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Carolyn McNally Secretary Department of Planning and Environment Lv22, 320 Pitt Street SYDNEY NSW 2000

SUBMISSION TO THE DRAFT NORTH WEST PRIORITY GROWTH AREA LAND USE AND INFRASTRUCTURE IMPLEMENTATION PLAN 280 GARFIELD ROAD EAST AND 259 RIVERSTONE ROAD RIVERSTONE (RIVERSTONE EAST)

# 1.0 OVERVIEW

This submission has been prepared by JBA on behalf of Sunglow Australia who have a commercial agreement to develop 280 Garfield Road East and 259 Riverstone Road, Riverstone (Site) within the Riverstone East Precinct of the North West Priority Growth Area.

The acquisition of the Site by Sunglow Australia provides the Department an opportunity to deliver on its key objectives of 'boosting housing supply' and 'accelerating infrastructure' under the Department's Affordable Housing Action Plan. Sunglow Australia controls approximately 60 hectares which is expected to yield over 800 dwellings and has a mandate to invest in the early provision of works in kind which represents an opportunity to accelerate the supply of housing in the North West Priority Growth Area.

This submission makes specific reference to the draft *North West Priority Growth Area Land Use and Infrastructure Implementation Plan* (Implementation Plan), the Explanation of Intended Effect (EIE), and the draft Section 117 Direction, placed on public exhibition by the Department of Planning and Environment (Department) from 16 May 2017 until 4 July 2017. These plans will guide development and infrastructure delivery in the North West Priority Growth Area for the next decade and consequently affect the development potential of a significant area of Sydney.

The submission focuses primarily on proposed changes to residential density controls that would, if implemented, reduce flexibility in the delivery of the urban design outcome for the Site, limit housing diversity and to a lesser extent result in reductions to the residential yield on the Site. Combined with other recently announced changes, including the progressive removal of section 94 contributions caps, the proposed maximum density control would substantially erode development feasibility and is likely to result in a reduction in the rate of supply of new greenfield housing.

There is a notable disconnect between the strategic intent and direction of the Implementation Plan and broader NSW Government land use planning, housing diversity and housing affordability objectives, and the development standards proposed in the draft amendments to the State Environmental Planning Policy (Sydney Region Growth Centres) 2006 (Growth Centres SEPP). This disconnect is particularly acute in the context of highly constrained land release opportunities within the Sydney basin, and north-western Sydney in particular. Whilst the intent to ensure infrastructure capacity is sufficient to support growth is acknowledged and supported, there are alternative measures available that would not constrain housing supply through the

imposition of the proposed maximum residential densities, and that could benefit the objectives of planning and development for the Priority Growth Area.

We request the Department clarify (through the legal drafting of the density provisions) that they apply as an average across the subdivision. This would be consistent with the original intent of the density controls in the Growth Centres, and would not impact on the ability to deliver more diverse lot sizes and housing products consistent with the sustainability, liveability, and productivity goals of the NSW Government.

The submission also considers the interrelated matters of the sequencing of infrastructure delivery and the opportunities for works-in-kind arrangements to meet developer obligations in relation to Special Infrastructure Contributions. The development of the Site is dependent on servicing and infrastructure to be delivered by Roads and Maritime Services, Blacktown City Council, Sydney Water and Endeavour Energy. There exists uncertainty as to both the timing and sequencing of these works with no commitment regarding the timing for most of them for either the zoned or unzoned portions of the Site. There is opportunity for Sunglow Australia to coordinate servicing and infrastructure as works-in-kind in conjunction with the development of the Site and ahead of the delivery programs of the utilities and authorities.

We request the Department prioritise infrastructure spending to unlock the Stage 3 unzoned lands at Riverstone East as a matter of urgency and as an interim measure ensure continuity of current works in kind arrangements under the SIC so that developers can deliver infrastructure to unlock land for housing delivery until that time.

