



8 August 2014

Mr Michael File
Director, Urban Renewal
NSW Planning and Environment
GPO Box 39
SYDNEY NSW 2000

Dear Michael,

Re: **Herring Road Macquarie Park Urban Activation Precinct Submission to public exhibition**

AMP Capital (AMPC) welcomes the NSW Government's exhibition of the Herring Road Urban Activation Precinct (UAP). As you are aware AMPC has been working in consultation with the Department of Planning and Environment since early 2013 to investigate opportunities for a mixed use development on the Macquarie Shopping Centre site.

AMPC supports the recognition of the Herring Road Precinct as a UAP centred around the Macquarie University Train Station, with additional height and density to make this precinct a true transit-orientated destination where people can shop, play, live and work.

We have reviewed the exhibited documentation in consultation with our planning consultants Urbis and architects Allen Jack + Cottier. Together with these consultants we support the vision for the Herring Road UAP. However we have also identified some areas for further consideration by the Department in the finalisation of the UAP documentation. These are detailed in the attached submission report, and address the following key issues:

- **Height** – We support the proposed height controls across the Macquarie Centre site, however we seek a minor adjustment to the location of the height control zones along Herring Road.
- **Infrastructure Funding** – We seek further details on the timing and structure of the intended scheme for the delivery of infrastructure to support the UAP. Specifically AMPC seeks clarity that funds levied on any development within the precinct benefitting from the UAP uplift should be used within the UAP precinct. It is also noted that a potential upgrade of the existing Bus Interchange should be included in the UAP Infrastructure Table. However implementation of the UAP controls for Macquarie Centre should not be contingent on the delivery of any interchange upgrade.
- **Ryde DCP Recommendations** – We support the recommended amendments to the Ryde DCP, to address the changes proposed by the UAP. However we raise concerns with the implementation of the proposed floorplate, setback and active frontage controls.

AMPC look forward to working further with the Department in the preparation of the final UAP documentation, and would like to meet at the earliest opportunity.

Yours sincerely,

Jeff Peers
Head of Asset Creation



Herring Road
Urban Activation Precinct

Submission on behalf of AMP Capital

August 2014

AMP CAPITAL 

AJ+C
ALLEN JACK+COTTIER

urbis

URBIS STAFF RESPONSIBLE FOR THIS REPORT WERE:

Director	Tim Blythe
Associate Director	Danielle Pinkerton
Job Code	SA5503
Report Number	FINAL

ALLEN JACK + COTTIER STAFF RESPONSIBLE FOR THIS REPORT WERE:

Principle / CEO	Michael Heenan
Senior Architect	Julien Van Den Berg

© Urbis Pty Ltd
ABN 50 105 256 228

All Rights Reserved. No material may be reproduced without prior permission.

You must read the important disclaimer appearing within the body of this report.

URBIS
Australia Asia Middle East
urbis.com.au

TABLE OF CONTENTS

Introduction.....1

1 Proposed Floor Space Ratio and Height Development Standards3

1.1 Proposed Floor Space Ratio Control.....3

1.2 Proposed Height Control3

2 Infrastructure Contributions.....6

2.1 Timing.....6

2.2 Nexus of Contributions6

2.3 Relationship to other Infrastructure7

3 Recommended Amendments to the Ryde DCP 20118

3.1 Floorplate Control8

3.2 Setbacks9

3.3 Active Frontages.....9

3.4 Parking Rates11

FIGURES:

Figure 1 – UAP indicative Masterplan with exhibited height control zone boundaries4

Figure 2 – Preliminary Masterplan Tower Locations and requested Height control Boundary5

Figure 3 – Recommended Extent of Active Frontages along Macquarie Centre frontages10

Introduction

This submission has been prepared in association with Allen Jack + Cottier Architects (AJC) on behalf of AMP Capital (AMPC), owners of the Macquarie Shopping Centre (Macquarie Centre), located at the corner of Waterloo Road, Herring Road and Talavera Road, Macquarie Park.

