

28 February 2016

Ms Ann-Maree Carruthers
Director, Urban Renewal
Department of Planning & Environment
GPO Box 39
SYDNEY NSW 2001

Dear Ms Carruthers,

Showground Station Precinct Proposal

Urbis acts on behalf of Pitt Street Real Estate Partners (PSRE), the owner of land located at 46 Carrington Road, Castle Hill. This submission is made in response to the public exhibition of the draft Showground Station Precinct Proposal.

Summary of submission

PSRE supports the vision for the planned redevelopment of the precinct to contain a mix of employment and housing in a location well serviced by public transport. PSRE supports the planning controls proposed for the site subject to the following:

1. That the range of permissible land uses in the proposed B6 Enterprise Corridor zone be expanded to include both retail premises and shop top housing **or** alternatively this part of the site be zoned B4 Mixed Use zone in which commercial, retail and residential land uses are permitted.
2. That the extent of B6 Enterprise Corridor (or preferred alternative B4 Mixed Use zone) be defined in detailed site planning to align with the location of the proposed east west road to be provided on site.
3. That a minimum Floor Space Ratio of 3.0:1 apply across both the B6 Enterprise Corridor (or the alternative B4 Mixed Use zone) and the R1 General Residential zone on the southern part of the site.

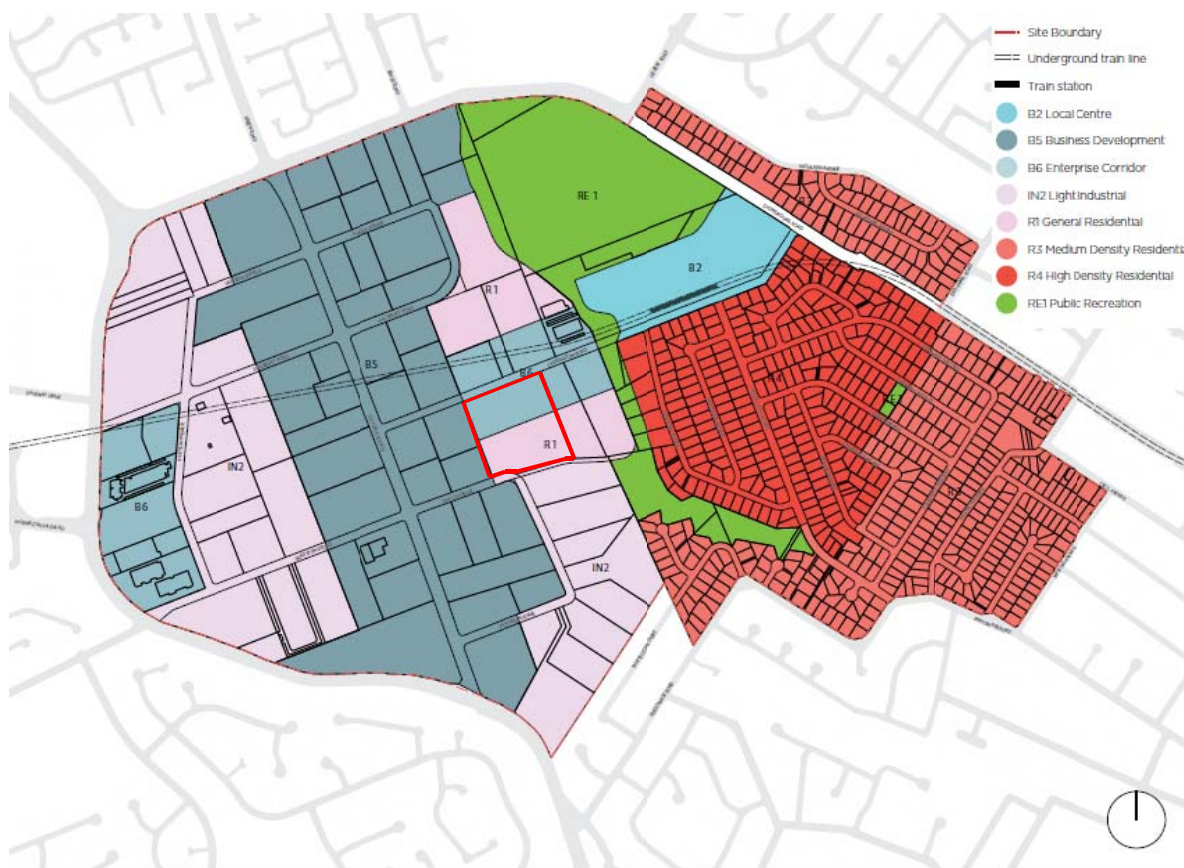
We advise that this submission reflects the views of a broader adjoining landowner group reflected in a separate submission made by Urbis.

