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4 July 2017

Department of Planning and Environment
PO Box 39
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To whom it may concern,

SUBMISSION TO THE DRAFT NORTH WEST PRIORITY GROWTH AREA LAND USE AND INFRASTRUCTURE IMPLEMENTATION PLAN 44-56 CUDGEGONG ROAD, ROUSE HILL

INTRODUCTION

This submission has been prepared by Urbis on behalf of owners of 44 & 56 Cudgegong Road, Rouse Hill, within the Cudgegong Road Station Precinct of the North-West Priority Growth Area.

We appreciate the opportunity to make this submission with respect to the draft amendments to the *State Environmental Planning Policy (Sydney Region Growth Centres) 2006* ('the SEPP') and the *Draft North-West Priority Growth Area Land Use and Infrastructure Implementation Plan*.

This submission focusses primarily on the proposed introduction of the dwelling density ranges, potentially resulting in a substantial reduction to the residential yield on our client's site. Given the long-established suite of statutory planning controls within the precinct, and particularly in walking distance to a part of the most significant public transport infrastructure currently under construction Sydney, it is fundamentally unreasonable and poor planning to now to propose a density cap in this location.

The proposal effectively downzones land and creates significant investment uncertainty in the orderly and economic use of land, as required by the Act. In our opinion, the proposed cap in this location will undermine the Government's own commitment to boost housing supply in a location where it is most suitable. Boosting supply is one of the three (3) key planks that formed the Government's recent Housing Affordability Package.

There is clearly a notable disconnect between the strategic merit of the Site and the development standards proposed in the draft amendments to the *State Environmental Planning Policy (Sydney Region Growth Centres) 2006 (Growth Centres SEPP)*, especially when considering the extent and scale of growth proposed in surrounding centres.

Whilst the intent to ensure infrastructure capacity is sufficient to support growth is acknowledged and supported, the proposed maximum residential densities for the site, and other land within the walking catchment of the Cudgegong Road Station, are inappropriate to an urban context and will impact negatively on the objectives of planning and development for the Priority Growth Area. There is a clear case for encouraging higher density development within the walking catchment of the town centre and metro station to encourage housing diversity, reduce car dependency and to support the substantial investment by the NSW Government in the Sydney Metro Northwest project, which will open in 2019.

SUBJECT SITE

The subject land at 44 and 56 Cudgegong Road has a total area of 4.1 hectares and is located within the Cudgegong Road Station (Area 20) Precinct, in the North-West Priority Growth Area (**see Figure 1 Error! Reference source not found.below**)

The site is in close proximity to future Cudgegong Road Metro Station and associated commercial activities. Accordingly, future residents will be afforded excellent accessibility to transport and commercial activities. Immediately to the North and East of the site is planned open space, providing both passive and active recreation opportunities

Figure 1 – Subject Site



BACKGROUND

For the past circa 18 months, our client has been in dialogue with Blacktown Council concerning the redevelopment of this land. This dialogue included formal Pre-DA lodgement meetings and dialogue with Council's City Architect.

Initially a DA was lodged with Council for the development 44 Cudgegong Road in April 2016, however was subsequently withdrawn following our client's acquisition of the adjoining parcel at 56 Cudgegong Road.



Our client was close to finalising a new DA over the consolidated parcel when the Draft SEPP Amendment and Implementation Plan was placed on exhibition. To give some understanding of the imminence of the DA, a comprehensive new DA package was subsequently lodged with Council on the 31st May 2017. In other words, this is NOT a speculative DA lodged in response to the exhibition material.

The DA lodged is FSR compliant, with an intended delivery of 713 dwellings. The impact of the Draft SEPP and Implementation Plan is a potential reduction in the order of 300 dwellings.

The Cudgegong Road Station Precinct (Area 20) was last comprehensively reviewed in 2015, to reflect and effectively accommodate increased residential densities and to ensure sufficient transport and open space is planned and available to meet future needs. The intended delivery of dwellings that contribute to an increased diversity of housing stock and that are potentially affordable, relative to median household incomes in the area, represents an opportunity that in our view should not be compromised. It is our view that this is a potential unintended consequence of the proposed changes/approach.