Macquarie Centre occupies Lot 5 in DP 1047085 and Lot 100 in DP 612281, comprising approximately 11.25 hectares. This equates to approximately 7% of the Herring Road UAP, and is the second largest land holding in the Herring Road UAP.

AMPC support the NSW State Government's recognition of the strategic importance of the Herring Road UAP. The precinct has all the key attributes to establish a transit-orientated centre, and Macquarie Centre provides a key focal point within the UAP. The location of the Macquarie Centre directly adjacent to the Macquarie University Railway Station provides direct transit access to the Centre, as well as direct access to the Herring Road bus interchange which has the potential for major upgrade in association with the Herring Road UAP.

The Macquarie Centre site provides significant opportunity to contribute to the delivery of this truly mixed-use transit-orientated precinct. The site currently offers a wide range of retail, leisure and community services, while the implementation of the Herring Road UAP strategy will enable it to contribute to increasing the supply and mix of housing within the precinct.

AMPC have been working in consultation with the Department of Planning and Infrastructure (the Department) since early 2013 to articulate its aspirations for the Macquarie Centre site and to ensure future development positively contributes to achieving the vision for the Herring Road UAP.

AMPC have been exploring mixed use development on the Macquarie Centre site since early 2012. These early investigations into mixed use development on the Macquarie Centre site have enabled AMPC to assess the potential of the exhibited planning controls to deliver a viable mixed use development on the site.

Our review of the exhibited documentation has identified matters which need to be addressed to ensure development in accordance with the UAP vision can be achieved. The key matters which require further consideration are outlined in the following sections of this submission and summarised below:

- **Height Control** – AMPC support the proposed height control across the Macquarie Centre site. However due to the location of the existing shopping centre malls which dictate the alignment of the tower forms along Herring Road, one of the tower forms will straddle the boundary between the 120 metre and 90 metre height control zones. Accordingly, to accommodate two towers within each of the height control zones (as depicted on the Herring Road UAP illustrative masterplan), it is requested the boundary for of these two height control zones be moved approximately 30 metres north along Herring Road.
- **Infrastructure Contributions** – The delivery of key infrastructure is fundamental to the achievement of the overall vision for the Herring Road UAP. However, the exhibited documentation lacks clarity on how levies will be calculated for the UAP development uplift and how they can be used. To ensure that development within the precinct can progress without delay, it is requested that a clear structure outlining how infrastructure contributions will be levied and used should be incorporated in the Herring Road UAP documentation. Specific key matters that require consideration include:
 - Timing for the establishment of an infrastructure contributions process to be implemented, as delaying implementation of a process may affect investor confidence. Through establishing a framework for levying infrastructure contributions, investors will have certainty on the levying and allocation of contributions within the UAP.
 - Creating a clear list or menu of infrastructure which levies generated from the uplift in development can be directed.
 - Ensuring that any contributions payable from the uplift of development is directed to the delivery of the Herring Road UAP vision as opposed to the broader Macquarie Park corridor.

- Inclusion of the upgraded bus interchange as part of the infrastructure listed in Table 4 of the exhibited documentation, but noting that the implementation of the UAP controls is not contingent on the delivery of the upgraded bus interchange.
 - Off-set measures for contributions to the delivery of key infrastructure which supports the realisation of the Herring Road UAP vision. This should include (but not be limited to) contributions which are provided through Voluntary Planning Agreements, and /or works in kind for infrastructure that may be agreed to by landowners with other state government agencies.
- **Floorplate Control** – The objective of introducing a floorplate control requires clarity. Such a narrow and prescriptive control will likely result in rigid application within the UAP and will not support design innovation or have regard to unique sites such as the Macquarie Centre. Preliminary masterplan massing undertaken by AJC indicates larger floorplates can be supported on the Macquarie Centre site without compromising the amenity of the buildings or surrounding properties. Accordingly, it is requested the Department reconsider this control, and replace it with principles for tower forms to achieve good design and adopt innovative design methods.
 - **Setbacks** – Clarification should be provided regarding the setback controls depicted in the UAP documentation. Specifically, these setback controls should be applied as ‘minimum setbacks’ rather than ‘build to’ controls. This would enable development to accommodate public domain and infrastructure works on adjoining land, such as the bus interchange along Herring Road.
 - **Active Frontages** – The topography along Waterloo Road limits the ability for active frontages to be delivered along the full extent of this frontage. In addition, this frontage provides a prime opportunity for loading access for the Macquarie Centre without impact on major pedestrian routes. Accordingly, the requirement to deliver active frontages along Waterloo Road should be limited to the forecourt surrounding the Macquarie University Railway Station.