As an alternative or in addition to these measures, the Department should clarify how the Precinct Acceleration Protocol can be applied to land owner initiated proposals to rezone partial precincts. We are aware that the Department has adapted the protocol to release land that doesn't correspond with precinct boundaries but which is logical when considering site servicing or other factors (for example the Lowes Creek/Maryland part precinct releases, and "Townson Road" in West Schofields Precinct). Given that substantial parts of Sunglow's land interests are currently unzoned, but in a released precinct, a pathway to bring forward the rezoning of that land with appropriate infrastructure commitments could accelerate the supply of new homes and result in a better coordinated development outcome across the Sunglow land and adjoining properties. The current lack of clarity in relation to conditions to be met and the process to finalise the rezoning of this land is causing uncertainty and limits investment confidence.

# 2.0 THE SITE

The Site is located within the northern part of the Riverstone East Precinct with direct frontage to Garfield Road East. Roughly half of the site is zoned land with the other half having been released but yet to be rezoned. The site is well located with easy access to Windsor Road and having future access to local and district open space and the proposed public school site (refer to **Figure 1** below).

# **Local Strategic Context**

The development standards for the Site should be influenced by:

- Its location within the North West Priority Growth Area which is an area identified for greenfield housing development of varied densities and typologies;
- Its proximity to the existing heavy rail station at Riverstone and the new metro rail station at Cudgegong, both accessible by a short bus trip;
- Its proximity to the future Rouse Hill Regional Park that, once fully acquired will, provide high quality district open space within walking distance of the Site;

- its location adjoining Garfield Road East which forms a major east-west link through the North West Priority Growth Area between Windsor and Richmond Roads and linking the site to the wider Sydney area;
- the proposed realignment of Clarke Street as a sub-arterial road through the Site to provide a major north-south link through the North West Priority Growth Area between the Alex Avenue and Box Hill Precincts;
- proximity to existing and planned nearby public open space and conservation areas that will
  provide residents with excellent access to sporting and recreation areas; and
- the absence of significant constraints relating to heritage, topography, flood management, accessibility, and environmentally sensitive land.

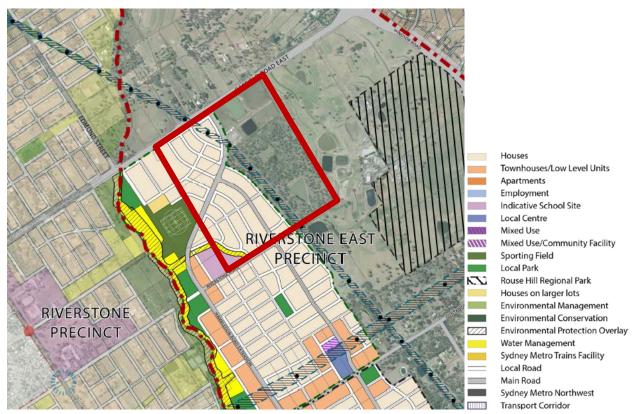


Figure 1 - The Site (outlined in red) in the context of the Precinct Plan

# 2.1 Development Standards

**Table** 1 summarises the key existing and future controls for the Site under the SEPP. It is evident that whilst there has been no change to the environmental constraints, height, or FSR for the Site, the permissible density has been reduced.

The proposed maximum density development standard has effectively down-zoned the Site by setting a maximum number of dwellings per hectare where no control existed before. The operation of the density control will constrain housing diversity and will encourage a monoculture of largely similar lot sizes and housing types. This change contradicts the housing diversity and delivery objectives of the NSW Government and does not adequately address the unique strategic merit of the Site.

Table 1 – Existing and proposed planning controls

	Existing	Proposed	Change
Land Use Zone	R2 Low Density Residential SP2 Infrastructure RE1 Local Open Space	R2 Low Density Residential SP2 Infrastructure RE1 Local Open Space	No change.
Density	Minimum density of 15 dwellings per hectare	Density range of 15-25 dwellings per hectare	A cap on residential development will be established and will limit housing density and diversity.
Building Height	Maximum 9m	Maximum 9m	No change.
Lot Size	No control.	Minimum lot size of 300m <sup>2</sup>	New 300m <sup>2</sup> minimum.
FSR	No control.	No control.	No change.
Mapped environmental constraints	<ul> <li>no flood prone land;</li> <li>no heritage items, one heritage item to the west;</li> <li>minor acquisition for local open space (RE1), local drainage, local road widening and classified road (SP2);</li> <li>minor 1st order riparian; and</li> <li>no vegetation protection.</li> </ul>	<ul> <li>no flood prone land;</li> <li>no heritage items, one heritage item to the west;</li> <li>minor acquisition for local open space (RE1), local drainage, local road widening and classified road (SP2);</li> <li>minor 1st order riparian; and</li> <li>no vegetation protection.</li> </ul>	No change.

