

LOCAL PLANNING PANEL – THE HILLS SHIRE COUNCIL

MINUTES OF THE LOCAL PLANNING PANEL MEETING HELD AT THE HILLS SHIRE COUNCIL ON WEDNESDAY, 19 JUNE 2019

PRESENT:

Julie Walsh	Chair
Alf Lester	Expert
Damian Kelly	Community Representative

COUNCIL STAFF;

Cameron McKenzie	Group Manager – Development & Compliance
David Reynolds	Group Manager – Shire Strategy, Transformation & Solutions
Paul Osborne	Manager – Development Assessment
Claro Patag	Development Assessment Co-ordinator
Nicholas Carlton	Manager – Forward Planning
Megan Munari	Principal Co-ordinator – Forward Planning

TIME OF COMMENCEMENT:

2:06pm

TIME OF COMPLETION:

4:25pm

APOLOGIES:

Scott Barwick was an apology.

DECLARATION OF INTEREST:

There were no declarations of interest. The Chair noted that all Panel Members have completed and signed the Declaration of Interest form.

ITEM 5: PLANNING PROPOSAL – SECONDARY DWELLINGS IN RURAL ZONES (12/2019/PLP)

SPEAKERS:

Nil

COUNCIL OFFICER’S RECOMMENDATION:

That the Planning Proposal proceed to Gateway Determination.

LOCAL PLANNING PANEL ADVICE:

That the Planning Proposal proceed to Gateway Determination.

REASONS:

The Panel generally agrees with the Council Officer’s report.

VOTING:

Unanimous

ITEM 6: PLANNING PROPOSAL – OLD NORTHERN ROAD AND DERRIWONG ROAD, DURAL (23/2016/PLP)

SPEAKERS:

- Clare Brown, Director Urbis (Applicant)

COUNCIL OFFICER’S RECOMMENDATION:

That the Planning Proposal proceed to Gateway Determination.

LOCAL PLANNING PANEL ADVICE:

That the Planning Proposal not proceed to Gateway Determination.

REASONS:

1. The proposal does not demonstrate strategic merit.
2. The proposal is not consistent with the Greater Sydney Commission Central Sydney City Plan, specifically planning priority C18 “Better Managing Rural Areas”.
3. The proposal is not consistent with Section 9.1 Ministerial Direction 1.2 Rural Zones.
4. The proposal is not consistent with Council’s Rural Lands Strategy.
5. The proposal has the potential to generate conflict with the RU2 zoned land in the Hornsby Local Government Area.
6. The proposal will have an adverse impact on the character of the Dural Precinct.

VOTING:

Unanimous

ITEM-6 PLANNING PROPOSAL - OLD NORTHERN ROAD AND DERRIWONG ROAD, DURAL (23/2016/PLP) - LOCAL PLANNING PANEL

THEME: Shaping Growth

OUTCOME: 5 Well planned and liveable neighbourhoods that meets growth targets and maintains amenity.

STRATEGY: 5.1 The Shire’s natural and built environment is well managed through strategic land use and urban planning that reflects our values and aspirations.

MEETING DATE: **19 JUNE 2019**
LOCAL PLANNING PANEL

TOWN PLANNER
KAYLA ATKINS
AUTHOR: **PRINCIPAL COORDINATOR FORWARD PLANNING**
MEGAN MUNARI

RESPONSIBLE OFFICER: **MANAGER – FORWARD PLANNING**
NICHOLAS CARLTON

Proponent	URBIS
Owners	MR A B ZEAITER MRS E H ZEAITER MRS C SPINA MRS G BURGIO MR M BURGIO MR R J CHALMERS MRS L M CHALMERS R J CHALMERS & CO PTY LTD BORONIA ESTATES CONSTRUCTIONS PTY LTD RIMIKA NOMINEES PTY LTD RIMIKA HOLDINGS PTY LTD J & J MICHAEL INVESTMENTS PTY LTD DURAL LAND HOLDINGS PTY LTD
Planning Consultant	URBIS
Urban Designer	
Economic Consultant	
Heritage Consultant	

Traffic Consultant	AECOM
Ecologist	ECO LOGICAL AUSTRALIA PTY LTD
Bushfire Consultant	ECO LOGICAL AUSTRALIA PTY LTD
Environmental Consultant	A. D. ENVIROTECH AUSTRALIA PTY LTD & ADE CONSULTING GROUP
Engineering Consultant	AT&L ARUP PTY LTD
Surveyor	LAND PARTNERS
Acoustic Engineer	WSP PARSONS BRINCKERHOFF
Site Area	‘NORTHERN SITE’: 10.848 HECTARES ‘SOUTHERN SITE’: 10.617 HECTARES
List of Relevant Strategic Planning Documents	GREATER SYDNEY REGION PLAN CENTRAL CITY DISTRICT PLAN S 9.1 MINISTERIAL DIRECTIONS THE HILLS SHIRE LOCAL STRATEGY DURAL URBAN CAPACITY AND CAPABILITY ASSESSMENT
Political Donation	NONE DISCLOSED BY THE PROPONENT
Recommendation	THAT THE PLANNING PROPOSAL BE FORWARDED TO THE DEPARTMENT OF PLANNING AND ENVIRONMENT FOR CONSIDERATION AND GATEWAY ASSESSMENT

EXECUTIVE SUMMARY

This report provides a summary and assessment of the planning proposal applicable to land at Derriwong Road and Old Northern Road, Dural for consideration by the Local Planning Panel. The planning proposal seeks to rezone two (2) areas of land within the Dural locality from RU6 Transition to R2 Low Density Residential, in order to facilitate approximately 181 new residential lots.

The report recommends that the planning proposal be forwarded to the Department of Planning and Environment for consideration and Gateway Assessment to determine State Government agency views on the merits of the planning proposal. As detailed within this report, it is considered that if the Department were to issue any Gateway Determination, it should contain conditions which require resolution of the following:

- The need to increase the proposed minimum lot size at key locations, in order to soften the impact of the development on the Old Northern Road ridgeline and enable better visual transition between the development and surrounding rural land;
- Access arrangements and relationship between proposed residential lots and the planned arterial bypass road;

- Establishment of a mechanism to ensure that the proposed amendments would not facilitate a proliferation of seniors housing development proposals on adjoining rural land; and
- The ability to service the proposed residential yield with new local and regional infrastructure, at no cost to Council. This would include further resolution of ongoing discussions with State and Federal Government surrounding the funding of required regional road upgrades.

The proposal includes the reservation and delivery of a portion of a proposed new ‘Round Corner bypass’ road connection from Annangrove Road to Old Northern Road and New Line Road. This potential connection would be a strategic road link that would enable better east-west access from the growth areas, such as North Kellyville, to jobs and services in the east. It would also improve the operation of Round Corner, by reducing through traffic and congestion.

The proposed bypass road would ultimately form part of the arterial road network and as such would be under the control of Roads and Maritime Services. As the proposal would only deliver a portion of the proposed bypass road, the full delivery of this arterial road link would require approval and further investment from State and/or Federal Government (including Roads and Maritime Services) including the upgrade of New Line Road and Old Northern Road and reclassification of Annangrove Road as a principal arterial road. In addition, a mechanism to deliver the remainder of the bypass and connection to Annangrove Road would need to be established by Council and Roads and Maritime Services.

The progression of the planning proposal through the Gateway Assessment process will allow for meaningful consultation to occur between the Department, Greater Sydney Commission, Roads and Maritime Services and other relevant State government agencies.

THE HILLS LOCAL ENVIRONMENTAL PLAN 2012

The planning proposal seeks to amend The Hills LEP 2012 as follows:

	Current	Planning Proposal
Land Zone	RU6 Transition and SP2 Classified Road	R2 Low Density Residential
Minimum Lot Size	2ha	700m ² on southern site 600m ² on northern site
Height	10m	9m
Heritage	Item I186 Item I185	No Change
Additional Permitted Uses	Nil	Nil
Additional Local Clause	Nil	New local provision capping yield on the northern site at 101 residential lots with a minimum lot size of 600m ²

HISTORY

- 19/05/2016** Planning proposal lodged.
- 28/06/2016** Council resolved to undertake a holistic study into the current and future land use of the Dural Round Corner Precinct in partnership with Hornsby Council. Following this, discussions were held with the Proponent around the potential to defer the planning proposal to enable holistic master planning of the broader Dural area.
- 04/11/2016** Amended planning proposal lodged.
- 13/12/2016** Council considered the planning proposal and resolved that:
- 1. The planning proposal be held in abeyance until the wider Dural investigation area planning is completed to enable a more cohesive development and infrastructure outcome and provide a clear boundary to urban development.*
 - 2. The General Manager write to Hornsby Shire Council to formalise the initial discussions and to prepare a project plan and draft budget, including time table, to enable the strategic investigation of Dural/Round Corner to occur so that this application can be dealt with in the wider context.*
 - 3. The General Manager provide a report to Council by April 2017 on the progress of the strategic investigation work with Hornsby Council.*
- 22/12/2016** Council wrote to Hornsby Shire Council to initiate preliminary discussions regarding the scope, budget, timing and delivery of strategic investigations into a master planned approach to development in the Dural Round Corner Precinct.
- 10/02/2017** Rezoning Review lodged by the Proponent with the Department of Planning and Environment for the planning proposal.
- 11/04/2017** Council resolved to allocate \$300,000 towards the Phase 1 preliminary strategic investigations into the urban capacity and capability of the Dural/Round Corner locality. This assessment is known as the "Dural Urban Capacity and Capability Assessment".
- 20/04/2017** The Sydney West Central Planning Panel considered the Rezoning Review of the planning proposal and determined that the planning proposal should not proceed to Gateway Determination, because the proposal did not demonstrated strategic merit.
- The Panel also provided the following commentary:
- 1. The Panel finds the proposal is consistent with a number of aspects of A Plan For Growing Sydney and the draft District Plan, especially meeting the demand for larger lot residential land in a rural setting.*

