicates that no development will occur in the overland flow path area. It is considered that the proposal can satisfy the Ministerial Direction. The impacts of flooding on the proposal are discussed further in section 4c) of this report.

▪ Direction 5.1 Transport and Infrastructure

Ministerial Direction 5.1 seeks to integrate land use and infrastructure to improve access to housing, jobs and services, reduce dependency on cars, reduce travel time, support the efficient operation of public transport and provide for the efficient movement of freight. The proposal is generally consistent with this direction, as the site is located in a strategic centre, however it is acknowledged that many of the uses indicated on the concept plans will continue to be accessed primarily via car. Land in closer proximity to the station is better utilised for higher density uses in accordance with the principles of transit oriented development and in turn, land such as the subject site at more peripheral locations can be ideal remaining locations for urban services uses, noting they are still in the broader catchment of these transport services as well as the increased residential and worker populations that will re-locate into these areas as transit oriented development occurs.

▪ Direction 7.1 Business and Industrial Zones

This Direction aims to encourage employment growth in suitable locations, protect employment land and support the viability of identified centres. It requires that planning proposals must not

reduce the total potential floor space area for employment uses and related public services in business zones. The planning proposal is consistent with this direction as it will facilitate an industrial or urban services outcome. The proposal will increase the availability of urban services floor space in an area which is intended to support the viability of specialised retail, industrial and urban services uses.

c) North West Rail Link Corridor Strategy

The North West Rail Link Corridor Strategy identifies a bulky goods spine area along Victoria Avenue. This character area is intended to provide vital retailing and services for a growing community who will increase demand for existing services. It is anticipated the precinct could accommodate bulky goods retail and service centres on sites that provide off street parking within a landscaped setting with generous setbacks from the street.

Given the flexibility of different employment, specialised retail and industrial uses permitted within the E3 Productivity Support zone which applies to the land, there is flexibility for a future developer of the land to determine the final composition of land uses within a development proposal as part of a specific development application in the future, within the range of permitted employment uses.

However, based on the concepts submitted by the Proponent in support of their proposal, the current intent of the developer would be to include specialised retail (bulky goods) as a component of the broader development outcome alongside other uses including a gym, child care centre and a medical centre. The development concept indicates that the future development will include 3,692m² of specialised retail floorspace. In this respect, the planning proposal is broadly consistent with the North West Rail Link Corridor Strategy and Showground Station Precinct Plan.

The proposed floor space ratio is marginally higher than anticipated within the strategy however the development is consistent with the character description of bulky goods retail and service centres within a landscaped setting, with generous setbacks from the street. Furthermore, the character and built form requirements for feasible industrial and urban service development outcomes has shifted significantly since the preparation of the Government's Corridor Strategy in 2012, in response to trends and floor space needs within this segment of the industry.

d) 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 Government's Corridor Strategy and articulates redevelopment opportunities arising from the Sydney Metro Northwest around each of the seven stations that are within, or close to, the Shire. The Hills Corridor Strategy identifies appropriate densities for development along the Metro Corridor to guide future precinct planning and planning proposals. It uses the principles of transit oriented development, locating the highest densities in the closest proximity to the stations.

The strategy projects that 13,691 additional jobs could be facilitated in the Showground Precinct by 2036. The strategy recognises the light industrial uses, bulky goods premises and other services in this locality and retains many of these uses to provide employment opportunities for the current and future population and support the service needs of residents. It identifies areas for higher density commercial buildings away from the subject site, along Carrington Road to accommodate most of the anticipated additional employment opportunities.

The subject site is located in the portion of the precinct identified to retain the existing built form with a minimum employment floor space ratio between 0.5:1-1:1 and is primarily intended to service the surrounding commercial and residential population.

The planning proposal is consistent with the outcomes envisaged for this location in terms the proposed uses, however the scale of the development is slightly higher than the expected outcome on the site. Notwithstanding this, the proposal now before Council is based on more detailed site specific analysis which seeks to demonstrate that the higher FSR sought can be appropriately accommodated (this is assessed further in Section 4 of this report).

It is also important to note that the character and built form requirements for feasible industrial and urban service development outcomes has shifted significantly since the preparation of Council's Corridor Strategy in 2015, with industry trends and floor space requirements generally driving the need for more gross floor area and higher built forms in comparison to traditional industrial and urban services development.

The proposal is considered generally consistent with the Hills Corridor Strategy, particularly noting the further strategic work that has been undertaken since this strategy was adopted (in particular Council's draft Norwest Precinct Plan, discussed further in Section 3 f) below).

e) Hills Future 2036 - Local Strategic Planning Statement

The key planning priority within the Local Strategic Planning Statement (LSPS) that is relevant to this proposal is C11 - Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land. This priority identifies that demand for urban services land will grow in conjunction with surrounding population and employment growth. Once urban service land is lost to residential and retail uses, it is almost impossible to get back. The priority identifies that all industrial and urban service land in The Hills Shire is to be managed and retained.