#### 3.0 INTENT OF PROPOSED AMENDMENTS

The draft Implementation Plan proposes to rationalise existing statutory planning controls and facilitate a transition from the Growth Centres SEPP to local plans, prioritising the delivery of infrastructure, urban development and open space through to 2027 and beyond. The plan also reflects updated strategic thinking throughout the Sydney Basin, referencing future directions guided by the updated *A Plan for Growing Sydney*, the draft *District Plans* and the Western Sydney Airport City.

The draft Implementation Plan outlines eight key actions, which aim to guide the ongoing development of the North West Priority Growth Area. These key actions address issues of governance, connectivity, safety, housing, and most importantly infrastructure. The majority of the actions are supported and the Department is commended for delivering a proposed strategy that not only sets a long term vision for the North West Priority Growth Area, but delivery mechanisms. It is also significant that the draft Implementation Plan acknowledges the substantial shifts in the market preference for different forms of housing, and the importance of maximising affordability.

The Implementation Plan states there is the intent to "balance the level of permissible growth with the infrastructure that can be provided to support new homes". It is critical to the success of the priority growth area that new communities have access to facilities, services and amenities that will provide quality of life. The proposed approach to achieving this balance of growth and infrastructure, which is focused on limiting the density of development, is not in our view the best mechanism to achieve this result, particularly within the North West Priority Growth Area. Addressing capacity issues with planned infrastructure can be achieved through other mechanisms that would not unduly sterilise the market (discussed in **Section 6**). Preventing the delivery of homes and associated public benefits is counterintuitive to addressing the housing pressures currently faced in Sydney, the strategic priorities for Sydney, and the unique strategic merit of the Site.

# 4.0 STRATEGIC CONTEXT

The North West Priority Growth Area will form part of the core of Greater Sydney's 'Central City' under the draft *West Central District Plan* (draft District Plan). The Central City will be desirable for its transport connections to the established Eastern City and emerging Western Sydney, and is forecast to experience the most significant urban transformation over the next 10-15 years. The key drivers of the draft District Plan, which will set the strategic direction for the region over the next two decades, include:

- The need to address housing choice and affordability. The region has been earmarked to deliver 49,400 homes in the next five years, whilst recognising that there is potential to deliver beyond this target in order to address pent up demand that has resulted from past undersupply. "The realisation of the housing targets relies on actions by the relevant planning authorities (from providing enabling planning controls through to development assessments), infrastructure provision and the continuation of current market conditions and industry's critical role in delivery".
- Delivering more diverse and affordable housing to meet the needs of a changing community, including projected ageing of the population and significant increases in smaller households (singles, couples and single parent families).
- Providing accessible jobs, homes, and recreation in the '30 minute city'. There is a need to support the delivery of homes with access to public transport and open space, recognising that development within the North West has seized opportunities for more intense development around centres. The delivery of the Sydney Metro Northwest will expand the network of highly accessible nodes across the Central City, providing additional opportunities for new homes in accessible locations.

# 4.1 Opportunity to deliver on the objectives of the draft District Plan

The Site has the potential to align with many of the objectives and Actions in the draft District Plan to deliver on the planning outcomes for the West Central District. The Site's size and locational characteristics make it a prime example of a development-ready site that is well situated to meet the objectives of the draft Plan. The following sections outline how specific Actions could be addressed by the via a design-led redevelopment process for the Site.

#### Increase the Supply of Housing

Action L2 of the draft Plan involves identifying new opportunities to create the capacity to deliver the 20 year strategic housing supply targets. Based on medium growth scenario projections, the West Central District is predicted to require 53,500 dwellings to be delivered over the next 5 years and 202,500 dwellings over the period to 2036.