We request the opportunity to meet with the Department to discuss this submission in detail.

Background

Pitt Street Real Estate Partners (PSRE) own the land located at 46 Carrington Road, Castle Hill. The subject site is a large (4.01ha), strategically important landholding located 350 metres from the new Showground train station. The site represents an important short-term opportunity to provide high quality, mixed use development with no physical, legal or other constraints to development.

The following plan identifies the subject site within the precinct:



PSRE has previously prepared and submitted a conceptual master plan for the site to the Department, providing a detailed outline of the potential mixed-use development achievable on the site – **see attached copy of report dated 2014**. This submission included detailed market analysis confirming limitations around the scale and type of employment generating development considered feasible at this location having regard to better placed, higher order employment centres in the surrounding region.

This submission was subsequently supported by correspondence to the Department of Planning dated May 2015 (**see attached**), which provided further details on the suitability of the site to accommodate mixed use development, including defining the extent of employment generating development considered feasible at this location.

The exhibited draft Showground Station Precinct Proposal properly recognises the strategic importance of this precinct and establishes a positive framework to drive the much needed investment and uplift of this area. In regard to the subject site, the exhibited document specifically proposes the following:

- Inclusion of the site partly in a B6 Business Enterprise Zone and R1 General Residential Zone.
- Building height of 27 metres (approximately 6-8 storeys).
- Floor space ratio of 2.3:1.
- Indicative location of new north-south and east-west roads through the site connecting the property to the surrounding road network and providing effective vehicular and pedestrian movement through the area.

Submission

PSRE supports the vision for the planned redevelopment of the Showground Station to contain a mix of employment and housing in a location well serviced by public transport. PSRE also generally supports the intent of the planning controls proposed for the site in permitting residential development on the southern part of the land and with employment generating land uses on the northern part of the land fronting Carrington Road. The indicative road pattern is also generally supported.

However PSRE seeks refinement of the detailed planning controls affecting the site to ensure the site is developed in a manner contributing to the achievement of the desired strategic goals for the precinct. Specifically PSRE seeks the planning controls on the site to be refined as follows:

1. That the range of permissible land uses allowed in the proposed B6 Enterprise Corridor zone be expanded to include both retail premises and shop top housing **or** alternatively this part of the site be zoned B4 Mixed Use zone in which commercial, retail and residential land uses are permitted.
2. That the extent of B6 Enterprise Corridor (or preferred alternative B4 Mixed Use zone) be defined in further detailed site planning to align with the location of the proposed east west road to be provided on site.
3. That a minimum Floor Space Ratio of 3.0:1 apply across both the B6 Enterprise Corridor (or alternative B4 Mixed Use zone) and the R1 General Residential zone on the southern part of the site.

We provide the following information in support of this submission:

Proposed B6 Zone

The northern part of the site (defined generally by the alignment of the proposed new east-west road through the site) is identified in the exhibited documents as being included in a B6 Enterprise Corridor zone with the stated aim to, *'encourage additional employment and business opportunities by allowing a broader range of commercial uses including offices and business premises, but exclude shop top housing'*.

We submit that the proposal to implement a B6 zone with an emphasis upon commercial office floorspace does not reflect market research, which confirms this location is not attractive to large floor plate commercial office tenants. In light of this clear market research, the provision of such a large land area along the Carrington Road frontage for primarily commercial office development is unrealistic and is likely to contribute to this important area not being redeveloped as desired in the precinct plan.

Comprehensive market research by Urbis for PSRE (see attached documents and by JLL for the Department identifies significant limitations around the nature and scale of employment generating land uses that are considered to be feasible at this location. The JLL report on page 3 highlights the following:

*'Provided within the Showground Station Precinct Structure Plan ("the Structure Plan") is an underlying assumption about very significant growth in the commercial market employment. JLL understands 'Commercial' to be office uses. JLL **does not agree** with the forecast growth assumptions within The Precinct'.*

There are many factors contributing to the fact that commercial office development is not attracted to and therefore, unlikely to be commercially viable in either the short or long term, including the following:

- This area is not considered to be attractive to investment grade commercial office uses now or into the future and will not attract a 'clustering' of commercial office occupiers or uses.

- Commercial office users represent a small portion of current operations in this area with increasing vacancies as commercial office tenants relocate to preferred locations.
- There are far more attractive, high quality alternative office destinations in the surrounding region, including Norwest. Norwest is well positioned to be the focus for commercial development within The Hills Shire LGA moving forward. Norwest holds a greater competitive advantage than the Showground Precinct and will be significantly strengthened by the addition of new train stations at Norwest and Bella Vista.