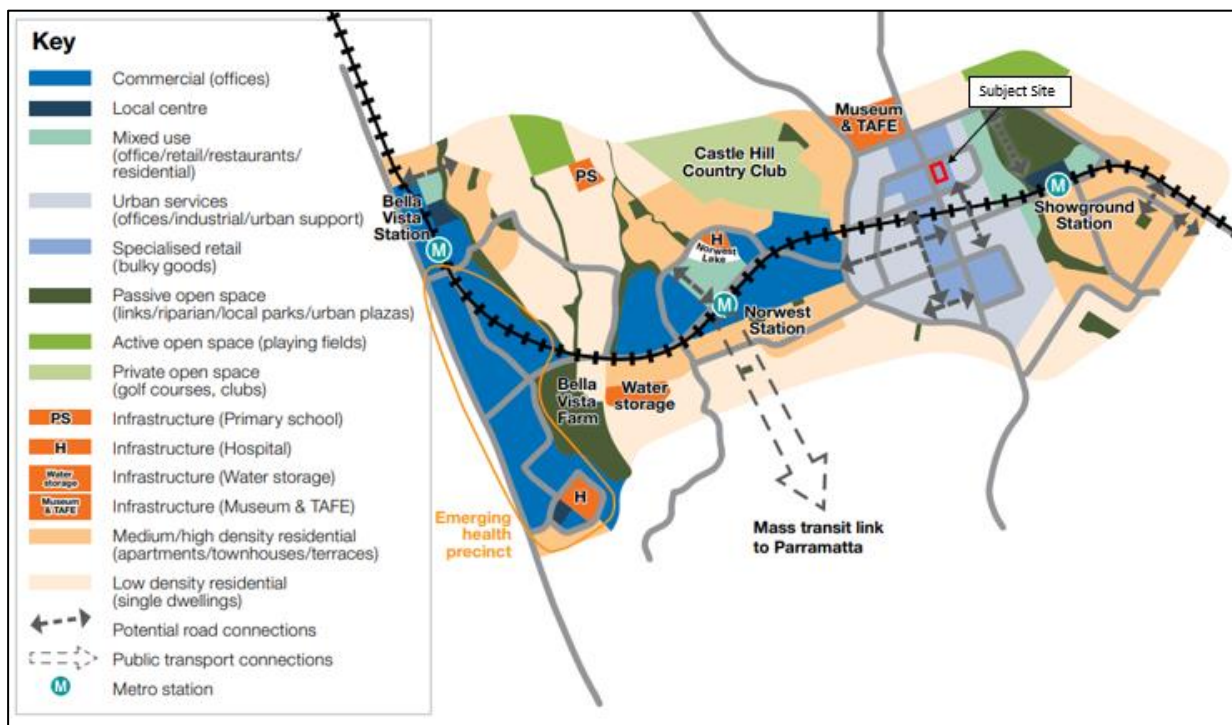


Figure 10
Norwest Structure Plan (Hills Future LSPS)

The LSPS identifies demand for an additional 93,730m² of specialised retail by 2036. To accommodate future floorspace demand for specialised retail these uses should be clustered within existing locations, such as the subject site where they are located near to centres to support their success. Specialised retail businesses generally seek large, more affordable sites within industrial areas, which provides an economic advantage over retailers within centres.

The plan states that when considering the expansion of specialised retail the following should be considered:

- Be located in an area that supports a major centre
- Proximity to public infrastructure including roads and public transport and pedestrian and cycling paths
- Access from local roads and no direct access from classified roads
- Compatibility with surrounding land uses
- Implications for the supply and affordability of employment and residential land
- The provision of an economic impact statement

The above criteria has been met by the planning proposal as it is located in an area within (and in support of) the broader Norwest Strategic Centre, in a locality specifically identified by the strategic planning framework for specialised retail and urban services development. Access will be available via the surrounding local road network and access from Victoria Road will be considered by TfNSW who will advise on the acceptability of this outcome in due course. Increasing floorspace at this location will promote development which remains compatible with the surrounding land uses and will not affect the affordability of identified employment and residential land as these outcomes are well planned and catered for in alternative locations.

f) Draft Norwest Precinct Plan

The draft Norwest Precinct Plan was exhibited in mid-2023. The draft Plan identifies the vision and future direction for the Norwest Precinct and articulates a series of actions to implement the outcomes identified in the plan.

Urban services and specialised retail are important for their ability to provide necessary day to day services, such as mechanics, panel beaters and storage spaces. Across Sydney there is threat to these services from the encroachment of other uses such as residential and higher order commercial development which can generate a higher financial return.

The strategic framework emphasises the importance of these services and the need for them to be located in close proximity to the population they serve. This has resulted in clear objectives and priorities in state and local planning policies to ensure the dwindling supply of land across Sydney for urban services and specialised retail is protected and retained. At this same time, the nature of urban services is evolving, with the changes in retailing seeing the need for additional distribution centres for last mile deliveries, as well as supporting and attracting advanced manufacturing.