2. *However, the overall strategic context, particularly the demand for and supply of the physical and social infrastructure needed to support this development and other development in the Local Government Area and adjoining Local Government Area, and the implications for the urban-rural interface are unresolved.*
3. *Therefore, the Panel considers this proposal to be premature and should not proceed before completion of the strategic study programmed for the area which the Panel anticipates will be completed by the end of 2017.*
4. *The Panel will entertain a new proposal subsequent to the end of the year date in anticipation of additional information including but not dependent upon the Council Rural Land Study. The Panel will be amenable to consideration of a new proposal and the Panel recognises that the southern portion of the area currently proposed for rezoning has stronger merit.*

29/05/2017

Following a meeting with the Proponent to discuss the Rezoning Review determination, a letter was sent to the Proponent to acknowledge that despite the decision of the Panel, Council will still hold the planning proposal in abeyance, as per Council's original resolution, until such time as the Dural Urban Capacity and Capability Assessment is completed.

14/06/2017

Hornsby Council resolved to:

1. *Write to The Hills Shire Council to reiterate its support for the preparation of a clear vision for the rural areas in the region including an infrastructure and funding plan to cater for existing and future development and that:*
 - a) *As the first step in the process, the commitment of the Greater Sydney Commission and Department of Planning and Environment should be sought for the scope, methodology, investigation area and funding of the work.*
 - b) *Council does not commit to the allocation of funding for the Phase 1 Urban Capability and Capacity Assessment at this stage.*
 - c) *Should The Hills Shire Council progress the investigation without the prior commitment of the NSW Government, Hornsby Council staff are willing to participate on any working group established to oversee the work.*
2. *Write to the Minister for Planning and Minister for Roads, Maritime and Freight requesting a response to its request for a meeting with the Mayors of Hornsby and The Hills Shire Councils to discuss the opportunity for the State Government to work with the Councils to develop a coordinated plan for the rural areas in the region including an infrastructure and funding plan to cater for existing and future development.*

- 05/02/2018** The Department of Planning and Environment notified Hornsby Shire Council that it no longer supported the "South Dural" planning proposal due to the cost of Government investment required to upgrade New Line Road and Old Northern Road to address current capacity issues and support the proposed rezoning.
- 18/03/2018** The Greater Sydney Commission released the finalised Central City District Plan, which contains priorities relating to better management of rural areas, including limiting urban development to the urban areas.
- 11/04/2018** Hornsby Shire Council resolved to not proceed with the "South Dural" planning proposal.
- 15/03/2019** The Phase 1 Urban Capacity and Capability Assessment for the Dural locality was completed. The Assessment concluded that while some land is environmentally capable of accommodating development, there is insufficient infrastructure capacity to facilitate development uplift in the Dural locality at this time.
- 26/03/2019** Council considered the outcomes of the Urban Capacity and Capability Assessment for the Dural locality and resolved that:
1. *Council receive the report outlining the outcomes of the Urban Capacity and Capability Assessment for the Dural locality;*
 2. *Council discontinue any further investigations with respect to the rezoning of rural land for urban development within the Dural locality at this time;*
 3. *If the proponent of any future planning proposal to rezone land within the Dural locality is able to demonstrate that they can deliver the required local and regional infrastructure upgrades at no cost to Council, Council consider such a planning proposal and review its position with respect to rezoning within the Dural locality at that time;*
 4. *Invite Hornsby Shire Council to join with The Hills Shire Council in lobbying the State Government for the funding of essential upgrades to Old Northern Road / New Line Road to address existing road capacity problems in Dural;*
 5. *Approach the Roads and Maritime Services for the re-classification of Annangrove Road from a sub-arterial road to an arterial road to recognise the higher traffic volumes that are expected on Annangrove Road in the near future; and*
 6. *Lobby the State Government for the reservation of a corridor that will facilitate a future bypass road between Annangrove Road and Old Northern Road, plus a funding commitment for the construction of a bypass road that will be needed as a consequence of population increase in the North West Growth Centre.*

REPORT

The purpose of this report is to present the planning proposal applicable to land at Derriwong Road and Old Northern Road, Dural to the Local Planning Panel for advice, in accordance with Section 2.19 of the Environmental Planning and Assessment Act 1979.

1. THE SITE

The subject site comprises a total of 12 individual lots known as 584, 586, 590, 600, 602, 606, 618 and 626 Old Northern Road and 7, 11, 21 and 27 Derriwong Road, Dural. The lots are divided into two (2) sites known as the 'Northern Site' and 'Southern Site' and are bound by Old Northern Road and Derriwong Road, with site areas of 10.8 hectares and 10.6 hectares respectively (refer to Figure 1). The land falls in a southwest direction towards Derriwong Road and O'Hara's Creek beyond. The land is predominantly cleared of any substantial vegetation.

The sites adjoin The Hills Shire and Hornsby Shire Council boundary, along Old Northern Road. The land is surrounded by large rural properties, Dural Public School, Redfield College and various commercial uses. The area is predominantly zoned RU6 Transition under the Hills Local Environmental Plan 2012 and RU2 Rural Landscape within the adjoining Hornsby Shire Council Area (under the Hornsby Local Environmental Plan 2013). Land in the broader locality (especially in the Hornsby LGA) is presently being used for agricultural uses.

The existing uses on the land subject to the planning proposal include single dwellings and rural residential development. Desktop analysis suggests parts of the site were used for agricultural purposes as recently as 2014, whilst other parts of the site have been used for small businesses and home businesses.

The area of land commonly referred to as South Dural (within the Hornsby Shire Council area) was recently considered by Hornsby Council for urban release as a "land owner initiated" planning proposal. However, in February 2018 the Department of Planning and Environment advised that it did not support the rezoning proposal and on 11 April 2018, Hornsby Council resolved not to proceed with this planning proposal.

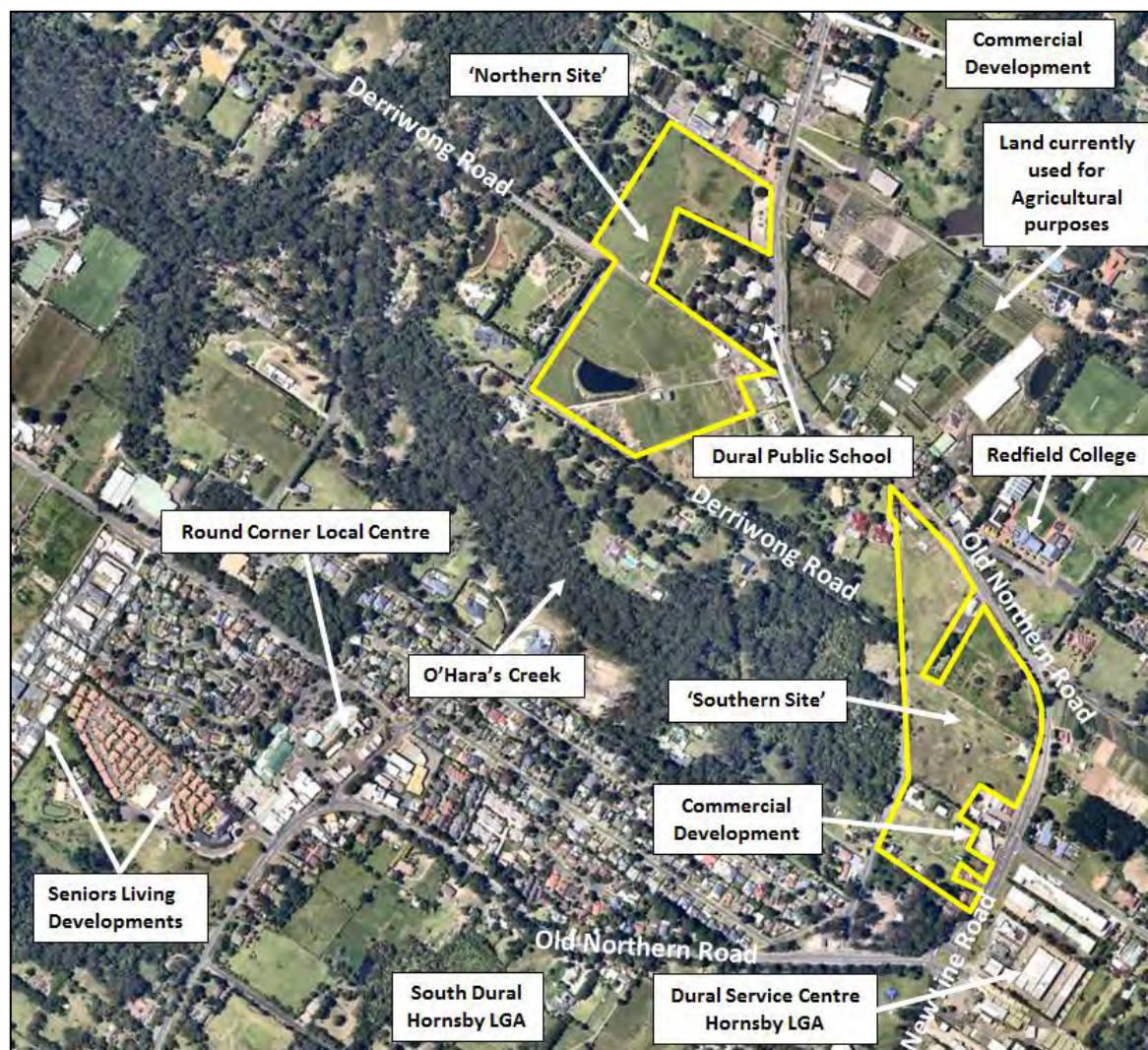


Figure 1

Locality Plan – Planning Proposal 23/2016/PLP (outlined in yellow)