We submit that the approach to the zoning of this part of the site must be reviewed in detail to ensure a suitable planning control is established that facilitates desired development in accordance with the precinct plan. We believe a preferred outcome can be achieved by a number of approaches being:

1. That the B6 Enterprise Corridor zone be applied but with the range of permissible land uses expanded to include both retail premises and shop top housing; **or alternatively**
2. That a B4 Mixed Use zone be applied in which commercial, retail and residential land uses are permitted.

Either of the above approaches contributes to the desired achievement of development of a substantial area of the precinct for 'higher order' employment generating activity including commercial offices (particularly small floor flat operations that are likely to be attracted to this location; retail outlets (both convenience and bulky goods; and other business operations including medical and health operations. Permitting this broader range of land uses is considered critical to ensure that a vibrant, mix of employment activities is developed along Carrington Road.

In either case we submit that residential development (including as shop top housing) should be permitted in this area as it will contribute to supporting employment generating activities developing at this location. Permitting residential development in this zone will also assist in ensuring an appropriate transition from the commercial character of development fronting Carrington Road through to the residential development sought to be achieved in the R1 zone on the southern part of the site.

We submit that appropriate detailed planning controls can be established for this portion of the land ensuring that some appropriate 'minimum' area of non-residential development is ensured despite the broadening of the land use mix. The provision of possible 'mimumum' FSR provisions for non-residential development in either the B6 or B4 zone, supplemented by more detailed Development Control Plan provisions, will contribute to a far more effective long term outcome than the current proposed approach.

Extent of the B6 zone

The exhibited documents indicate the delineation of the proposed B6 and R1 zones as being the indicative location of a proposed new east-west road bisecting the site. PSRE are supportive of this approach **subject** to the final location of the road (and therefore the zone boundary being confirmed through further detailed site master planning.

The road patterns illustrated in the exhibited documents are indicative only and based on preliminary investigation and understanding of the characteristics of the various landholdings in the precinct. The indicative road patter affecting the subject site appears generally appropriate but more detailed site planning is essential to ensure that the road location appropriately considers the following:

- Existing and future intersection treatments.
- The location and nature of ecological features on the site and surrounding properties.
- The desired approach to accommodating desired future development fronting Carrington Road, including the provision of vehicle access and loading facilities.
- Consideration of the appropriate mix and transition of land uses across the B6 zone and the desired interface with residential development in the R1 zone.

Given the significance of the proposed future road in both accommodating long term development on the site as well as delineating the boundary between the B6 and R1 zones, we request the opportunity to work closely with the Department in finalising the alignment of this future road.

Increase FSR

We submit that the proposed FSR for both the B6 and R1 zones in this precinct should be a minimum of 3.0:1.

The strategic location close to the railway station provides an ideal opportunity to achieve a density of development that creates an appropriate scale and intensity of development that supports the infrastructure investment and, more importantly, contributes to the creation of a vibrant, mixed-use community.

The current proposed FSR will result in buildings not being able to achieve the proposed 27 metre permissible height, or buildings with significant separation between them. Both built forms would result in an inefficient use of the land, which would be detrimental in a key location of the Precinct.

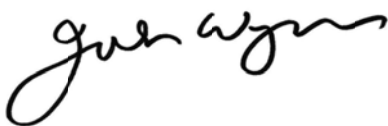
In addition, while acknowledging the Departments desire to maximise the scale of residential development in closer proximity to the railway station, it must be recognised that the areas proposed to be zoned R4 High Density residential comprise small scale, highly fragmented land holdings currently accommodating low density residential development. The fine grained and fragmented character of this area will provide considerable challenges in achieving desired timely, coordinated and maximised development to the scale and form envisaged in the precinct plan. In contrast, the subject site and the immediate adjoining sites proposed to be zoned R1 are large, well separated from existing sensitive land uses and have a physical capacity of maximising development potential while minimising off site impacts.

It is submitted that the provision of a 3.0:1 FSR will establish a density control comparable to other locations located within easy walking distance of railway stations and will contribute to expediting and ensuring the achievement of the uplift of residential living opportunities in this location. PSRE is happy to provide the Department with indicative concept plans illustrating how a 3.0:1 FSR (or higher) can contribute to achieving a high quality, residential living environment satisfying the objectives of the precinct plan.

Summary

We request the opportunity to meet with the Department to discuss this submission in detail. Please contact me if you have any questions

Yours sincerely



John Wynne
Managing Director

Enclosures:

- Site master plan
- Letter to Department of Planning