Under the draft Norwest Precinct Plan, the subject site falls within the Urban Support Service Focus Area which includes the bulky goods spine along Victoria Avenue and the existing light industrial areas. The intent of the Plan is to protect these existing specialised retail and light industrial areas to ensure sufficient capacity for specialised retail and urban service uses (such as panel beaters, mechanics, lawn mower repairers, small scale manufacturing companies, children's play facilities, food preparation and catering facilities and gyms) to service the growing population of residents and works which will require these services. The proposal seeks to retain the existing E3 Productivity Support zoning and redevelop the site for uses which align with the land use outcomes articulated for this area within the draft Precinct Plan.



Figure 11
Draft Norwest Precinct Plan Structure Plan

The draft Precinct Plan does not propose any blanket increase in floor space ratio across this urban support services area, in comparison to the currently applicable floor space ratio control of 1:1. However, the draft Plan does indicate that a small amount of uplift on individual sites within the urban service area (of up to 2:1) may be warranted and could be considered, where it will promote new and feasible urban services redevelopment opportunities. The land use and FSR outcomes (1.98:1) sought by the Proponent through this application generally align with that vision.

The Victoria Avenue area is identified as a specialised retail location, to serve the nearby outer-metropolitan and metro corridor growth areas. Investigations undertaken to support the preparation of the draft Precinct Plan identifies that Norwest has a retail gap of approximately 11,400m² of specialised retail floorspace. This planning proposal would provide an opportunity for some of this gap to be filled through new development on this site. While some of the land uses suggested in the concept plans are less oriented toward urban services and specialised retail premises, they are acceptable ancillary uses which would contribute to the success of the site and urban services area more generally.

The proposed building height of 26m would facilitate building heights of approximately 5 storeys, which is slightly higher than the anticipated 2-3 storeys identified in the draft Precinct Plan. It is considered that there is merit to increasing the building height on this particular site slightly beyond the 2-3 storey outcome originally identified in the draft Precinct Plan, as discussed further in Section 4(a).

4. SITE SPECIFIC MERIT CONSIDERATIONS

The planning proposal requires consideration of the following matters:

- Built Form
- Flooding and Stormwater Management
- Traffic, Access and Parking
- Draft Development Control Plan
- Infrastructure

a) Built Form

Building Height

The proposed maximum height control of 26m (facilitating 5 storeys) is greater than the height identified as appropriate in the draft Norwest Precinct Plan (3 storeys). However, it should be noted that in identifying this height limit, the draft Precinct Plan assumed that there would not necessarily be blanket FSR increases across this urban services area. The draft Precinct Plan does identify that there may be potential for increases in floor space controls on individual sites in order to promote increased and feasible urban services development, however it does not identify any associated commensurate increases in building height to match this increase in floor space.

Accordingly, it stands to reason that on sites where this additional floor space allowance is sought by landowners (through a planning proposal) to facilitate urban services redevelopment, there would be an associated need for additional height, especially given the objectives of the draft Plan to retain areas at the ground plane of sites for landscaping and public domain outcomes. It would be reasonable for Council to consider flagging the need for a commensurate height increase for these sites as part of their post-exhibition consideration of the plan.

The maximum building height proposed as part of this planning proposal is considered to be acceptable in this instance. The floor level of the subject site sits below the road level, which mitigates some of the perceived height from the public domain and Victoria Avenue, ultimately giving the perception of a consistent building height form with the existing development on the opposite side of Victoria Avenue (refer to indicative image below).



Figure 12

Block massing of proposed controls at 27 Victoria Avenue and existing development at 16 Victoria Avenue

It is also important to acknowledge that the built form requirements for industrial and urban services development is changing. While the existing built form on the site and within the locality is an example of traditional suburban urban services development, many industries are now moving away from this traditional 1-2 storey warehouse development. Improvements in technology and increases in efficiency are necessitating a different type of built form to facilitate urban services development. Characteristics of this include the co-location of uses and increased floor to ceiling heights. In addition, advances in logistics technology and the need for vertical warehousing to meet the demand for next-day shipping are driving the industry to make more efficient use of land by going up, not out. Where such outcomes are not detrimental to the locality, planning controls should keep up with the needs of future businesses to continue to encourage these uses to operate in close proximity to the populations they serve and grow the economy in the locality.

The subject site is separated from any sensitive uses (such as residential outcomes) which would be susceptible to impacts associated with increased building heights. This in part is the

rationale for having distinct areas for dedicated land use outcomes, so that the presence of sensitive uses such as residential does not stifle or inhibit the potential of the land to accommodate the necessary and desired employment and urban services outcomes. Furthermore, it is expected that taller buildings will become more prevalent in this locality, particularly as proximity to the station and associated development density increases. As the subject site is on the periphery of the walkable catchment of the station, it is expected that the proposed 5 storey outcomes will present as an appropriate and logical transition which generally aligns with the existing built form on the opposite side of Victoria Avenue (refer to Figure 12 above) and which commences the transition of increased heights towards the station.

Having consideration for the context and individual characteristics of this site it is considered that the density (1.98:1) and height limit (up to 5 storeys) sought will facilitate reasonable development outcomes. Final development outcomes will ultimately be the result of further detailed design and assessment as part of any future Development Application for the land. It is appropriate to progress with site-specific DCP controls concurrent with the planning proposal which relate to the design of the building and interface with the public domain to ensure a high quality outcome, with positive impacts on the public domain, is achieved as part of these later processes. This is discussed further in Section 4(d) below.