We therefore request that the Department consider these issues in the preparation of the final UAP documentation to ensure the Herring Road UAP vision is achieved in the short, medium and long-term.

1 Proposed Floor Space Ratio and Height Development Standards

1.1 PROPOSED FLOOR SPACE RATIO CONTROL

AMPC have reviewed the proposed Floor Space Ratio (FSR) for the Macquarie Centre site, and support the proposed 3.5:1 FSR control.

The massing analysis undertaken by AJC in the preparation of the preliminary Masterplan for mixed use development on the site indicates that this control will be sufficient to accommodate future mixed use development across the entirety of the site.

Accordingly, AMPC welcomes the proposed FSR control which can achieve a satisfactory future development outcome for the centre, and positively contribute to delivering the key objectives of the Herring Road UAP.

Recommendation No.1

AMPC support the proposed 3.5:1 FSR across the Macquarie Shopping Centre site.

1.2 PROPOSED HEIGHT CONTROL

Through the preparation of a preliminary Masterplan for the Macquarie Centre site, AJC has identified the locations for the tower forms along the Herring Road frontage. The key drivers for the location of the towers are:

- To ensure that each of the towers has an address to Herring Road to activate the street frontage;
- Ensure the legibility of mall entries to the Macquarie Centre from Herring Road is not compromised.
- To ensure the tower frontages to Herring Road are maximised, so they receive maximum solar access and natural ventilation opportunities.

As Macquarie Centre is an operating centre, the existing centre layout will determine the location of the mixed use tower forms above. For this reason, the location of the future tower forms can be determined with a high level of accuracy.

Based on the preliminary Masterplan prepared by AJC, one of the tower forms will straddle the boundary line between the 120 metre and 90 metre height control zone. This will result in a split height control applying to the tower as shown in **Figure 1**. Transposing the proposed height control map onto the illustrative masterplan for the Herring Road precinct contained in the Herring Road Urban Activation Planning Report, it appears two tower forms were contemplated within each height control along Herring Road.

FIGURE 1 – UAP INDICATIVE MASTERPLAN WITH EXHIBITED HEIGHT CONTROL ZONE BOUNDARIES



Accordingly, AJC have prepared an extract of the preliminary Masterplan for the Macquarie Centre site which indicates that for two tower forms to be wholly located within the 120 metre height control zone, the boundary of the 120 metre height control would need to move 30 metres north along Herring Road. This is illustrated in **Figure 2**.