CURRENT DEVELOPMENT APPLICATION

As summarised earlier, a DA for the construction of a high-quality residential development, comprising 10 buildings with 713 apartments on the subject land is currently before Council for approval.

The DA is site-responsive design, offers a high level of amenity due to its immediately adjacent to both the town centre/metro station and open space networks. Excluding land within the site that is zoned RE1, it exhibits a density of approximately 185 dwellings per hectare..

The intended built form generally complies with the relevant provisions of the *State Environmental Planning Policy (Sydney Region Growth Centres) 2006 (Growth Centres SEPP)*, *State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development (SEPP 65)* and the *Blacktown City Council Priority Precincts Development Control Plan (Priority Precincts DCP)*.

To give weight to future resident amenity and design quality, the proposal exceeds SEPP 65/ADG requirements for minimum apartment sizes. In addition to a range of 8-10 storey buildings, the proposal provides greater housing diversity, including a range of two-storey and three-storey townhouse products which are not currently proposed in the surrounding area

The proposal does however seek to redistribute building mass across the site to provide greater amenity to apartments adjacent to the proposed open space, as well as providing a greater diversity of housing in the area. A variation of the height development standard is sought under Clause 4.6 of the Growth Centres SEPP.



Source: WMK Architects



Source: WMK Architects

REVIEW OF PROPOSED CHANGES

DENSITY

As outlined previously, the planning framework for the Area 20/Cudgegong Road Precinct was updated in 2015, taking into account the finalisation of planning for the new Cudgegong Road Metro Station, which is scheduled for completion in 2019.

The current planning controls applicable to the subject site are as follows:

- **Zoning:** R3 Medium Density Residential
- **Height standard:** 26 metres
- **FSR standard:** 1.75:1
- **Minimum density:** 45 dwellings per hectare

These development standards, in conjunction with the applicable development controls in the Blacktown City Council Priority Precincts Development Control Plan, were designed to facilitate the delivery of typically eight-storey residential flat buildings.

The draft Land Use and Infrastructure Implementation Plan 2017 proposes to establish minimum to maximum density range of 55-100 dwellings per hectare applicable to the subject land. Under the existing applicable development standards and controls, the subject land is able to achieve a density of 185 dwellings per hectare.

Under the proposed density provision, the subject land could only achieve a target of 410 dwellings, down from 713. The 100 dwelling per hectare maximum will therefore significantly impact the built form outcome envisaged, and currently achievable, on the subject land. Most concerning from our client's perspective is that the documentation available does not establish a basis for the specific recommendation of 100 dwellings per hectare.

AFFORDABLE HOUSING

The Housing Market Needs Analysis exhibited with the Implementation Plan shows that the even smaller lot size (300sqm) house and land packages are not arguably affordable for the median household income of residents in the area. This is evident in market demand and the preference shifting to smaller and more affordable residential products. As such, there is a need to provide for denser housing products, such as apartments, to allow families to purchase homes without financial stress. With respect to this specific development proposal, sales enquiries to date have demonstrated clear public support, and market demand for, the delivery of the proposed housing product that is more affordable in its price-point/delivery.

The most appropriate location for denser housing products is around town centres and key transport hubs, including the new Cudgegong Road Metro Station, where infrastructure services are readily available and accessible. This is recognised and supported in the draft Implementation Plan.

COMMUNITY FACILITIES AND OPEN SPACE

The subject land is immediately adjacent to planned open space, with sporting facilities to the North and the Seconds Pond Creek riparian corridor to the East, with associated pedestrian and cycle facilities. Accordingly, it is considered that there is sufficient open space in the local area to meet the future needs and expectations of residents

As outlined earlier, the planning framework for 'Area 20' was updated in 2015 to reflect an increase in residential dwellings from an originally anticipated 2,900 dwellings to a revised 4,400. This has been reflecting in Blacktown Council's Section 94 Contributions Plan for Area 20, updated in February 2016. Additional. Council already has mechanisms in place through the Contribution Plans to collect and expend additional funds on the embellishment of public open space, should additional development eventuate.