Bulk, Scale and Street Presentation

The concept plans illustrate a building with a length of 102 m and a height of 20m fronting Victoria Avenue, which results in a very large front façade of 2040m², with minimal articulation. This has potential to be imposing on the public realm if the wall is not adequately designed, articulated or ideally broken. It is however acknowledged that the larger floor plate sizes which are typically required for urban services development will inevitably result in larger façade lengths than would otherwise be required for other forms of development.

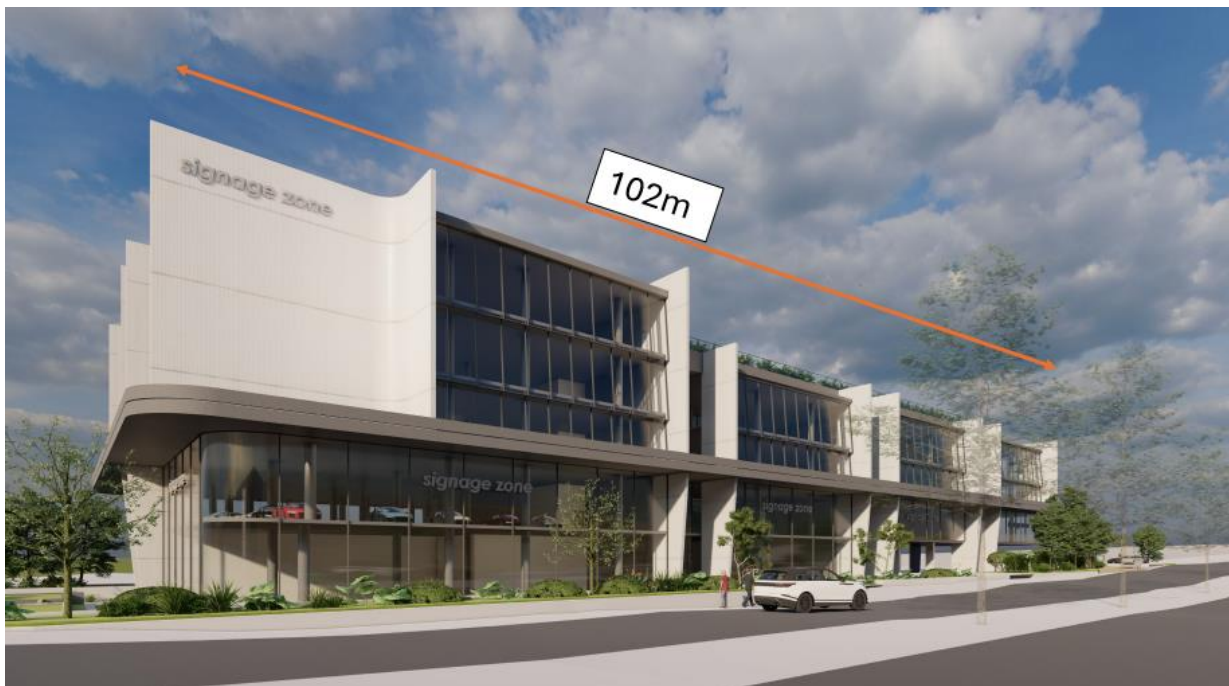


Figure 13
Concept plans with building length

Given the size of the site and moderate FSR being sought (less than 2:1) it is considered that there will be sufficient flexibility through future design processes to resolve this issue and create a more sensitive and well-designed urban form which successfully integrates a large frontage into the public realm in the context of the other development and anticipated future development in this locality. In order to ensure this is resolved as part of the detailed design and assessment

of any future development application, it is recommended that a Development Control Plan with site-specific controls be prepared and progressed concurrently with the planning proposal. This should require a design outcome that demonstrates appropriate building articulation, variety in architectural features and landscaping to soften the impacts of the building length. This is discussed further in section 4(d) of this report.

Setbacks

The proposal identifies compliance with the existing street setback requirement of 15 metres which applies to this land under the Showground Station Development Control Plan. Compliance with these existing setback requirements will assist in mitigating the perception of building bulk and will also allow for sufficient vegetation to be planted to screen the building and reduce the potential for urban heat island effects resulting from the increase in site coverage. To ensure sufficient shade and screening, a site specific DCP should also include further controls related to tree planting and landscaping (discussed further in 4 (d)).

b) Flooding and Stormwater Management

The subject site is identified as a flood prone lot under the Hills DCP 2012. The site contains a stormwater easement which ranges from 2m to 7m. The easement secures Councils right of access to ensure that stormwater infrastructure can be adequately repaired, replaced and maintained as required. The proposed concept design will require re-routing of the stormwater pipe along the perimeter of the site. At this stage, the re-routing of the pipe is a viable possibility and has satisfied Councils Stormwater Engineers, however further detail will be required in the future stages of the design. The location of the stormwater easement is depicted below:

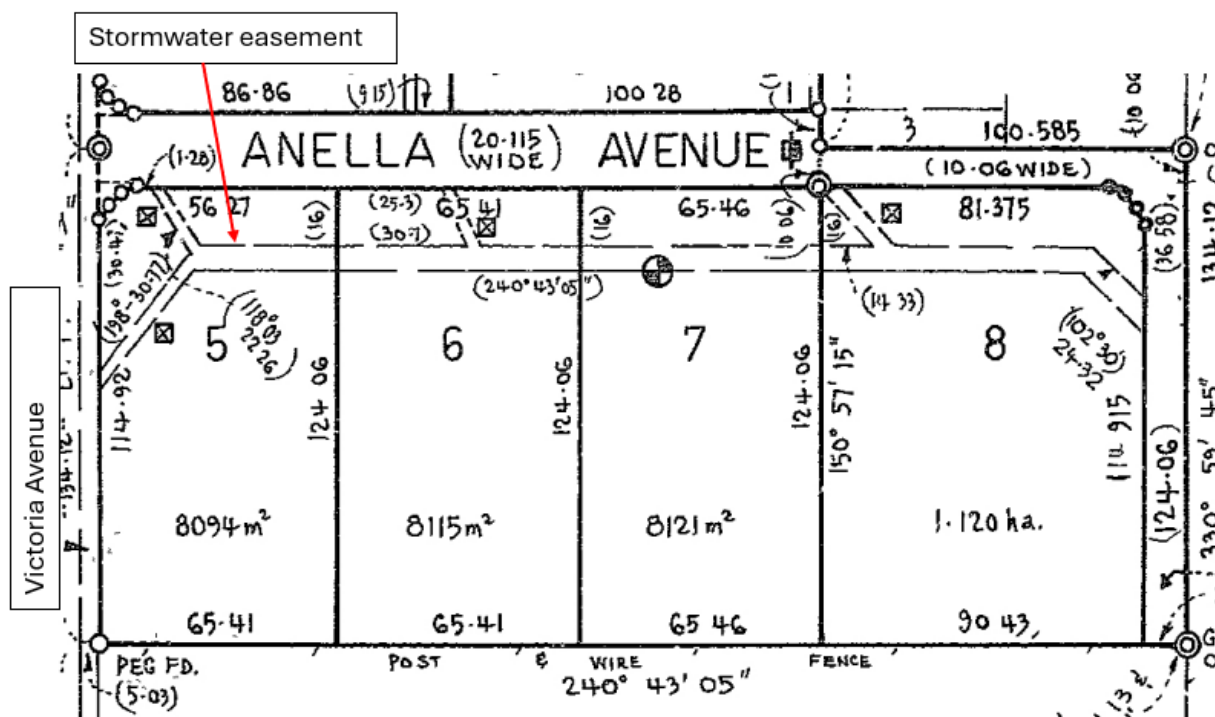


Figure 14
Location of stormwater easement

In order to develop the site without the constraint of the easement, it is proposed that the easement will be re-routed around the perimeter of the site (see Figure 15 below).