2. DESCRIPTION OF THE PLANNING PROPOSAL

The planning proposal seeks to amend The Hills LEP 2012 to:

- Rezone the land from RU6 Transition to R2 Low Density Residential (refer to Figure 2);
- Reduce the minimum lot size from two (2) hectares to 700m²;
- Introduce a local provision enabling a minimum lot size of 600m² on the 'northern site', with a yield capped at 101 dwellings; and
- Reduce the maximum height of building from 10 metres to nine (9) metres.

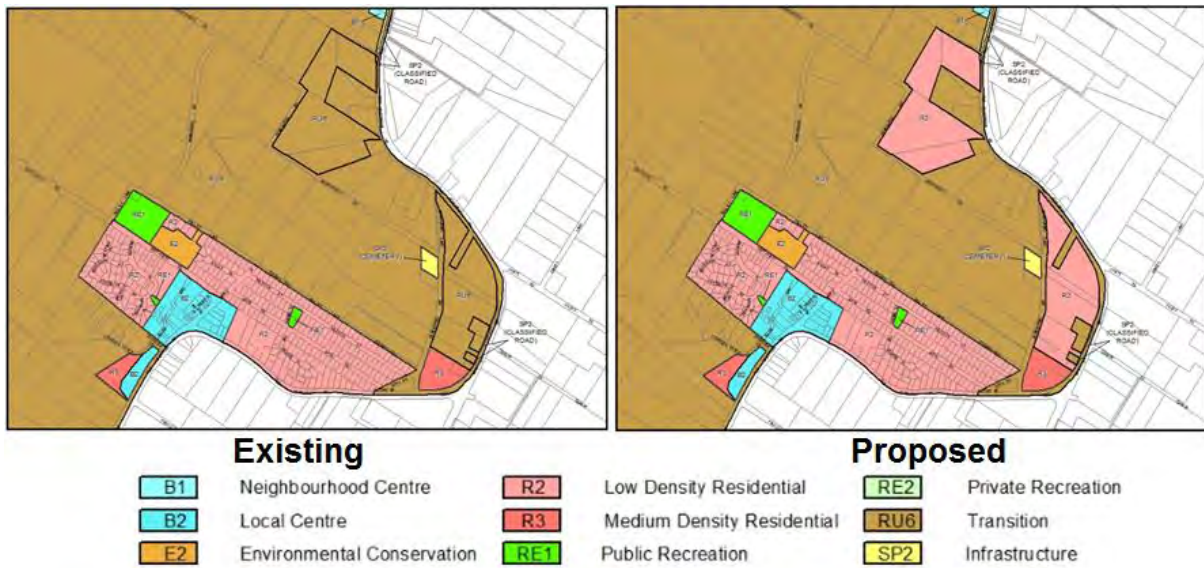


Figure 2
Existing (left) and Proposed (right) Land Zoning Map

The planning proposal is supported by a development concept which indicates the proposal could facilitate 181 residential lots on the sites. In particular:

- The 'northern site' could accommodate 101 residential lots, based on a mix of lot sizes ranging from 600m² to 1,000m². The concept includes perimeter roads around Dural Public School, including a 32m wide road reservation on the southern boundary of Dural Public School which is intended to form part of the potential future arterial road link from Annangrove Road to Old Northern Road; and

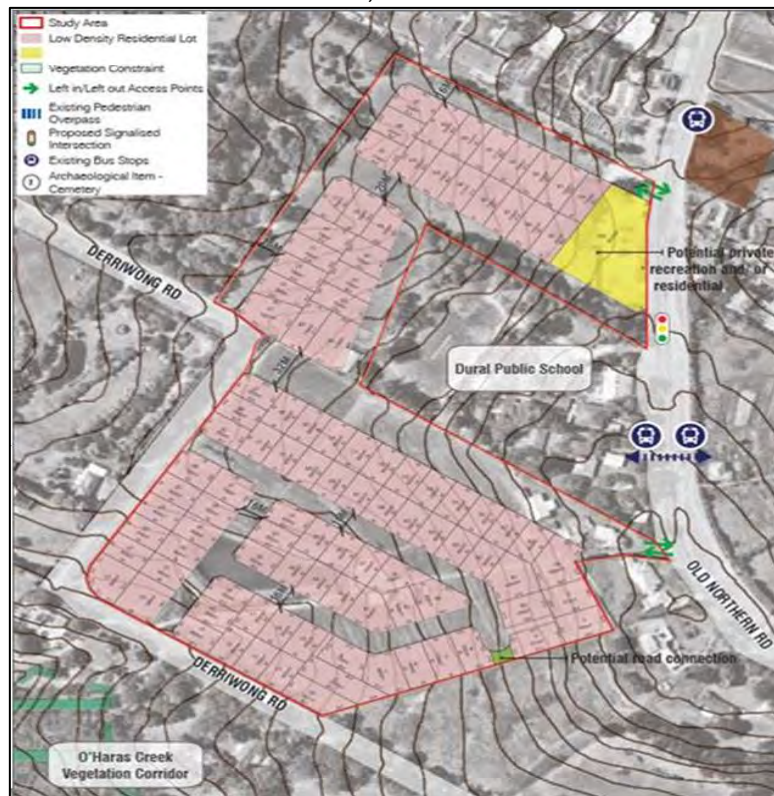


Figure 3
Northern Site Development Concept

- The 'southern site' could accommodate 80 residential lots including 69 lots at 700m² and 11 lots at 1,000m². It also includes an additional large lot to accommodate the heritage listed dwelling at 600A Old Northern Road, Dural. The concept identifies 1,177m² of land adjoining the rear of Dural Memorial Hall that could be dedicated to Council for passive open space.

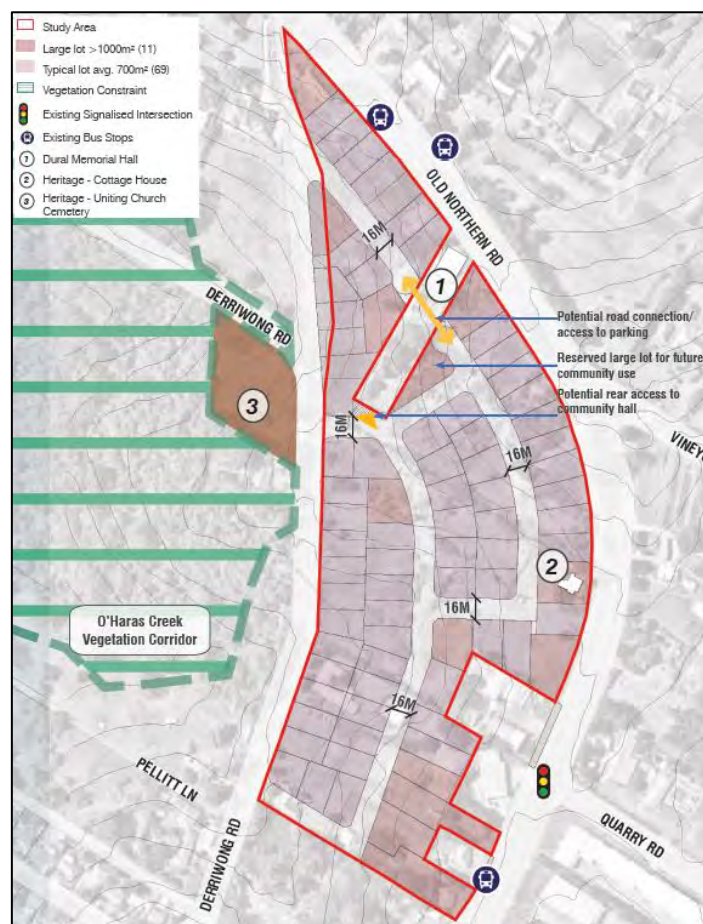


Figure 4
Southern Site Development Concept

Following the decision of the Sydney West Central Planning Panel in April 2017 (that the planning proposal should not proceed to Gateway Determination), the Proponent has submitted additional information, including:

- A potential Structure Plan for an indicative Dural Investigation Area;
- Aerial, vegetation and existing zoning overlays for the indicative Dural Investigation Area;
- Potential road connections within an indicative Dural Investigation Area;
- Structure plan, ecological constraints map and bush fire mapping and proposed asset protection zones for indicative Dural Investigation Area;
- Potential yield calculations;
- Ecological assessment report for an indicative Dural Investigation Area;
- Updated Strategic Justification;
- Stormwater Quality Assessment;
- Sewerage and Water Supply Strategy; and
- Preliminary public benefit offer.