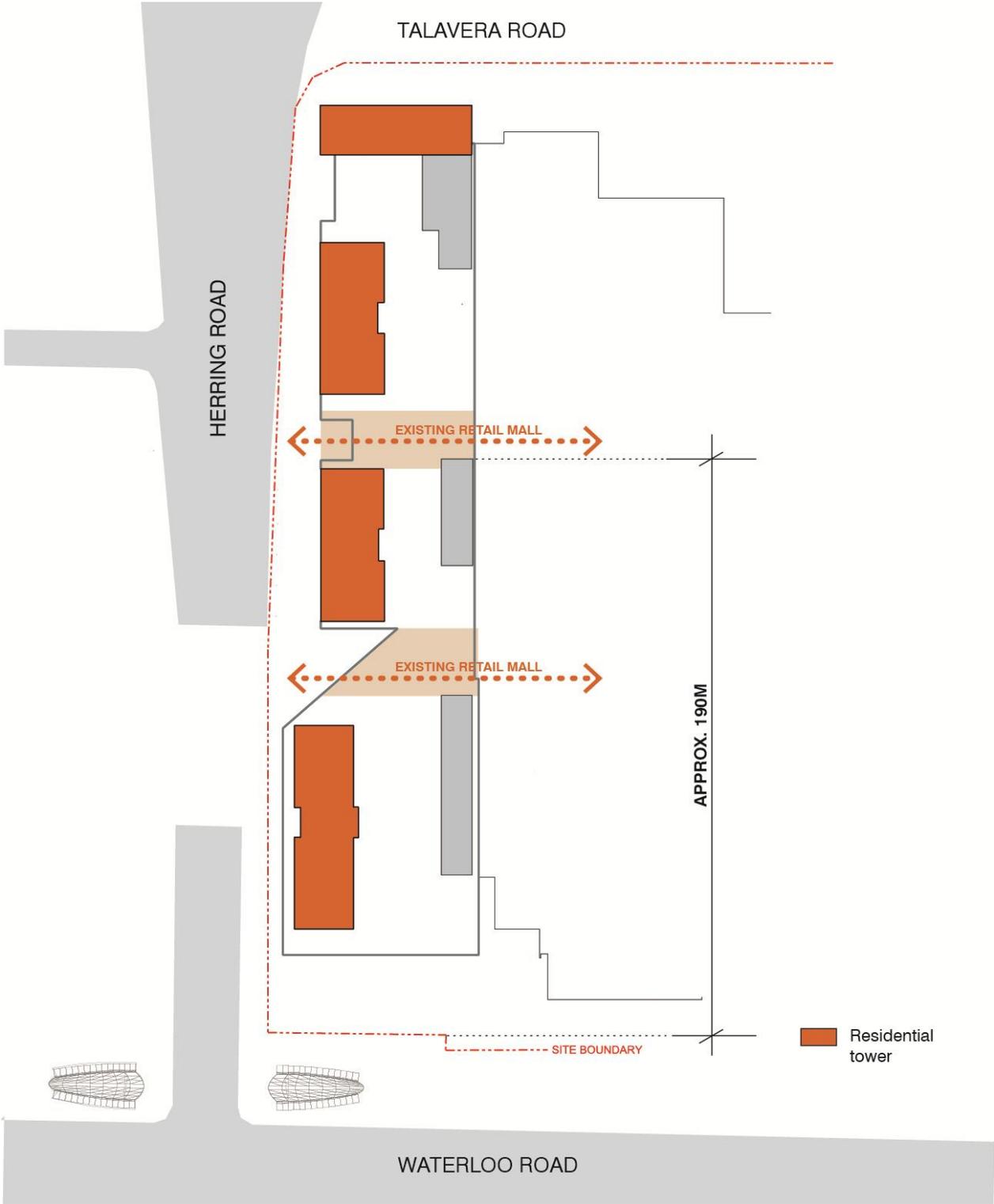
Accordingly, it is requested that the 120 metre height control be extended approximately 30 metres north along Herring Road to accommodate the two tower forms fronting Herring Road to be located within a single height control. This will also enable the Macquarie Centre site to deliver development which more closely aligns to the proposed FSR, and therefore work to achieve the overall objective of the Herring Road UAP.

We further request the Department to ensure that in establishing the building height controls within the UAP precinct that careful attention is given to the impact on solar access of future planned development on nearby sites to ensure that solar access performance can be achieved in accordance SEPP-65 and the Residential Flat Design Code.