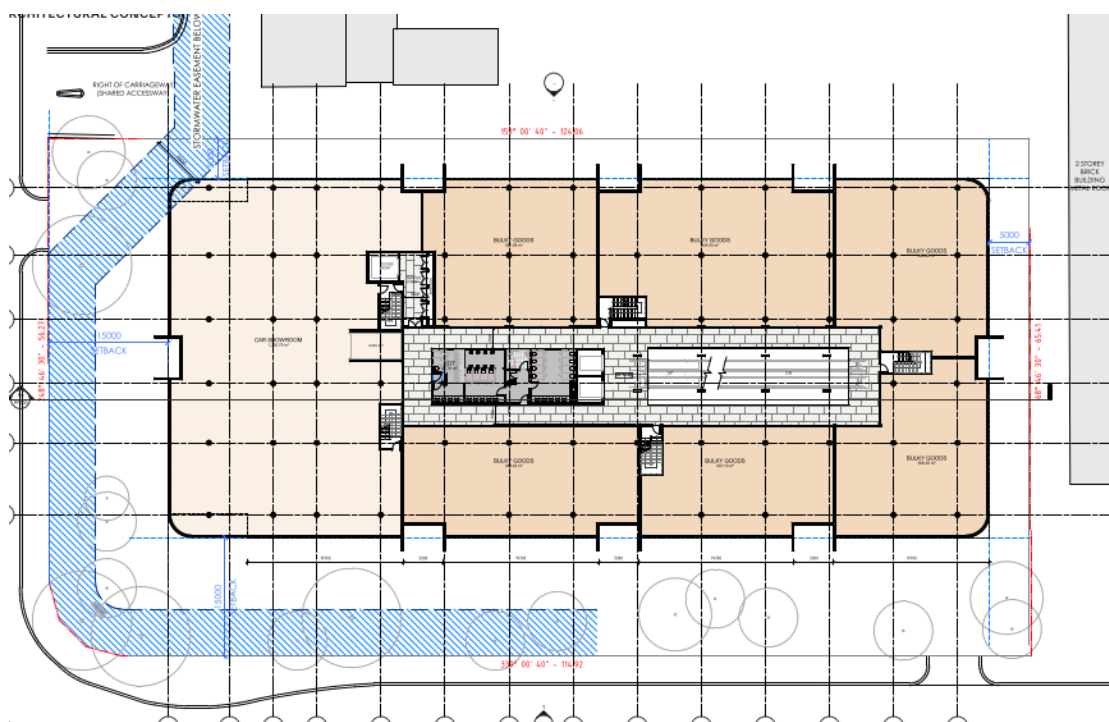


Figure 15
Diagram of re-routed stormwater pipes

In principle, the proposed arrangement is acceptable, however the stormwater system and overland flow requirements need to demonstrate that they can meet the requirements under The Hills Local Environmental Plan 2019 and The Hills DCP 2012 Part C Section 6 at the development application stage.

To be able to carry out the proposed development a future development application will need to demonstrate habitable floor levels are to be at 1% AEP level plus 0.5m freeboard, and non-habitable floor levels to be equal to or higher than the 1% AEP level, or otherwise no lower than 5% AEP level unless justified by a site specific assessment. The architectural plans show the Lower Ground Floor set at RL 90.50 and the crest of the driveway leading into the lower carparking from Anella Avenue at RL 92.30. Further detailed design will need to demonstrate that the required flood planning levels can be achieved, however with some modification it is expected that this will be possible.

c) Traffic, Access and Parking

Access Arrangements

Vehicular access to the site is proposed to be provided from Victoria Avenue and Anella Avenue. Both vehicular entry points comprise of a single entry and exit lane on each road, providing access to the basement and at grade parking. This is generally considered acceptable, subject to detailed design and consideration of any future road upgrades and will also be subject to consultation with Transport for NSW.

Parking

To establish a 'baseline' scenario, it is noted that if the site was developed to its maximum potential under the current planning controls (including both land use, density and current parking requirements), it would generate the need for between 162-320 parking spaces, depending on the specific mix of uses pursued by the developer.

In comparison to this, the Proponent's material refers to the intent to provide between 339-344 car parking spaces to service the proposed development (at the higher FSR proposed of 1.98:1), in basement and at grade levels.

As part of Council's precinct planning for the Norwest Strategic Centre, the draft Precinct Plan envisages a reduced car parking rate for future development within the catchment of stations. The site falls within the Outer Walkable Catchment of the Showground Metro Station, where parking rates of between 1 space per 75m² (minimum) and 1 per 60m² (maximum) are proposed for commercial development and rates of between 1 space per 50m² (minimum) and 1 space per 25m² (maximum) for retail development are proposed. It is relatively unique within the context of the Shire to have urban service areas within the catchment of a metro station (albeit at the periphery / outer walkable edge as is the case in Showground Precinct), however there is good strategic rationale for these areas being protected and strengthened.

In these instances, it would be reasonable to apply the reduced parking rate for *retail* development (1 space per 50m²) to specialised retail components rather than the traditional rate of 1 space per 40m². This proposed parking rate is a marginal reduction from the current parking rate. It recognises that the proximity of this area to the station will result in some small reduction in car usage to access the site (in comparison to other urban service areas throughout the Shire which are less proximate to public transport), whilst still being a predominantly car-reliant land use that does not warrant a more substantial car parking reduction, as has been proposed for other employment-generating uses within the precinct. If this concession was granted, the higher FSR of 1.98:1 sought through the proposal would generate the requirement for between 210-320 spaces, rather than up to 400 spaces if the existing traditional parking rate for specialised retail was applied.

Any calculation of parking requirements on this site would ultimately need to be based on a final specific land use mix as part of a development application. This is difficult to predict in the absence of a specific development application, especially for land in the E3 Productivity Support zone where there is high flexibility in potential land use outcomes. Notwithstanding this, it is clear that the proposed uplift in FSR to 1.98:1 can reasonably be accommodated, in combination with a reduction in parking rates as proposed within Council's draft Norwest Precinct Plan, without any material net increase in parking on the site in comparison to the maximum theoretical development potential under the current controls (around 320 parking spaces).

To ensure appropriate car parking rates that account for improved accessibility associated with the metro and ensure that there is no net material increase in comparison to the maximum amount of parking that could be achieved under the current controls, it is recommended that the reduced parking rates for commercial development and retail development (to be applied to specialised retail in this instance) within the draft Norwest Precinct Plan be included within a site-specific DCP concurrent with this planning proposal. This is discussed further in Section 4(d).

Traffic Generation

The traffic report provided by the Proponent provides estimates of the traffic generation from the site, if it were developed to its maximum development potential under the current controls (but utilising a mix of uses based on their concept plans, proportionally reduced). Utilising these estimates, the traffic report estimates that the planning proposal will result in the following additional vehicle movements.

