

5 August 2014

Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

Dear Sir/Madam,

Herring Road Urban Activation Precinct 80 Waterloo Road and 16 Byfield Street, Macquarie Park

This correspondence has been prepared on behalf of Centuria Opportunity Fund No 2 (Centuria) and in support of a preliminary submission to the Department of Planning and Environment (the Department) with regard to the proposed Herring Road Urban Activation Precinct (UAP).

Overall, Centuria is pleased that the majority of the matters raised in our preliminary submission dated 20 May 2013 and our longstanding dialogue with the Department have been addressed in the formal public exhibition of the Herring Road UAP, ie:

- 1. Include the entire property (DP270258 - 80 Waterloo Road and 16 Byfield Street) within the Herring Road UAP.*
- 2. Include the entire property (DP270258 - 80 Waterloo Road and 16 Byfield Street) within the B4 Mixed Use Zone.*
- 3. Provide FSR and building height controls that will achieve an appropriate built form along the Waterloo Road spine, reflect the site's proximity to high frequency public transport, retail and other services and achieve local employment and economic objectives.*
- 4. Provide for the delivery of infrastructure in a way that is straightforward and transparent.*

Each of the above matters is discussed in further detail within the following sections, having specific regard to the Planning Report prepared by the Department of Planning and Environment and dated June 2014.

Overall, Centuria is supportive of the inclusion of their land within the Herring Road UAP, the rezoning of the site to B4 Mixed Use and the uplift in the built form controls.

However, significant concern is raised regarding the current lack of clarity with regard to the future mechanisms and funding arrangements for infrastructure delivery.

1 Section 3.6 – Proposed Planning Controls

The Planning Report recognises that the land owned by Centuria is currently affected by different land use zones under the provisions of Ryde Local Environmental Plan 2014 (page 52).

It is considered entirely appropriate that the entire landholding is included within a single set of planning controls, rather than being only partially included within the Herring Road UAP with the

balance of the land being affected by the local planning controls proposed by the City of Ryde (eg Draft Amendment No 1).

Further, it is considered that the rezoning of the entire site to B4 Mixed Use zone and the provision of a consistent building height and floor space ratio across the site will facilitate the future redevelopment of the site in a logical manner and which realises the most efficient and economic use of the land.

The proposed controls will enable a broader range of uses to be accommodated on the site which is considered entirely appropriate for its current and likely future context, including proximity to high frequency public transport and a broad range of retail and commercial services. Further, the proposed increase in the building height to 65 metres (or 20 storeys) and the increase in the floor space ratio to 4:1 are considered crucial for the proposed redevelopment of the Centuria site in a feasible manner and realising its contribution to the revitalisation of the Herring Road precinct.

Overall, Centuria is entirely supportive of the proposed amendments to the City of Ryde's Local Environmental Plan 2014, including the proposed rezoning to B4 Mixed Use and the uplift in the built form controls

2 Section 3.7 – Built Form Controls for DCP 2011

It is considered imperative that Ryde Development Control Plan 2011 is also updated to ensure that the detailed development controls are consistent with the objectives and provisions of the updated LEP controls.

The following comments are made having specific regard to the proposed built form controls identified in Section 3.7 of the Planning Report and their implications for the redevelopment of the Centuria land:

- The proposed zero setback is supported along Waterloo Road, noting the opportunity for the ground floor uses to activate the streetscape and the public domain.
- The streetwall height controls need to be reflective of corner lots, with a flexible approach to building heights on secondary streets (eg Byfield Street) so that the maximum streetwall heights can be achieved along the primary setback (eg Waterloo Road). This is considered to be of particular importance for this site, which forms the eastern gateway to the Herring Road precinct.
- Floorplates for commercial development should also consider both local market demand and the building configuration. Larger floorplates can be accommodated where appropriate building depths are provided from the glazing to the central core, allowing satisfactory levels of natural light and articulation in the built form.

Overall, it is crucial that the introduction of any new DCP controls support the delivery of the additional employment and residential floorspace and avoid imposing further restrictions that would undermine the practical and feasible redevelopment of the Herring Road Urban Activation Precinct.

3 Section 5.5 – Supporting Future Growth of the Precinct

The mechanism for the delivery of any infrastructure upgrades and improvements needs to be resolved so that it is reflective of the actual impacts of the additional development. The costs of any works required to address pre-existing conditions should not be borne by new development within the precinct.

Concerns are raised regarding the lack of clarity regarding the infrastructure works and upgrades that will be required and the proposed funding arrangements for their delivery. The Planning Report states that the City of Ryde's Section 94 Contribution Plan will need to be updated to incorporate the infrastructure projects for the Herring Road precinct, however, there is no detail provided with regard to

the rates and/or methodology for the payment of these contributions or the likely timing for the review of the Section 94 Contributions Plan to be completed.

This is of particular concern to Centuria having regard to their ongoing efforts to redevelop their site since 2008. As noted in our preliminary submission:

Centuria is strongly committed to the redevelopment of the site and accordingly, has deliberately not entered into long term leases over the site over a significant amount of time. Where leases have been negotiated, 'break provisions' have been included to enable the redevelopment of the site once the local planning controls have been resolved. However, the lack of certainty and timing for the amendment of the local planning controls has come at a significant penalty to Centuria and its investors, taking into account the loss of rent and ongoing delays associated with the potential redevelopment of the site.

There needs to be a clear and transparent approach to the delivery of infrastructure that meets the increased demand for services, while also providing certainty to land owners with regard to costs, if the revitalisation of the Herring Road precinct is to be realised within a timely manner.

4 Section 6 – Infrastructure Summary

Further to the previous point, the delivery mechanism for the infrastructure improvements outlined in Table 4 in Section 6 of the Planning Report need to be resolved. It is not considered appropriate for the timing and/or threshold for these matters to be resolved “as sites develop”.

Land owners need to understand the full range of costs associated with the proposed redevelopment of a site before committing funds to the range of detailed site investigations associated with the preparation of a development application. Further, land owners should not be required to fund the costs of pre-existing infrastructure deficiencies and be unfairly penalised for seeking to redevelop their sites and revitalise the precinct in accordance with the objectives of the Herring Road UAP.

Overview

Centuria welcomes the proposed renewal and revitalisation of the Herring Road precinct by way of the proposed rezoning and built form controls associated with the Urban Activation Precinct.

However, significant concern is raised regarding the current lack of clarity regarding the proposed delivery of new and upgraded infrastructure and the potential for significant delays to continue to occur with regard to the proposed redevelopment of the Centuria site.

Please contact me on 8233 9931 to discuss.

Yours sincerely,



Jennifer Cooper
Associate Director

Cc Andre Bali - Centuria