Recommendation No.2

AMPC support the proposed height controls across the Macquarie Shopping Centre site, however request the 90m and 120m height control zone boundary be shifted approximately 30 metres north along Herring Road. This would enable two towers to be located within each height control zone as envisaged by the UAP illustrative masterplan.

FIGURE 2 – PRELIMINARY MASTERPLAN TOWER LOCATIONS AND REQUESTED HEIGHT CONTROL BOUNDARY



2 Infrastructure Contributions

The exhibited documentation lacks clarity on the levying of contributions for development under the proposed planning controls for the UAP. As the levying of contributions affects the delivery of key infrastructure to support the overall UAP vision and the financial viability of development, it is a key consideration which requires consideration as part of the overall UAP proposal.

AMPC request that the Department consider how the UAP will be implemented, and ensure there is a clear framework in place for determining contributions for both local and regional infrastructure. Without certainty on this key development driver, the UAP vision may not be realised.

Accordingly, AMPC request that the Department establish the key principles relating to the levying of infrastructure contributions in the Herring Road UAP to ensure they address the following key issues.

2.1 TIMING

The implementation of an infrastructure contribution plan is critical to the timing of investment within the Herring Road UAP. If left unresolved in the Herring Road UAP without key principles in place, development of this strategically significant centre may be delayed and the UAP vision compromised.

The key principles for infrastructure contributions should be established as part of the UAP process, and not deferred for resolution at a later time. Through establishing a framework for the levying of infrastructure contributions will enable development to progress in accordance with the UAP vision immediately upon the making of the planning control amendments. This will also provide investor certainty with regards to financial contributions into key infrastructure which may form a catalyst to further future investment, without the risk of certain infrastructure contributions not being recognised within the framework.

Accordingly, it is requested that the Department incorporate key infrastructure contribution principles within the Herring Road UAP process to ensure that development can commence immediately to work to achieve the overall Herring Road UAP vision.

2.2 NEXUS OF CONTRIBUTIONS

Any infrastructure contributions must meet the 'nexus' test which was established by the House of Lords in *Newbury DC v Secretary of State for the Environment [1981]*, and accordingly are required to 'fairly and reasonably relate to the development'.

The contributions generated by the development uplift provided by the Herring Road UAP should therefore not be collected to fund general infrastructure, but rather infrastructure directly supporting the delivery infrastructure which achieves the Herring Road UAP vision. This should include major infrastructure which will further enhance this transit-orientated precinct such as the Herring Road bus interchange.

Further, as the bus interchange is an element of the overall vision for the Herring Road UAP, the potential to deliver this infrastructure should be recognised in the Infrastructure Summary Table contained in the Herring Road UAP documentation (Table 4, Volume 1). The listing of the bus interchange will acknowledge the importance of this infrastructure in the delivery of the UAP vision, and recognise the potential for private funding to accelerate delivery.

Equally importantly, it should be recognised that the revised planning controls should not be contingent on the delivery of the bus interchange as the timing and funding of delivery of the bus interchange will be governed by the Transport for NSW priorities in the Transport Access Program.

One of the core principles to guide the infrastructure contribution framework for the Herring Road UAP is for all infrastructure contributions levied on development uplift resulting from the Herring Road UAP planning control amendments to be directed into infrastructure which is required to support the delivery of the UAP vision and not be broadly spread across Macquarie Park where the current section 94 plan applies.

2.3 RELATIONSHIP TO OTHER INFRASTRUCTURE

The payment of infrastructure contributions for the delivery of the UAP must not be considered in isolation. Rather, agreements for the early delivery of key infrastructure which supports the realisation of the Herring Road UAP vision should be considered as part of the overall infrastructure contributions paid on any development.

AMPC and other landowners within the UAP are in discussions with NSW government agencies with regards to the early delivery of the bus interchange. This is a significant piece of infrastructure which will support the delivery of the UAP vision of being a transit-orientated precinct. Accordingly, any funding which provided for the delivery of the bus interchanges should be considered as the early payment of infrastructure contributions (either financial or works in kind), and should be off-set in the implementation of any future infrastructure contribution policy.