	Developed under Current Controls	Planning Proposal	Net Increase
Weekday AM Peak	105	214	109
Weekday PM Peak	214	432	218
Weekend AM Peak	172	348	176

Weekend PM Peak	29	56	27
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Table 2
Comparison of traffic generation

The traffic report provides very high-level analysis of the impacts of the proposal on the intersection of Showground Road and Victoria Avenue and the intersection of Anella Avenue and Victoria Avenue and concludes that the respective projected levels of service for each intersection will not be unchanged irrespective of whether the planning proposal proceeds or not. The report then indicates that a site-specific assessment of the potential impacts of the planning proposal on specific intersections is not considered necessary.

The traffic report identifies that the planning proposal would result in additional vehicle movements from the site, but concludes that the increase in traffic would be minor in the context of the existing and future traffic volumes in roads immediately surrounding the subject site and that the infrastructure planning for all modes of transport to be delivered throughout the Hills Showground Station Precinct is expected to more than cater for the potential net traffic generation of the planning proposal compared to that which would be generated under the current zoning.

While the minor nature of the increase from this individual site is noted, it is nonetheless appropriate to consider the accumulation of the developments that will result in minor increases, which when added together, become significant. Regional traffic modelling, commissioned by Transport for NSW and Council, is currently being finalised and will provide details of the necessary upgrades required within the Castle Hill and Norwest Strategic Centres and it is considered reasonable that if this planning proposal is to progress, consideration should be given to the increased traffic generation from the site in the context of this work, as part of consultation with TfNSW. This would occur if a Gateway Determination was issued.

Importantly, the traffic report seeks to rely on infrastructure planning for all modes of transport to cater for the minor increased demand, without proposed to make any appropriate contributions toward these improvements or infrastructure. While it is not appropriate to require a single developer that is contributing a minor increase in traffic to resolve issues with the broader road network, it is appropriate that all development that generates increased traffic make a fair and proportionate contributions toward the necessary infrastructure to ensure the road network operates adequately and the funding burden is distributed reasonably. This is discussed further in Section 4(e) of this report.

d) Draft Development Control Plan

The subject site is currently subject to Part D Section 19 - Showground Precinct of the Hills DCP 2012, which contains controls relating to industrial and business development in the locality. However, this DCP does not provide specific controls for development of this scale or reflect the changing nature and form of urban services development.

The Proponent has not submitted a site specific DCP as part of the application material, however as Council is the responsible authority for the preparation, exhibition and adoption of Development Control Plans, Council can choose to prepare a draft DCP concurrently.

Having regard to the site-specific matters detailed earlier within this report, it is considered appropriate for Council to prepare and progress concurrently a site-specific DCP that contains controls relating to:

- Building articulation and the requirement for significant recesses and architectural diversity across the front façade of the building to Victoria Avenue;
- Public domain interface and relationship to the street, including prioritisation and identification of entries and integration with the footpath;
- Provision of landscaping and deep soil areas;

- The location of car parking and application of revised parking rates to future development on this site, consistent with Council's draft Norwest Precinct Plan;
- The location of driveways and loading areas (retaining loading areas within the building footprint as currently proposed in the Proponent's concept); and
- Stormwater and flood management.

It is considered appropriate for these site specific DCP controls to be prepared and considered by the Council alongside the planning proposal. If the planning proposal does progress, then the site specific DCP should progress concurrently such that these more detailed design controls would be put in place for consideration as part of any future development application.

e) Infrastructure

The land is currently subject to The Hills Section 7.12 Contributions Plan, which levies small incremental growth across The Shire that is achievable under the current planning controls (in this case, up to 1:1 FSR on this site). As a result, the Section 7.12 Contributions Plan does not account for uplift that could be achieved through rezoning proposals or provide infrastructure that would address this level of increased demand (for example, achieving an FSR of 1.98:1 on the subject site rather than 1:1 under the current controls).

The Proponent has submitted that most local infrastructure categories are not applicable to this development, as there are no residential uses proposed. It is the view of Council officers that this is not accurate and that the Proponent has not proposed an adequate mechanism to make proportionate contributions towards additional local infrastructure that would respond to the demand from this development.

For example, the proposal relies on a supporting traffic report, which indicates that there are necessary infrastructure upgrades associated with the Showground Precinct which will need to be known once the wider traffic modelling is completed.

It is acknowledged that the increase in traffic generation from this redevelopment would be minor in the context of the existing and future traffic volumes. However, consideration needs to be given to the accumulation of this and similar developments that when, viewed cumulatively, will create the need for significant traffic and transport upgrades within the road network and locality (including improvements to public domain and pedestrian connectivity that will be relied on to improve pedestrian access to sites within the catchment of the station).

It is important that planning proposals which seek to achieve a level of uplift beyond that envisaged (or prior to the completion of infrastructure planning and analysis) make adequate and proportionate contributions towards the increased demand for new local infrastructure, so that future development within a locality or the broader rate-base of The Hills is not responsible for subsidising these infrastructure costs retrospectively.

Contributions Plan No.19 – Showground Precinct was adopted in anticipation of increased development potential in the locality and applies to the Showground Residential area as well as much of the existing industrial area between the subject site and Showground Station (refer to extract below). This site was *not* included in this plan at the time of preparation, as it was not anticipated to receive any uplift in development potential (this site was identified for continued use or redevelopment under the current planning controls only).