Consistent with the potential options identified in the draft Implementation Plan, there are options that may be explored including identify quality areas of open space and embellishment of areas already zoned for open space to make efficient use of facilities – with a focus on ensuring that the majority of residents are within 400m of an area of local public open space.

In this local area, any additional funds from Section 94 contributions may be directed towards further embellishment of this area or to purchase additional land surrounding the Sydney Metro North West stabling facility which was identified as a suitable location due to noise and amenity issues associated with the facility. We note that these recommendations were supported by the GHD 'Open Space Audit' 2016 for the Cudgegong Road Precinct, and exhibited with the Implementation Plan.

IMPLEMENTATION APPROACH/ALTERNATIVES TO MAXIMUM DENSITY CONTROL

The review of the Implementation Plan identifies a range of intended implementation measures, including but not limited to the following:

- Ensuring that rezonings occur in line with the availability of essential service utilities;
- Working with council to update Section 94 contribution plans, (noting that 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)
- Moving toward the transfer of planning controls back to local council
- Establishing new density control for residential development, through the Department working with Councils to implement the controls;
- Establishing a Section 117 Direction, to guide the future consideration of rezoning proposals;
- Planning for the protection of major transport corridors
- Revising the existing SIC schedule, to assist in funding regional infrastructure upgrades.

The strategic/forward planning nature of the proposed implementation measures is supported in-principle and the majority of the actions are supported, in terms of setting out a long-term vision for the North-West Priority Growth Area.

The proposed introduction of new maximum density caps for land that is already zoned, within existing comprehensive planning frameworks and located within immediate proximity to transport infrastructure that is under construction and open space networks is not however considered necessary, appropriate nor consistent with good planning practices. In many respects, it appears to be heavy handed, and in the absence of any evidence to detail how the proposed density caps were derived is concerning.

The effect of this has, in the case of our client, created substantial uncertainty over the investment environment, potentially delaying the orderly and efficient delivery of housing in a location where there should be none whatsoever. This outcome seems completely at odds with the Governments recent announcements on Affordability and boosting (not capping) supply. If a maximum density cap is ultimately, relevant savings and transitional provisions should be established to preserve development rights for projects already underway. It is recommended that the proposed changes should not come into effect with existing development proposals until such time as the SEPP amendment is gazetted.

OTHER CONSIDERATIONS

Implementation of a dwelling cap is a potentially piecemeal approach to planning in the context of wider contextual considerations, all of which will impact development outcomes

We note that the Department intends to review the Western Sydney Growth Areas Special Infrastructure Contribution (the SIC). 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 would also be happy to work with the Department to provide private sector perspectives on the further development potential of the Cudgegong Road Station Precinct. A density cap effectively pre-empts any meaningful review of its strategic review of the corridor that connects Cudgegong Road with the Schofields TC. At the very least, the proposed maximum residential densities be removed from the walking catchment around the station (generally, the land that is zoned B1, B4 and R3 in the Area 20 and Riverstone East Precincts within one kilometre of the station).

CONCLUSION/RECOMMENDATIONS

Based on the matters outlined, we submit that:

- The proposed dwelling density maximum is unnecessary, inappropriate and should be comprehensively reconsidered/deleted for the subject land.
- The short-term delivery of 713 dwellings in an area of high accessibility and immediate proximity to transport infrastructure (including the Cudgegong Road Rail Station), commercial activities and open space is consistent with the Government's outlined approach to improving housing affordability.
- At best, the intended date for the application of the new development controls (being 22 May 2017) should be extended until the SEPP changes are gazetted, providing sufficient opportunity for stakeholders to effectively plan for any changes.

We appreciate the opportunity to provide this submission in response to the public exhibition of the draft amendments to the SEPP. We would welcome the opportunity to discuss any of the matters addressed within our submission in greater detail.



Please do not hesitate to contact me on (02) 8233 9900, or alternatively Simon Wilkes from our office.

Yours sincerely,

A handwritten signature in black ink, appearing to read "David Hoy". The signature is fluid and cursive, with a long, sweeping underline.

David Hoy
Regional Director