Recommendation No.3

Clarity and a framework for the levying of infrastructure contributions is required to provide investor certainty in the delivery of the UAP vision. Key issues the contributions framework should consider include:

- a) Timing, to ensure development in the UAP is not delayed awaiting clarity on how contributions will be levied.
- b) Limiting the allocation of levies generated from the UAP uplift to infrastructure which specifically supports the UAP,
- c) Recognising the potential for bus interchange upgrades in the list of infrastructure opportunities, however Implementation of the UAP controls for Macquarie Centre should not be contingent on the delivery of the bus interchange.
- d) Off-sets for the early delivery of infrastructure supporting the UAP which may be agreed with other NSW government agencies.

3 Recommended Amendments to the Ryde DCP 2011

AMPC are supportive of the recommended changes to the Ryde DCP 2011 to facilitate the development of the Herring Road UAP. However AMPC have identified the following areas which require further consideration in their drafting to ensure they facilitate development within the precinct which is consistent with the vision for the UAP.

3.1 FLOORPLATE CONTROL

The exhibited documentation contains a recommendation that the Ryde DCP 2011 be amended to include a maximum floorplate control of 800 square metres for residential development in the Herring Road UAP. It is noted that there are no clear objectives for this control, indication of what the control is seeking to achieve, or how the floorplate area will be measured.

On the basis that there are two different floorplate controls recommended for residential and commercial development above streetwall height, it is clear that the objective does not relate to form and massing. Accordingly, it appears that the recommended residential floorplate control appears to be an arbitrary figure selected to achieve amenity for both surrounding properties and future residents of tower forms within the Herring Road UAP precinct. While these objectives are supported, the strict application of a floorplate control of this nature would limit the ability for flexibility considerations and design innovation to be applied within the Herring Road UAP precinct, particularly on key sites such as the Macquarie Centre site.

The unique nature of the mixed use development which can be achieved on the Macquarie Centre site has not been contemplated in the selection of the recommended residential floorplate control. The location of the Herring Road towers along the western frontage of the Macquarie Centre site results in the afternoon overshadowing of these towers to the south-east, which will fall over the shopping centre buildings which are not sensitive to solar access.

We have also undertaken an analysis of the residential development at Top Ryde, which is a suitable comparative development, being a mixed-use development with residential towers above a shopping centre. It is noted that residential Buildings B and F both have floorplate sizes which exceed the recommended floorplate control. These buildings are able to achieve good amenity for residents of these buildings, without adversely impacting surrounding properties or public domain.

Accordingly, to achieve the amenity outcomes sought by the floorplate control, it is recommended the numerical control be replaced with, or accompanied by, principles which will deliver good residential tower design. This would allow for design innovation and flexibility for the controls having regards to their location and site context, allowing for tower floorplates to exceed the numeric control on key sites such as Macquarie Centre where it can be demonstrated they will achieve good built form, design and amenity outcomes.

Recommendation No.4

Require clarity on the objectives and application of the floorplate control. AMPC recommend the numerical control be replaced with principles to deliver good residential tower design.

Should there be a control imposed, any such control should be flexibly applied having regards to the locational context of the site, particularly key sites such as Macquarie Shopping Centre.

3.2 SETBACKS

AMPC support the proposed setbacks along the boundaries of the Macquarie Centre site. The zero setback along the Herring Road and Waterloo Road frontages are generally supported, however these controls should be clarified in terms of being 'minimum setback controls' rather than 'build to' controls.

The application of a 'build to' control on the Macquarie Centre site would limit the ability of the site to contribute to the delivery of the bus interchange. Further, there are a number of other public domain improvements considered in the Herring Road UAP documentation which would impact on the ability of the Macquarie Centre building to the zero setback for the full extent of the Herring Road and Waterloo Road frontages.