In addition to the general guidance in *A Plan for Growing Sydney* the Greater Sydney Commission (GSC) has established a set of criteria for investigating areas to deliver urban renewal. The site meets many of the desired attributes for new urban renewal precincts:

- it aligns with significant investment in regional and district infrastructure given its location within the North West Priority Growth Area and is located within relatively close proximity to the new Cudgegong Road metro station;
- it has good access to nearby existing and planned employment areas, including:
  - Rouse Hill Town Centre;
  - Bella Vista Priority Precinct;
  - Norwest businesses and hospitals;
  - Macquarie Park, North Sydney and Sydney CDB employment centres via the Sydney Metro;
  - Blacktown Centre and the Broader Western Sydney Employment Lands via the Transitway;

- Parramatta and Westmead.
- there is market demand for a greater mix of housing in the area and it is financially viable to deliver a range of housing configurations;
- there are no significant environmental or heritage constraints on or around the site that would preclude development;
- it is not strata titled and represents a large, consolidated site under single control;
- it is possible to stage the delivery of the site in line with infrastructure and community facilities with the zoned land being delivered immediately whilst the rezoning of the unzoned land takes place.

# 4.2 Increase Housing Capacity Across the District

Action L3 of the draft Plan seeks to increase the capacity of housing across the West Central District within the North West Priority Growth Area, Greater Parramatta and the Olympic Peninsula (GPOP) and the Carlingford light rail corridor. In the absence of identifying new opportunities for growth outside of these areas it is paramount that these corridors provide significant growth for the District that is not unnecessarily and artificially restrained in the absence of site specific constraints to development.

# 4.3 Encourage Housing Diversity

The draft District Plan identifies that the existing housing stock in the West Central District is dominated by detached, low density housing typologies. Action L4 of the draft District Plan encourages greater housing diversity to promote housing choice and facilitate people staying in their local area regardless of their stage of life. The site is capable of contributing to the supply and diversity of housing in the region by providing the potential for a mix of single low-density dwellings with smaller and denser housing typologies focused around areas of local amenity. This will promote the opportunity for older generations to age in place and afford younger generations with the opportunity to buy into the area they grew up in by increasing the supply and diversity of dwellings.

# 4.4 Coordination of Infrastructure

Action L9 of the draft District Plan aims to coordinate infrastructure planning with the delivery of new and growing communities. The residential development of the site presents the opportunity to deliver planned infrastructure such as the realignment of Clarke Street, the upgrade of Garfield Road East, local open space and local drainage works.

# 4.5 Design-led Planning

Design-led planning promotes high quality urban design and an integration of urban land use and transport as key elements to create urban environments where people want to live. The regular shape of the Site and its limited existing improvements facilitates the ability to undertake a master planning process that is centred on design-led planning in accordance with Action L11 of the draft Plan. The master planning process also allows the built form network to be designed in a way that achieves optimal amenity, ensuring high levels of solar access and ease of access to open space and local services.

# 5.0 DISCONNECT BETWEEN PROPOSED STANDARDS AND THE SITE

The Growth Centres SEPP currently controls density for the Site through a minimum density requirement of 15 dwellings per hectare with no maximum and a minimum lot size of 300m<sup>2</sup> under the provisions of Clause 4.1AB minimum lot sizes for residential development in Zone R2 Low Density Residential and Zone R3 Medium Density Residential.

Despite this, Clause 4.1AA currently provides for small lot housing (lots between 225–300m²) to be developed in the R2 Low Density Residential zoned lands. Clause 6.11 also currently provides for attached dwellings and multi dwelling housing to be developed in areas of higher amenity within the R2 Low Density Residential zoned lands.

The current controls permit a range of dwelling typologies to be developed on the Site and more generally on R2 Low Density Residential zoned lands that capitalise on the individual site attributes.

Importantly, Clause 4.1AB acts to apply the minimum density requirements at the individual lot scale despite the provisions of the DCP which seek to apply the residential density controls as an average across the site.

When assessed at the individual lot scale the introduction of a maximum density control has the effect of excluding small lot housing, attached dwellings and multi dwelling housing which is expressly permitted to provide for housing diversity and affordability. This also, to a lesser extent, reduces the development yield permitted on the Site.