3. MATTERS FOR CONSIDERATION

The planning proposal requires consideration of the following matters:

- a) Strategic Planning;
- b) Traffic and Transport;
- c) Infrastructure Demand and Public Benefit Offer;
- d) Infrastructure Capacity (Utilities);
- e) Potential Impacts on Agricultural Land;
- f) Potential for Seniors' Housing; and
- g) Heritage.

a) Strategic Planning

The strategic planning framework has evolved substantially since the lodgement of the planning proposal in 2016, especially with respect to the management of rural lands. Discussion of the current strategic planning framework is provided below.

Greater Sydney Region Plan and Central City District Plan

The Greater Sydney Region Plan and Central City District Plan were released in March 2018 and have strengthened priorities relating to the management of rural land. Objective 29 of the Greater Sydney Region Plan seeks to ensure that the environmental, social and economic values in rural areas are protected and enhanced. Under Planning Priority C18, Better Managing Rural Areas, there are two actions that Council is required to consider in land use planning:

- Maintain or enhance the values of the Metropolitan Rural Area using place-based planning to deliver targeted environmental, social and economic outcomes; and*
- Limit urban development to within the Urban Area.*

The Plan acknowledges the essential retail and community services provided by rural villages and towns, but does not advocate for them to become part of the urban area. The Plan states that maintaining and enhancing the distinctive rural village character is a high priority and that further rural residential or urban development is generally not supported.

Section 9.1 Ministerial Directions

Direction 1.2 Rural Zones seeks to protect the agricultural production value of rural land. The direction requires that a planning proposal must not contain provisions that will rezone land from rural to residential or that will increase the permissible density of development within a rural zone. The Direction requires that Council not permit residential intensification of rural land unless justified by a strategy or study. The studies that have been completed do indicate that the land subject to this planning proposal is capable of accommodating urban development in the form proposed, following the resolution of outstanding infrastructure servicing issues (as discussed further within this report).

Rural Lands Strategy

Council's Rural Lands Strategy identifies a growth management philosophy which aims to encourage and promote a diverse range of agriculture in rural areas and limit urban expansion/release areas. The Rural Lands Strategy identifies that the major issues affecting the potential expansion of centres in the Shire's rural areas are:

- The provision of reticulated water and sewerage;
- Provision of adequate access to the higher order centres (road/public transport);
- Ability to provide for social services and facilities;
- Presence of unconstrained land surrounding the settlement; and
- Ability to absorb a higher density population.

These factors were considered in the recent strategic investigations into the Dural locality and remain relevant considerations for any planning proposal.

Outcomes of Urban Capacity and Capability Assessment

Council recently commissioned an Urban Capacity and Capability Assessment for the Dural/Round Corner locality. The need for this assessment arose, in part, due to a number of land-owner initiated planning proposals which were submitted to Council in the absence of any holistic or coordinated approach to planning for the area. This subject planning proposal was held in abeyance pending the outcome of these strategic investigations.

Figure 5 below provides the location of the investigation area that was examined in this study. The approximate location of the land affected by the planning proposal is shown in yellow.



Figure 5
Dural Investigation Areas, Planning Proposal Site (Yellow) and Current Zoning

The Assessment reached the following conclusions about the Investigation Area:

- There are no government plans to encourage additional growth in the investigation area.*
- The investigation area has some physical capability for development uplift.*

- Constraints arising from lack of capacity in transport and service infrastructure would be likely to preclude any development uplift in the investigation area. At this time there is no government will to invest in upgrades to these services. Private investment in infrastructure would be necessary to facilitate any substantial development uplift.

The Urban Capacity and Capability Assessment establishes that at this time, local and regional infrastructure issues are an impediment to orderly urban development within this locality and that the resolution of these issues would likely require significant Government investment.

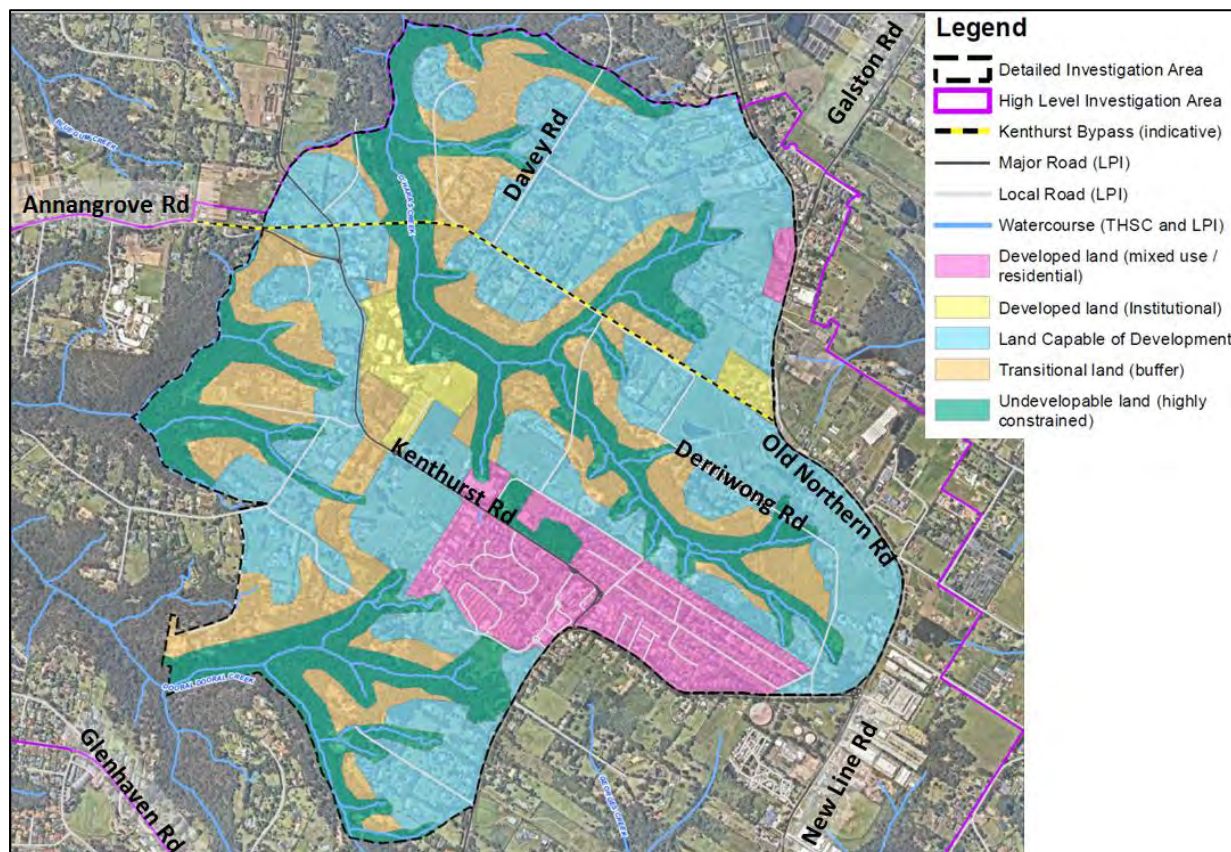


Figure 6
Outcomes of Environmental Study

On 26 March 2019, Council considered a report on the outcomes of the Dural Urban Capacity and Capability Assessment and resolved as follows:

1. Council receive the report outlining the outcomes of the Urban Capability and Capacity Assessment for the Dural locality;
2. Council discontinue any further investigations with respect to the rezoning of rural land for urban development within the Dural locality at this time;
3. If the proponent of any future planning proposal to rezone land within the Dural locality is able to demonstrate that they can deliver the required local and regional infrastructure upgrades at no cost to Council, Council consider such a planning proposal and review its position with respect to rezoning within the Dural locality at that time;

4. *Invite Hornsby Shire Council to join with The Hills Shire Council in lobbying the State Government for the funding of essential upgrades to Old Northern Road / New Line Road to address existing road capacity problems in Dural;*
5. *Approach the Roads and Maritime Services for the re-classification of Annangrove Road from a sub-arterial road to an arterial road to recognise the higher traffic volumes that are expected on Annangrove Road in the near future; and*
6. *Lobby the State Government for the reservation of a corridor that will facilitate a future bypass road between Annangrove Road and Old Northern Road, plus a funding commitment for the construction of a bypass road that will be needed as a consequence of population increase in the North West Growth Centre.*

A copy of the Council report and resolution are provided as Attachment 2 to this report.

The strategic planning framework outlines the benefits of strengthening rural villages and ensuring that these areas grow with the rural communities. The planning proposal provides for an expansion of the Round Corner and enables some compatible development to occur surrounding Dural Public School, close to the Dural neighbourhood village. It would also partially contribute to the resolution of some of the regional infrastructure issues, through the reservation of part of a future arterial bypass road connection from Annangrove Road to Old Northern Road and New Line Road.

Enabling the proposal to progress to the Department and undergo the Gateway Assessment process would provide an opportunity for a broader discussion to occur around the delivery of local and regional infrastructure upgrades required to remove the impediments to urban development within this locality.