Accordingly, it is requested that the Department clarify that the recommended changes to the Ryde DCP 2011 setback controls are 'minimum setbacks', and are able to be flexibly applied to facilitate the delivery of infrastructure and public domain improvements throughout the precinct.

Recommendation No.5

Setback controls should be 'minimum setback' controls rather than 'build to' controls to enable development to facilitate the delivery of infrastructure and public domain works on adjoining land.

3.3 ACTIVE FRONTAGES

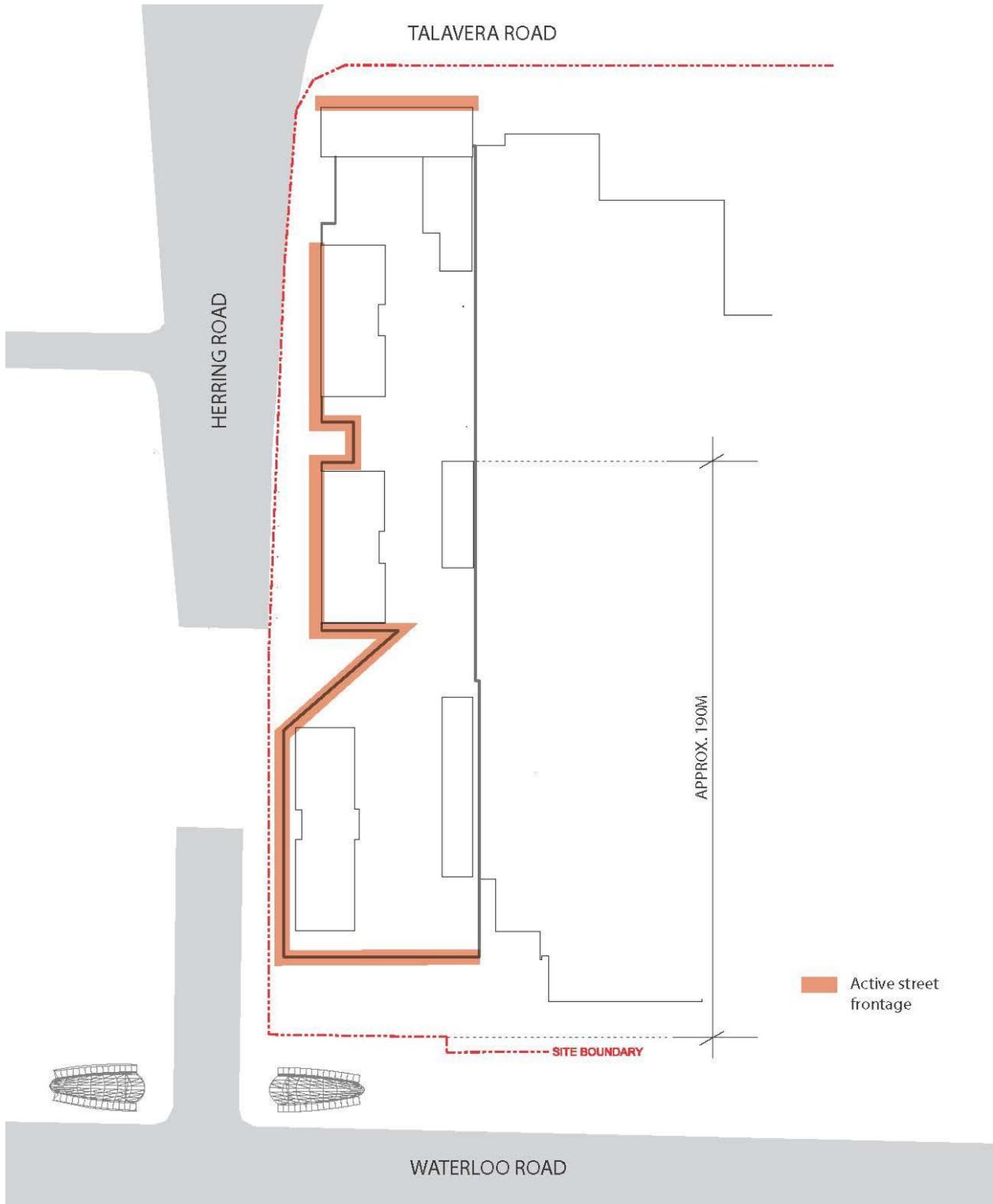
The exhibited documentation indicates that the zero setbacks proposed along the Herring Road and Waterloo Road frontages to the Macquarie Centre site are proposed to 'help activate the street edge'. However it should be noted that the topographical change along Waterloo Road which is acknowledged in Figure 24 of the exhibited documentation limits opportunity for this full extent of the Waterloo Road frontage to deliver an activated street edge. Further the topography along this street presents a barrier for pedestrian movements along this site boundary, and therefore lends itself to use as entries into loading areas to service the Centre.