The Site is generally unconstrained in terms of flooding, heritage, and biodiversity. It is within close proximity by future bus services to both the Cudgegong Road Metro Station which will provide high capacity public transport to surrounding District and Strategic Centres and the Riverstone Rail Station which provides access to the Sydney Rail network. In view of this and the discussion above, it is unclear why the development potential of the Site is proposed to be reduced.

We request the Department clarify (through the legal drafting of any proposed amendments to density provisions) that they apply as an average across the subdivision, so they don't impact on the ability to deliver more diverse lot sizes and housing products. This will enable residential development that is consistent with the sustainability, liveability, and productivity goals of the NSW Government.

# 6.0 DESIGN LED PLANNING

Sunglow Australia intends to provide a diversity of housing types in response to changing market demand including duplexes, manor homes and terraces with studios.

Sunglow Australia sees a growing demand from first home buyers (under 35 years of age) and downsizing baby-boomers (over the age of 65 years) emerging from the established suburbs of The Hills and Blacktown LGA's seeking more affordable and compact housing to buy (home ownership) and smaller options for rental housing 'cottage style' with a small courtyard garden (that are not apartments).

In addition to lots for detached dwellings down to 300m², Sunglow intends to provide a mix of:

- Small lots (min 225 m² with Building Envelope Plan) and dwellings
- Terraces, duplexes and zero lot homes (house and land packages with land registration of subdivision prior to construction of 'abutting dwellings').
- Manor Homes and Studio Apartments (Fonzie Flats) (small scale strata subdivisions).

It is fundamental to Sunglow that the proposed changes to the Growth Centres SEPP maintain the ability to deliver these housing types as the demand for affordable diversity grows into the future. The implications of the proposed amendments on the ability to undertake smaller lot subdivisions and deliver more diverse housing types in the low density residential zone are not clear from the material as publicly exhibited. However, our interpretation of the proposed amendments indicates that the combination of minimum lot sizes (under clause 4.1) and the proposed maximum residential density controls (under clause 4.1AB) may restrict these forms of development, resulting in subdivisions that accommodate predominantly single detached dwellings and a limited range of lot sizes.

#### 7.0 ALTERNATIVES TO A MAXIMUM DENSITY CONTROL

It is understood that the key intent of the Implementation Plan and associated changes to the Growth Centres SEPP is to balance the level of permissible growth with the infrastructure that can be provided to support new homes. Accordingly, the documents propose intervention in the development standards to limit growth. Preventing the delivery of homes and associated public benefits is counterintuitive to the housing pressures currently faced in Sydney, the strategic priorities for Sydney, and the unique strategic merit of the Site. Resolving capacity issues with planned infrastructure can be achieved through other mechanisms that would not unduly constrain the market, and would be more consistent with broader housing supply and affordability objectives of the NSW Government.

It is requested that the Department explore other means of providing infrastructure in coordination with development. In the event that development proposes to exceed the envisaged maximum density, Council already has mechanisms in place to levy additional contributions, as local contributions plans for open space and community facilities are determined based on the proposed resident population of each development. Council can apply additional contributions to acquire and embellish (to a standard higher than currently anticipated) open space nearby, such as along creek corridors, or to develop additional community facilities.

We also note that the Department intends to review the Western Sydney Growth Areas Special Infrastructure Contribution (the SIC). This review is in part a response to anticipated higher dwelling densities and a larger population across the North West Priority Growth Area. In particular, the draft Implementation Plan indicates that additional regional open space along corridors like Eastern Creek and South Creek, could be considered as part of the SIC review. We support this approach in principle as a way of capturing some of the infrastructure requirements arising from higher population densities in an equitable way, and contributing to expansion of the Green Grid outlined in the draft District Plans.

# 8.0 INFRASTRUCTURE DELIVERY

The SEPP identifies infrastructure works required to be completed prior to housing being delivered on the Site. These include:

- the realignment of Clarke Street through the Site and its connection into Garfield Road East;
- the widening of Riverstone Road; and
- the delivery of drainage works in the southern part of the Site.