Should the Department, in consultation with the relevant State Government agencies, determine that the proposal has strategic merit to proceed, some amendments may be required to ensure that the proposed development outcome remains consistent with the rural character of the surrounding locality.

In particular, further investigation would be required around the opportunity to include some larger lot sizes, in the order of 1,000m² to 2,000m², on the periphery of the subject sites and along the Old Northern Road ridgeline. Larger minimum lot sizes at these key locations would result in the retention of more vegetation, better integration into the surrounding rural character and a reduction of density and bulk along the ridgeline. Larger lots at the periphery of the development transitioning into the existing rural area would also reinforce the boundary of the centres (and the proposal). These site-specific outcomes could be guided through the preparation of a site specific Development Control Plan.

b) Traffic and Transport

The current regional road network for west-east vehicle movement between the growing North West Growth Centre and the localities of Pennant Hills and Hornsby follows Annangrove Road, Kenthurst Road, Old Northern Road and New Line Road. This route bisects the Round Corner town centre and traffic volumes are expected to increase as development continues within the North West Growth Centre.

The Urban Capacity and Capability Assessment included detailed traffic analysis of the existing road network in the Dural locality. The Assessment concluded that road capacity and traffic issues are already being experienced in Dural, with further delays to be expected as planned development occurs within the North West Growth Centre, unless upgrade works are undertaken to cater for increased demand.

The completion of any major road upgrades in Dural will come at a significant cost to Government as a consequence of high property values, difficult topography and other environmental constraints. RMS estimates that the upgrading of Old Northern Road and New Line Road alone would exceed \$300 million. To date there has been no commitment by the State Government to fund both of these major road infrastructure upgrades to address current needs or accommodate forecast traffic from development that has already been planned in Sydney's northwest. As the planning proposal would facilitate development in addition to this planned growth, the additional traffic would likely exacerbate (albeit to a small extent) the existing traffic issues, in the absence of any firm commitment from Government for the funding of the required road upgrades.

It is noted that the recently announced 2019/2020 Federal Budget included funding of \$10 million towards a business case to investigate the upgrade of New Line Road to a four lane divided carriageway. The investment from the Australian Government is expected to be on a 50/50 basis with the New South Wales Government. There is also a joint media release from Ministers Tudge, McCormack and McKenzie dated April 2019 regarding the delivery of infrastructure which specifies that the business case fund of \$8 million is to be allocated towards the following projects:

- Sydney to Wollongong Fast Rail Business Case;
- Sydney to Parkes Fast Rail Business Case;
- New Line Road; and
- Port Botany to Kingsford Smith Airport Mascot.

Business cases are used by the Australian Government to manage the priority of various projects nationwide and remain informed on the appropriate investments required to support future development. Business case planning occurs in the preliminary stages of a project, many years prior to full funding commitments for projects or detailed planning and construction (if justified by the business case).

The inclusion of business case funding with respect to the upgrade of New Line Road does indicate some movement at a Federal level towards securing the necessary upgrades to New Line Road and the preparation of a business case for the upgrade of this regional road is supported. However, the resolution of the existing regional infrastructure issues will ultimately require significant further funding by Government, following the completion of the business case planning process.

In addition to the upgrade of Old Northern Road and New Line Road, the resolution of regional traffic issues would also require reclassification of Annangrove Road from a sub-arterial road to an arterial road (transferring ownership to the State Government) and further exploration of a new arterial road link from Annangrove Road to Old Northern Road that bypasses Round Corner. This would improve traffic flows and reduce congestion within Round Corner and improve the efficiency of the broader regional road network. Figure 6 identifies some preliminary bypass options, however a specific location for the road network has not yet been established and no corridor has been reserved at this time.

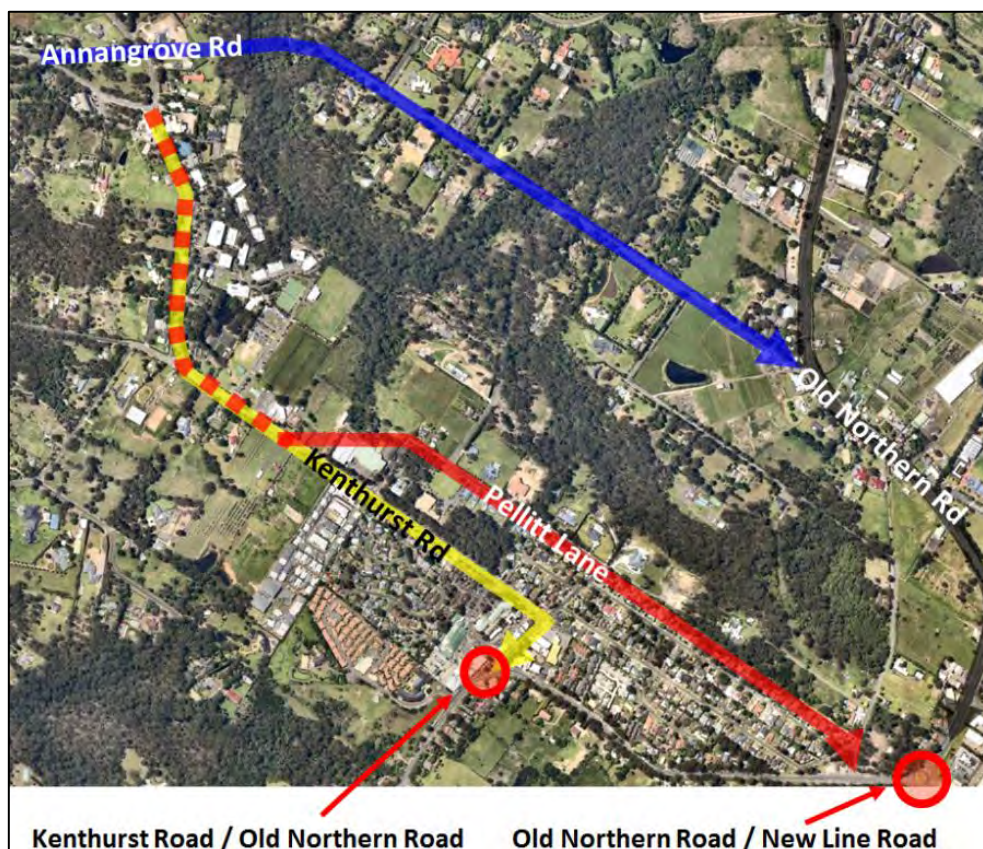


Figure 7

Potential Round Corner Bypass Options

The planning proposal and public benefit offer includes the reservation of a 32 metre wide road corridor on the southern boundary of Dural Public School, which would form part of the potential bypass road in accordance with the blue option shown in Figure 7. The public benefit offer submitted as an addendum to the planning proposal indicates the developer is offering this land at no cost to Council and is intending to construct the portion of the road in this location.

The proposed reservation of a corridor through the site for a future bypass road is supported, however endorsement of this location and profile would be required by Council and relevant State Government agencies, culminating in a commitment from State Government to the identification and funding of a bypass road. Given the opportunity to secure a portion of the future bypass road through this proposal, it is reasonable to submit the planning proposal to State Government for consideration, along with Council's advocacy for the resolution of regional traffic issues. This will provide a framework through which Council can initiate meaningful discussions with the relevant State Government agencies surrounding this regionally significant infrastructure item.

c) Infrastructure Demands and Public Benefit Offer

Social infrastructure is important for new communities where links between neighbours are not yet established. Based on the 181 dwellings proposed (approximately 579 persons) the following local infrastructure would be required using current benchmark rates:

- 5% of a local community centre;
- 1.6% of a branch library;
- 29% of an active open space facility (playing field); and
- 8,797m² of passive open space (based on 1.62 ha per 1,000 people).

The provision of 5% of a community centre or 29% of a playing field would be difficult, especially in the absence of any broader critical mass of urban development within the locality. Accordingly, should the Department determine that the proposal has strategic merit through the Gateway process, the Proponent would need to address how the demand for additional local infrastructure could be resolved. Further consideration would be required with respect to the ability for Council to actually deliver additional facilities using these contributions in the absence of any critical mass of similar development within the locality also making an apportioned contribution towards future infrastructure.

The Proponent has made a preliminary public benefit offer (attachment to this report), which includes the following items:

Part A - Northern Site

Items	Comment
1. Excise of approximately 9,900sqm of land (subject to survey detail) from the site and dedication to The Hills Shire Council for the purposes of a New Regional Road with a 32 metre wide road reserve.	Public Benefit
2. Excise of approximately 3,364sqm of land (subject to survey detail) from the site and dedication to The Hills Shire Council for an additional drop-off/pick-up parking facility to service the adjacent Dural Public School.	The drop off and pick up facilities for Dural Public School are a benefit attributable to the School and the Department of Education. These facilities are not generally provided by Council and should be subject to separate discussions and agreement with the School or Department of Education.
3. Construction of the civil works required to deliver the New Regional Road including but not limited to footpaths, landscape islands, kerb and gutter, asphalt roads, line markings, and road and street signage.	Public Benefit
4. Physical works required to connect the New Regional Road to Derriwong Road and the New Regional Road to Old Northern Road via non-signalised intersections, where possible within the northern site boundary and land owned by The Hills Shire Council.	Public Benefit
5. Provision of services within the boundaries of the site including cut and fill, excavation, concrete pipework, backfill, connection to existing main, surcharge inlet pits, street lighting to be connected into existing grid in consultation with The Hills Shire Council.	The provision of services and site works are required to facilitate the proposed development and do not constitute a public benefit.
6. Remediation of the entire subject site in accordance with the recommendations of the relevant Remedial Action Plan, where required. All land to be dedicated to The Hills Shire Council will be remediated prior to the dedication.	The remediation of the land would be required to facilitate the proposed development and does not constitute a public benefit. It is expected that any land to be dedicated to Council would first be remediated prior to dedication.