Accordingly, AMPC request that the Department clarify that the recommended changes to the Ryde DCP 2011 relating to activated frontages along Waterloo Road do not require the full extent of the frontage to be activated. Rather AMPC request a direction be incorporated which acknowledges that activation of the Waterloo Road frontage will only be required adjacent to the forecourt surrounding the Macquarie University Train Station, referred to as 'Station Plaza' in the current Ryde DCP 2011. The success of this part of the Waterloo Road frontage of the Macquarie Centre to support active frontages will be based on the volume of pedestrian movements to and from the train station, and its location at the top of the Herring Road ridgeline.

Recommendation No.6

Due to the topography of the site, active frontages are not achievable along the full extent of the Waterloo Road frontage of Macquarie Shopping Centre. Active frontages along Waterloo Road should be limited to the edge of Station Plaza.

FIGURE 3 – RECOMMENDED EXTENT OF ACTIVE FRONTAGES ALONG MACQUARIE CENTRE FRONTAGES



3.4 PARKING RATES

AMPC support the parking rates proposed in the UAP documentation. These rates reflect a good balance acknowledging the public transport network which services this precinct, while also recognising the public transport network has limitations.

AMPC would be concerned with the implementation of lower parking rates than proposed similar to those of major Central Business Districts such as the Sydney CBD. These centres have access to multiple transit networks with a higher operating frequency and therefore do not represent a comparable benchmark.

Recommendation No.7

AMPC support the proposed parking rates for the Herring Road UAP.

Disclaimer

This report is dated August 2014 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd's (**Urbis**) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of AMP Capital (**Instructing Party**) for the purpose of Submission to publically exhibited documentation (**Purpose**) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report, and upon which Urbis relied. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

In preparing this report, Urbis may rely on or refer to documents in a language other than English, which Urbis may arrange to be translated. Urbis is not responsible for the accuracy or completeness of such translations and disclaims any liability for any statement or opinion made in this report being inaccurate or incomplete arising from such translations.

Whilst Urbis has made all reasonable inquiries it believes necessary in preparing this report, it is not responsible for determining the completeness or accuracy of information provided to it. Urbis (including its officers and personnel) is not liable for any errors or omissions, including in information provided by the Instructing Party or another person or upon which Urbis relies, provided that such errors or omissions are not made by Urbis recklessly or in bad faith.

This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

Sydney

Tower 2, Level 23, Darling Park
201 Sussex Street Sydney, NSW 2000
t +02 8233 9900
f +02 8233 9966

Melbourne

Level 12, 120 Collins Street
Melbourne, VIC 3000
t +03 8663 4888
f +03 8663 4999

Brisbane

Level 7, 123 Albert Street
Brisbane, QLD 4000
t +07 3007 3800
f +07 3007 3811

Perth

Level 1, 55 St Georges Terrace
Perth, WA 6000
t +08 9346 0500
f +08 9221 1779

Australia • Asia • Middle East
w urbis.com.au e info@urbis.com.au