Other works are identified within the Site but are not considered to pose an impediment to the delivery of housing on the Site:

- the upgrade of Garfield Road East;
- the delivery of local open space; and
- the potential for a public school partly located on the land.

The delivery of housing on the land is also reliant on lead-in servicing by the water, sewer and electricity authorities.

The works are reliant on Roads and Maritime Services, Blacktown City Council, Sydney Water and Endeavour Energy. The timing and sequencing of these works is uncertain with limited commitments regarding the timing for most of them for either the zoned or unzoned portions of the Site.

Instrumental to the delivery of housing on the Site is the delivery of these infrastructure and servicing works. To ensure housing delivery on the Site it is imperative that these works be prioritised, committed and programmed.

We understand that the NSW Government, in its housing affordability package, will provide access to around \$3 billion in infrastructure funding, by way of direct infrastructure funding, support for councils to borrow funds to bring forward capital works and reforms to infrastructure contributions, to accelerate the delivery of housing. Of this the NSW Government will contribute new funding of \$600 million through Restart NSW for the Housing Acceleration Fund and an additional \$1 billion from the state capital program towards priority projects to support housing.

The Site provides significant opportunity for Sunglow Australia to deliver servicing and infrastructure works coordinated with the development of the Site. There is the possibility for Sunglow Australia to fund the early provision of the sub-arterial road (Clarke Street) and public open space as works in kind and at no cost to Government or Council.

We expect that the Department's review of the Western Sydney Growth Areas Special Infrastructure Contribution (the SIC) will provide clarity with respect to the inclusion of the realignment of Clarke Street. The lack of any firm statutory basis for inclusion of the Clarke Street re-alignment and upgrade in either the SIC or section 94 plans is a significant gap and creates substantial uncertainty for Sunglow.

We request the Department prioritise infrastructure spending to enable development of the zoned lands as a matter of urgency and as an interim measure maintain the existing works in kind SIC arrangements so that developers can deliver infrastructure to unlock land for housing delivery until that time.

# 9.0 STAGE 3 REZONING

The eastern half of the Site is within the "Stage 3" part of the Riverstone East precinct. The whole of the Riverstone East precinct has been released and we understand that Stage 3 rezoning is reliant on a servicing strategy being agreed by government and infrastructure being identified, committed, and funded. We request the Department prioritise infrastructure spending to unlock the Stage 3 unzoned lands at Riverstone East as a matter of urgency.

As an alternative or in addition to these measures, the Department should clarify how the Precinct Acceleration Protocol can be applied to land owner initiated proposals to rezone partial precincts. We are aware that the Department has adapted the protocol in other situations to release land that doesn't correspond with precinct boundaries but which is logical when considering site servicing or other factors. Given that substantial parts of Sunglow's land interests are currently unzoned, but in a released precinct, a pathway to bring forward the rezoning of that land with appropriate infrastructure commitments could accelerate the supply of new homes and result in a better coordinated development outcome across the Sunglow land and adjoining properties. The current lack of clarity in relation to conditions to be met and the process to finalise the rezoning of this land is causing uncertainty and limits investment confidence.

# 10.0 CONCLUSION

It is requested that the Department re-think the proposed approach to aligning development density and infrastructure capacity for the Site, and generally for locations that are not constrained by the specifics of the site within the North West Priority Growth Area. There is a substantial disconnect between the strategic objectives of the draft Implementation Plan, the draft West Central District Plan, Towards our Greater Sydney 2056, and the proposed amendments to residential density controls. Whilst there is need for a proactive approach to infrastructure provision, and to ensure there is sufficient infrastructure to guarantee amenity and quality of life, there are other planning mechanisms available to achieve this objective that are better suited.

We trust the issues raised in this submission will be given careful consideration. We also request and offer to the Department the opportunity to work with the private sector and other stakeholders to establish a planning framework that enables developers to deliver new and more diverse housing, community infrastructure, jobs and services for the rapidly growing communities of the North West Priority Growth Area.

Should you have any queries about this matter, please do not hesitate to contact me on (02) 9956 6962 or probilliard@jbaurban.com.au.

Yours faithfully,

Paul Robilliard Director