<p>7. Construction of a signalised intersection at the eastern boundary of the site and Old Northern Road.</p>	<p>The construction of appropriate access points would be required to facilitate development. Given the access would be from an arterial road, consultation with Roads and Maritime Services would be required. This may constitute a public benefit, depending on the nature of the intersections.</p>
<p>8. Stormwater management measures for the northern site including dual-function water quality and detention basin, swales, and rain gardens as indicatively proposed within '<i>Old Northern Road, Dural – Precinct 1 Stormwater Management Strategy</i>', prepared by ARUP, dated 22 December 2017.</p>	<p>The management of stormwater would be required to facilitate the proposed development and does not constitute a public benefit.</p>
<p>9. Connection of the Northern Site and the adjacent Dural Public School to the existing Sewerage Pumping Station via a pressure sewerage system as indicatively proposed within '<i>Old Northern Road, Dural – Precinct 1 Sewerage and Water Supply Strategy</i>', prepared by ARUP, dated 21 December 2017. No upgrades are required to the potable water supply to service the proposal, or the sewage pumping station and pressure main on the Northern Site.</p>	<p>Connection to potable water and wastewater services would be required to facilitate the proposed development and does constitute a public benefit.</p> <p>Further discussion and negotiation would be required with the School and Department of Education with respect to connecting Dural Public School to these services.</p>
<p>10. Dedication of approximately 4,000sqm of land within the Northern Site to The Hills Shire Council for the purpose of Local Open Space. Alternatively, local developer contributions will be payable to The Hills Shire Council as per the relevant local developer contributions plan at the time of the approval of relevant development application for the purposes of Local Open Space.</p>	<p>The dedication of land to service the future development with local, passive open space would be appropriate. The location of this open space would need to be negotiated with Council as the site identified on the 'Northern Master Plan' fronts an arterial road and may not be the best location for a local park.</p> <p>It is noted that as the Dural locality does not contain an identified release area, it is unlikely that Council would prepare a Section 7.11 contributions plan to service urban development within the locality.</p>

Part B - Southern Site

Item	Assessment
1. Excise of approximately 1,000sqm of land (subject to survey detail) from the site adjacent to the Dural Memorial Hall for the purposes of community use.	The allocation of land adjacent to Dural Memorial Hall may be a public benefit, however further analysis is needed to determine whether there is a need for additional community land in this location. The 'Northern Master Plan' indicates a potential road connection at the rear of the Dural Memorial Hall which severs the connection between the hall building, the remainder of Councils land holding and the existing car parking for the hall. This needs to be redesigned to better incorporate the existing and potential future operations of the hall.
2. Provision of services within the boundaries of the site including cut and fill, excavation, concrete pipework, backfill, connection to existing main, surcharge inlet pits, street lighting to be connected into existing grid in consultation with The Hills Shire Council.	The provision of services and site works would be required to facilitate the proposed development and do not constitute a public benefit.
3. Stormwater management measures for the southern site including dual-function water quality and detention basis, swales, and rain gardens as indicatively proposed within ' <i>Old Northern Road, Dural – Precinct 1 Stormwater Management Strategy</i> ', prepared by ARUP, dated 22 December 2017.	The management of stormwater would be required to facilitate the proposed development and does not constitute a public benefit.
4. Upgrade of the existing Sewerage Pumping Station and pressure main as required to service the southern site indicatively proposed within ' <i>Old Northern Road, Dural – Precinct 1 Sewerage and Water Supply Strategy</i> ', prepared by ARUP, dated 21 December 2017. No upgrades are required to the potable water supply to service the proposal on the southern site.	Connection to potable water and wastewater services would be required to facilitate the proposed development and does constitute a public benefit.
5. All works proposed under Part A are to be completed prior to the release of a subdivision certificate for any residential lots on the southern site to ensure public benefit works are completed in full prior to the increase in residential density facilitated by the Planning Proposal on the southern site.	This item relates to the timing of the delivery of items in both Part A and Part B. This is not a separate item itself, but would need to be incorporated into any formal agreement.

The two key items of public benefit contained within the offer are the dedication of land for and construction of a portion of an arterial road bypass from Annangrove Road to Old Northern Road and the dedication of land for local open space within the Northern Site and adjacent to Dural Memorial Hall (subject to further negotiation).

The proposed road connection would contribute to the objective of providing a future arterial bypass road to fulfill the key strategic need for better traffic movement throughout the north-west, by enabling better access from the growth centres to the west better access to services and jobs to the east. However, the bypass road will need the support of State Government agencies, such as Roads and Maritime Services, in order to ensure the remaining portions of the road can also be funded and delivered, as discussed earlier within this report.

The provision of local passive open space would support the planning proposal in terms of providing infrastructure to meet the demands generated by the increased density facilitated by the planning proposal. This public benefit offer does not address the need for active open space, community facilities or libraries. Should the planning proposal be progress to Gateway Determination, further negotiations would be required with the Proponent with respect to the public benefit offer and addressing the demand for additional local infrastructure.

d) Infrastructure Capacity (Utilities)

Advice provided to the Proponent by Utility providers suggests that there is sufficient capacity within the existing water and electricity networks to service the proposed development (181 dwellings). As part of the Urban Capacity and Capability Assessment, preliminary infrastructure capacity investigations were undertaken with respect to drinking water, waste water, gas and electricity supply in Dural and instances where augmentation is required. The following conclusions were made:

- Gas Services: Jemena's policy is to extend gas mains to all developments wherever possible, depending upon economic viability;
- Electrical Infrastructure: Endeavour Energy has no long term plans to increase capacity as the Dural locality has not been identified by the State Government as a growth area. The Dural Load Area has existing capacity to supply small developments of 175 to 230 small/medium sized lots before requiring network upgrades; and
- Potable and Waste Water: The potable water reservoirs and sewage pumping stations in the study area do not have sufficient spare capacity to accommodate development in the study area. Development in the area would require installation of trunk water and sewer networks, including new water reservoir/s, sewer pump stations and potentially a new treatment plant or upgrades to an existing plant.

While the development may be able to be serviced with electricity, gas and potable and waste water have little remaining capacity in the locality or are dependent upon economic viability. The Proponent has demonstrated that extending such utilities to service the proposed 181 new lots (in two different locations) is possible. The viability of doing so is a commercial matter for the Proponent to consider should the matter progress.

e) Potential Impacts on Agricultural Land

The objectives of the RU6 Transition Zone are as follows:

- To protect and maintain land that provides a transition between rural and other land uses of varying intensities or environmental sensitivities;*
- To minimise conflict between land uses within this zone and land uses within adjoining zones; and*
- To encourage innovative and sustainable tourist development, sustainable agriculture and the provision of farm produce directly to the public.*

The land uses permitted within the zone reflect these objectives, including a number of traditional rural activities such as agricultural produce industries, farm buildings, garden centres, intensive plant agriculture, landscaping material supplies and plant nurseries. Guidance provided by the Department of Planning and Environment to assist the preparation of Standard Instrument LEPs (PN11-002) indicate that the zone is not to be used to identify future urban land. Rather, it is to be used in special circumstances to provide a transition between more intensive rural land uses such as intensive agriculture and extractive industries and other areas supporting more intensive settlement. Whilst the permitted land uses do not lead to high land values, the RU6 Transition Zone is necessary to protect existing rural enterprises and encourage future investment in these and other rural lands.

The zone provides an appropriate buffer between urban land and rural areas and allows the rural areas to develop and grow without being restricted by residential uses in close proximity. The Hills Shire's agricultural productivity is high, and the area's local and regional output values continue to increase despite growing pressure to rezone rural land. In 2015-16 the total value of agricultural output in The Hills Shire was \$32 million. Nurseries and cut flowers accounted for around three-quarters of the Shire's total agricultural output in value terms (ABS, 2016).

On the opposite side of Old Northern Road, within the Hornsby Shire Council area, the rural land is zoned RU2 Rural Landscape, which permits intensive livestock agriculture. Intensive livestock agriculture requires substantial buffers from residential areas (up to 1km for poultry sheds and waste storage). While no Odour Assessment has been submitted by the Proponent, the proposal would permit urban development within 1km of these permissible rural uses, creating potential for land use conflict and significantly diminishing the ability of these areas to accommodate productive rural uses.

The Hills Shire's rural areas have a distinctive character that is enjoyed and valued by the local community and visitors to the Shire. Existing planning controls and Council policies have generally confined new development to within close proximity of centres, avoiding ribbon development along main roads and maintaining attractive views towards the Blue Mountains from the prominent ridge of Old Northern Road. There is currently a clear distinction between the Shire's semi-rural villages and the surrounding rural zoned land which reduces land use conflict and gives the Shire's rural areas a positive identity.