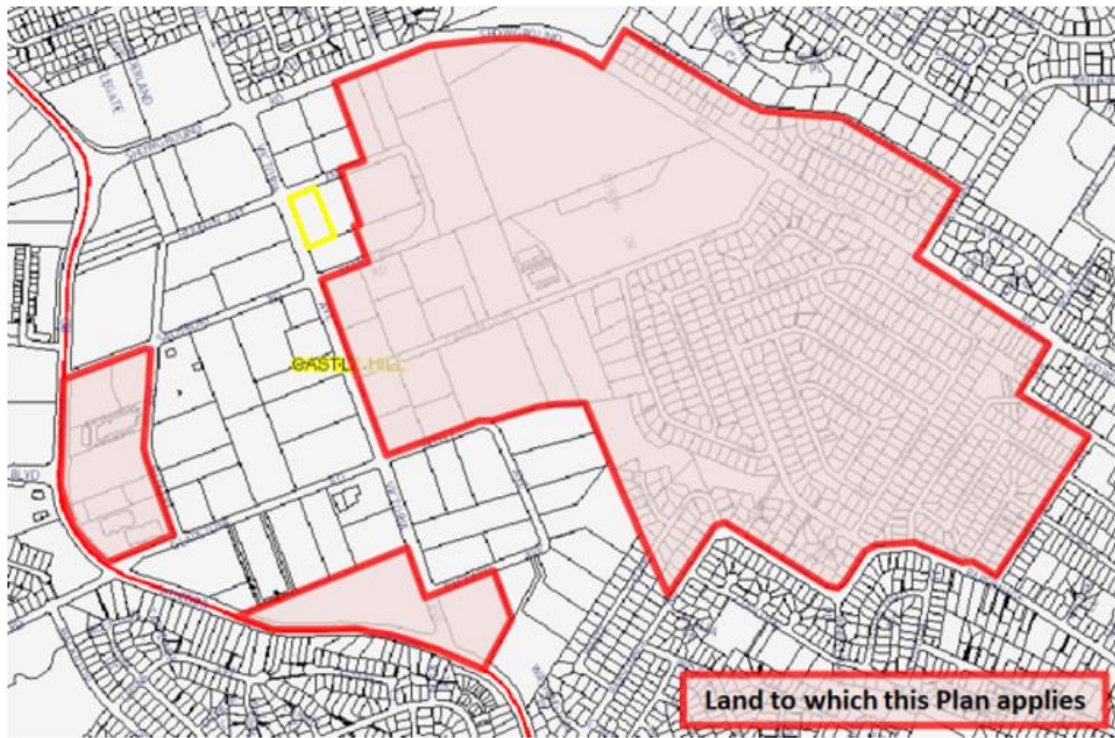


Figure 16

Land to which Contributions Plan No. 19 – Showground Precinct applies (subject site identified in yellow)

Contributions Plan No. 19 provides a highly reliable basis for determining the likely cost of servicing new development in this locality with new local infrastructure. The Contributions Plan currently establishes a contribution rate of \$136.41 / m² of non-residential floor area, associated with a range of transport and water management works (and land acquisition) that are identified for the locality.

As the planning proposal is seeking to achieve uplift that will create demand for these same infrastructure upgrades within the locality, it is considered fair and reasonable for future development to make contributions at the same rates as other development sites nearby which are subject to this existing Contributions Plan. It is noted that this could potentially be achieved through amendments to the Contributions Plan to include the subject site (concurrent with the planning proposal, although likely to be protracted as a result of the IPART review process for contributions plans) or through a separate Voluntary Planning Agreement which 'mirrors' these existing contribution rates.

CONCLUSION

This report recommends that the planning proposal submitted by the Proponent has demonstrated sufficient merit to warrant proceeding to Gateway Determination. The planning proposal satisfies a majority of the relevant components of the strategic merit test by proposing an increase to urban service and specialised retail floorspace within the Norwest Strategic Centre and along the Victoria Avenue Bulky Goods Spine. Although the proposed development does not reflect built form outcomes depicted for the site in the Draft Norwest Precinct Plan, it does in terms of land use outcome, and character. When considering the Draft Plan's allowance for uplift up to 2:1 where Urban Services are the intended outcome, the proposed application once again reflects the precinct plan.

The assessment of the proposed FSR and building height will facilitate an appropriate built form outcome on the site. The issue remains that the built form proposed may encourage the unintended expansion of the Cattai Creek West Keyhole Site, however as the proposal would only result in one additional commercial storey compared to what is achievable under current

controls, the opportunity for additional specialised retail and urban service floorspace is considered to outweigh the risk that the site becomes a commercial office space.

The planning proposal, in its current form, has satisfied the strategic tests and mostly satisfied the site-specific merit tests and as such, the matter will be reported to Council who will determine whether the proposal can progress to Gateway Determination.

ATTACHMENTS

1. Planning Proposal Report
2. Traffic and Parking Report
3. Urban Concept Design
4. Engineering Drainage Plans
5. Economic Impact Assessment
6. Engineering Design Certificate