Should the planning proposal progress, in order to retain this rural character and identity it is recommended that the proposal be amended to include larger lot sizes on the periphery of the sites and along Old Northern Road. This would ensure that the density of development decreases at the periphery of the site, minimising potential character impacts and land use conflict with the surrounding rural area. A Development Control Plan would be required to guide future development.

f) Potential for Seniors' Housing

If the land were rezoned to R2 Low Density Residential, the land could be developed for the purposes of seniors' housing, with Council consent. It is noted that the Proponent's original development concepts included seniors' housing development and as such, it remains a potential future development outcome on the subject site under the proposal planning controls.

Further, should the rezoning proceed as proposed, this would increase the potential for adjoining rural land to be developed for more intense seniors' housing development, subject

to the Site Compatibility Certificate provisions of the Seniors' SEPP. This would result in further unplanned growth and encroachment into the rural area that does not have appropriate access to services and infrastructure. It could also further exacerbate the issues already experienced in fringe areas, where large seniors' housing developments are changing the character of the area.

Council is continuing to liaise with the Greater Sydney Commission and Minister for Planning regarding a cohesive and appropriate response to seniors' housing in rural zones, particularly in the Dural locality where the cumulative impact of these developments is being experienced.

In the absence of this work being completed, should the planning proposal proceed, further consideration should be given to ensuring that any future LEP amendments to not allow seniors housing to be developed on adjacent sites.

g) Heritage

There are a number of heritage items and archaeological sites adjoining the site that are listed under Schedule 5 of The Hills Local Environmental Plan 2012 and Hornsby Local Environmental Plan 2013. While the Dural Soldiers Memorial Hall is not included within the planning proposal, the southern site directly adjoins three boundaries of the heritage item.

Under the Rural Lands Strategy, the site is identified as Rural Living Mixed Use which aims to preserve the open rural landscape and its cultural heritage values. It recommends future development be located below ridgelines and be of colours and design that blend in with the surrounding environment. Further, the integrity of the heritage items and their setting are to be preserved.

Should the planning proposal proceed, additional information should be provided to demonstrate how the heritage properties can be appropriately integrated into the proposed development, without impacting on the heritage significance of the rural and agricultural setting.

IMPACTS

Financial

This matter has no direct financial impact upon Council's adopted budget or forward estimates. However, if the planning proposal were to proceed, there may be financial impacts associated with the public benefit offer and demand for local infrastructure.

Strategic Plan – Hills Future

Subject to the resolution of broader strategic and site specific issues, the planning proposal could facilitate an outcome that is consistent with The Hills Future Strategic Plan as it may contribute to the delivery of key regional infrastructure.

RECOMMENDATION

1. That the planning proposal applicable to land at Derriwong Road and Old Northern Road, Dural be submitted to the Department of Planning and Environment for Gateway Assessment to determine State Government agency views on the merits of the planning proposal.

2. Should the Department of Planning and Environment determine that the proposal has strategic and site-specific merit and issue a Gateway Determination, the following matters should be resolved prior to any exhibition of the planning proposal:
 - a) The need to increase the proposed minimum lot size at key locations, in order to soften the impact of the development on the Old Northern Road ridgeline and enable better visual transition between the development and surrounding rural land;
 - b) Access arrangements and relationship between proposed residential lots and the planned arterial bypass road;
 - c) Establishment of a mechanism to ensure that the proposed amendments would not facilitate a proliferation of seniors housing development proposals on adjoining rural land; and
 - d) The ability to service the proposed residential yield with new local and regional infrastructure, at no cost to Council. This would include further resolution of ongoing discussions with State and Federal Government surrounding the funding of required regional road upgrades.

ATTACHMENTS

1. Planning Proposal and Attachments (Under Separate Cover)
2. Council Report and Minute, 26 March 2019

MINUTES of the duly convened Ordinary Meeting of The Hills Shire Council held in the Council Chambers on 26 March 2019

Being a planning matter, the Mayor called for a division to record the votes on this matter

VOTING FOR THE MOTION

Mayor Dr M R Byrne
Clr A N Haselden
Clr R A Preston
Clr Dr P J Gangemi
Clr B L Collins OAM
Clr S P Uno
Clr R M Tracey
Clr J Jackson

VOTING AGAINST THE MOTION

None

MEETING ABSENT

Clr E M Russo
Clr R Jethi
Clr M G Thomas
Clr F P De Masi
Clr A J Hay OAM

ITEM-4**OUTCOMES OF THE DURAL URBAN CAPABILITY ASSESSMENT (FP67)****Proceedings in Brief**

Claire Brown from Urbis (In support) on behalf of the land owner addressed Council regarding this matter.

A MOTION WAS MOVED BY COUNCILLOR COLLINS OAM AND SECONDED BY COUNCILLOR PRESTON THAT the Recommendation contained in the report be adopted.

THE MOTION WAS PUT AND CARRIED.

89 RESOLUTION

1. Council receive the report outlining the outcomes of the Urban Capability and Capacity Assessment for the Dural locality.
2. Council discontinue any further investigations with respect to the rezoning of rural land for urban development within the Dural locality at this time.
3. If the proponent of any future planning proposal to rezone land within the Dural locality is able to demonstrate that they can deliver the required local and regional infrastructure upgrades at no cost to Council, Council consider such a planning proposal and review its position with respect to rezoning within the Dural locality at that time.
4. Invite Hornsby Shire Council to join with The Hills Shire Council in lobbying the State Government for the funding of essential upgrades to Old Northern Road / New Line Road to address existing road capacity problems in Dural;

This is Page 4 of the Minutes of the Ordinary Meeting of The Hills Shire Council held on 26 March 2019

MINUTES of the duly convened Ordinary Meeting of The Hills Shire Council held in the Council Chambers on 26 March 2019

5. Approach the Roads and Maritime Services for the re-classification of Annangrove Road from a sub-arterial road to an arterial road to recognise the higher traffic volumes that are expected on Annangrove Road in the near future; and
6. Lobby the State Government for the reservation of a corridor that will facilitate a future bypass road between Annangrove Road and Old Northern Road, plus a funding commitment for the construction of a bypass road that will be needed as a consequence of population increase in the North West Growth Centre.

Being a planning matter, the Mayor called for a division to record the votes on this matter

VOTING FOR THE MOTION

Mayor Dr M R Byrne
Clr A N Haselden
Clr R A Preston
Clr Dr P J Gangemi
Clr B L Collins OAM
Clr S P Uno
Clr R M Tracey
Clr J Jackson

VOTING AGAINST THE MOTION

None

MEETING ABSENT

Clr E M Russo
Clr R Jethi
Clr M G Thomas
Clr F P De Masi
Clr A J Hay OAM

ITEM-2**POST EXHIBITION - SUBURB BOUNDARY AND NAMING
- ROUSE HILL AND BOX HILL LOCALITIES (FP248)**

A MOTION WAS MOVED BY COUNCILLOR DR GANGEMI AND SECONDED BY COUNCILLOR COLLINS OAM THAT the Recommendation contained in the report be adopted.

THE MOTION WAS PUT AND CARRIED.

90 RESOLUTION

1. Council endorse the proposed creation of a new suburb named 'The Gables', with the boundary of the proposed new suburb revised post-exhibition to include properties fronting the eastern side of Janpieter Road (as per Figure 5 in Section 4.3 of this report).
2. Council endorse the proposed realignment of the boundary between Box Hill and Rouse Hill to include additional residential land within the suburb of Box Hill (as per Figure 6 in Section 5 of this report).

This is Page 5 of the Minutes of the Ordinary Meeting of The Hills Shire Council held on 26 March 2019

ORDINARY MEETING OF COUNCIL**26 MARCH, 2019**

ITEM-4	OUTCOMES OF THE DURAL URBAN CAPABILITY ASSESSMENT (FP67)
THEME:	Shaping Growth
OUTCOME:	5 Well planned and liveable neighbourhoods that meets growth targets and maintains amenity.
STRATEGY:	5.1 The Shire's natural and built environment is well managed through strategic land use and urban planning that reflects our values and aspirations.
MEETING DATE:	26 MARCH 2019 COUNCIL MEETING
GROUP:	SHIRE STRATEGY, TRANSFORMATION AND SOLUTIONS SENIOR TOWN PLANNER
AUTHOR:	BRONWYN INGLIS PRINCIPAL COORDINATOR FORWARD PLANNING MEGAN MUNARI
RESPONSIBLE OFFICER:	ACTING MANAGER – FORWARD PLANNING NICHOLAS CARLTON

EXECUTIVE SUMMARY

In February 2019 Council received the final 'Urban Capability and Capacity Assessment' ("Phase 1") for the Dural/Round Corner locality. The need for this assessment arose, in part, due to a number of land-owner initiated planning proposals which were submitted to Council in the absence of any holistic or coordinated approach to planning for the area. The Assessment is the first step in the process of determining whether or not the area is suitable to be pursued as an urban land release. It consists of high level environmental studies as well as infrastructure capacity assessment intended to identify any significant constraints likely to prevent orderly urban development occurring.

The Assessment concludes that while there is land "capable" of accommodating urban development, there are infrastructure capacity issues (primarily traffic and transport infrastructure) in the locality that if unresolved, would prevent such development from occurring in an orderly and feasible manner.

Having regard to the outcomes of the assessment, it is recommended that Council discontinue any further investigations with respect to the rezoning of rural land within the Dural locality at this time and continue discussions with the State Government regarding the need for traffic infrastructure upgrades in Dural to resolve existing capacity issues. This would involve:

- Inviting Hornsby Shire Council to join with The Hills Shire Council in lobbying the State Government for the funding of essential upgrades to Old Northern Road / New Line Road to address existing road capacity problems in Dural;

PAGE 116

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

- Approaching the Roads and Maritime Services for the re-classification of Annangrove Road from a sub-arterial road to an arterial road to recognise the higher traffic volumes that are expected on Annangrove Road in the near future; and
- Lobbying the State Government for the reservation of a corridor that will facilitate a future bypass road between Annangrove Road and Old Northern Road, plus a funding commitment for the construction of a bypass road that will be needed as a consequence of population increase in the North West Growth Centre.

BACKGROUND**28/06/2016**

Council considered a report regarding a Planning Proposal at 582 and 582A Old Northern Road, Dural (7/2015/PLP). The planning proposal sought to rezone the site from RU6 Transition to R3 Medium Density Residential and reduce the minimum lot size to 700m². Council resolved that:

"The matter be deferred and the planning proposal held in abeyance, and Council undertake a holistic study into the current and future land use of the Dural Round Corner Precinct, with Hornsby Council"

24/08/2016

Meeting with the Mayors of Hornsby and The Hills Shire to discuss the future of the rural area.

13/12/2016

Council considered a report regarding a Planning Proposal at Derriwong and Old Northern Roads, Dural (23/2016/PLP). The planning proposal sought to rezone land from RU6 Transition to R2 Low density Residential, RE1 Public Recreation and RE2 Private recreation, reduce lot sizes from 2 hectares to 700m² and reduce the height of buildings from 10m to 9m to facilitate 181 residential lots. Council resolved that:

1. *The planning proposal be held in abeyance until the wider Dural investigation area planning is completed to enable a more cohesive development infrastructure outcome and provide a clear boundary to urban development.*
2. *The General Manager write to Hornsby Shire Council to formalise the initial discussions and to prepare a project plan and draft budget, including time table to enable the strategic investigation of Dural/Round Corner to occur so that this application can be dealt with in the wider context.*
3. *The General Manager provide a report to Council by April 2017 on the progress of the strategic investigation work with Hornsby Council.*

31/01/2017

Further meeting with the Mayors of Hornsby and The Hills Shire to discuss the formulation of a project plan.

01/02/2017

Sydney West Central Planning Panel considered the Planning Proposal at 582 and 582A Old Northern Road, Dural (7/2015/PLP) and resolved that the Planning Proposal be submitted for Gateway Determination, subject to the proponent consulting with the Office of Environment and Heritage regarding the provisions for conserving Shale Sandstone Transition Forest.

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

- 10/02/2017 Rezoning Review request received by the Department of Planning and Environment with respect to the Planning Proposal for land at Old Northern and Derriwong Roads, Dural (23/2016/PLP).
- 14/02/2017 By Mayoral Minute 1/2017, in response to the Planning Panel decision on 582-582A Old Northern Road, Council resolved to write to the Mayor of Hornsby Shire Council to reiterate our support for the holistic planning of the South Dural, Dural and Round Corner areas with the appropriate upgrades to infrastructure including Annangrove Road, New Line Road, Old Northern Road and a Dural/Round Corner bypass. Council also resolved to write to the Minister for Planning, Minister for Housing and Special Minister of State expressing a number of concerns with the operation of the Planning Panel.
- 11/04/2017 Council considered a report on the Dural Strategic Investigation work and resolved:
1. *The progress report on Dural Strategic Investigation work be received.*
 2. *Council allocate up to \$300,000 for the preparation of Phase 1 Urban Capacity and Capability Assessment of Dural locality in the next Budget Review.*
 3. *Council write to Hornsby Council to seek a financial contribution from their 2017/18 budget.*
 4. *The Strategic investigation incorporate the potential use of rural lands in the urban housing mix.*
- 20/4/2017 The Rezoning Review request for Planning Proposal at Old Northern Road and Derriwong Road, Dural was determined. The Panel found that the proposal should not be submitted for a Gateway Determination because the proposal has not demonstrated strategic merit. The reasons for their decision are as follows:
1. *The Panel finds the proposal is consistent with a number of aspects of A Plan For Growing Sydney and the draft District Plan, especially meeting the demand for larger lot residential land in a rural setting.*
 2. *However, the overall strategic context, particularly the demand for and supply of the physical and social infrastructure needed to support this development and other development in the Local Government Area and adjoining Local Government Area, and the implications for the urban-rural interface are unresolved.*
 3. *Therefore, the Panel considers this proposal to be premature and should not proceed before completion of the strategic study programed for the area which the Panel anticipates will be completed by the end of 2017.*
 4. *The Panel will entertain a new proposal subsequent to the end of the year date in anticipation of additional information including but not dependent upon the Council Rural Land Study. The Panel will be amenable to consideration of a new proposal and the Panel recognises that the southern portion of the area currently proposed for rezoning has stronger merit.*

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

- 14/06/2017** Hornsby Shire Council resolved to not commit funding toward the Phase 1 Urban Capacity and Capability Assessment but reiterate their support for a clear vision for the rural areas and an infrastructure funding plan to cater for existing and future development of that land.

- 05/02/2018** Department of Planning and Environment notified Hornsby Shire Council that the South Dural planning proposal was no longer supported due to the cost and government investment required to upgrade New Line Road and Old Northern Road.

- 18/03/2018** Greater Sydney Commission released the finalised Central City District Plan, which contains priorities relating to better management of rural areas, including limiting urban development to the urban areas.

- 11/04/2018** Hornsby Shire Council resolved to not proceed with the South Dural planning proposal.

When Council resolved to commence an investigation into the capability and urban capacity of Dural in April 2017 a number of planning proposals were under assessment in Dural. The current status of these planning proposals is shown in Table 1 below.

Planning Proposal	Yield	Status
South Dural Precinct (in Hornsby Shire LGA)	Approximately 2,900 dwellings	Not proceeding.
Dural Retail Centre (in Hornsby LGA)	Retail centre to support South Dural	Not proceeding.
Expansion of the Round Corner commercial centre (488-494 Old Northern Rd, Dural)	Retail, commercial, residential flat building (68 units) + 21 townhouses.	Planning proposal finalised in March 2018.
Former timber mill site (582 & 582A Old Northern Road, Dural)	57 townhouses	Planning proposal finalised in December 2018.
Derriwong Road / Old Northern Road sites (23/2016/PLP)	181 dwellings	Planning proposal being held in abeyance.

Table 1
Current Status of recent Planning Proposals in Dural

As detailed in the above history as well as Table 1, the local strategic context has evolved since Council resolved to commence a strategic investigation into the urban capability and capacity of the Dural locality. Most notably, the Greater Sydney Commission released its finalised Central City District Plan (which contains priorities relating to better management of rural areas, including limiting urban development to the urban areas) and planning proposals for South Dural and the Dural Retail Centre are no longer proceeding primarily due to the cost of upgrading New Line Road and the requirement that necessary upgrades be completed at no cost to government.

The planning proposal for land on Derriwong Road and Old Northern Road (23/2016/PLP) is still being held in abeyance by Council, pending the outcomes of the work being undertaken to investigate the land capability of the broader Dural area. Notwithstanding this, in April 2017, the Sydney West Central Planning Panel considered a rezoning review request for this land (that would rezone multiple sites from RU6 Transition to R2 Low Density Residential)

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

and resolved that the proposal should *not* be submitted for a Gateway Determination as it did not demonstrated strategic merit. This planning proposal will be the subject of a separate report to Council.

REPORT

The purpose of this report is to inform Council of the outcomes of the recently completed Phase 1 Urban Capacity and Capability Assessment for the Dural locality. The Assessment, prepared by external consultants Cardno, was commissioned in accordance with Council's resolution of 11 April 2017 to assist Council's decision making in response to pressure to allow residential development on rural zoned land in Dural.

Over the past three years, both The Hills Shire Council and Hornsby Shire Council have received planning proposals which have sought to rezone rural land for urban purposes in Dural and 'South' Dural. In the context of this pressure for urban development, consultants Cardno were commissioned to undertake a review of the environmental and infrastructure capacity of land in Dural (within The Hills Shire LGA), with a view to determining whether an urban release pathway should be pursued.

The location of the detailed investigation area that was examined in Cardno's Dural Urban Capacity and Capability Study is identified in Figure 1 below.



Figure 1
Dural Investigation Areas and Current Zoning

1. METHODOLOGY OF DURAL URBAN CAPABILITY AND CAPACITY ASSESSMENT

Environmental consultants Cardno were engaged by Council to undertake the Phase 1 Urban Capacity and Capability Assessment, which involved the following key components:

- Environmental Study; and
- Infrastructure Capacity Assessment.

ORDINARY MEETING OF COUNCIL**26 MARCH, 2019**

The outcomes of each of these documents is discussed below.

(a) Environmental Study

Environmental database searches and a review of existing Council literature was undertaken to identify potential environmental constraints and thereby potential areas not being capable for growth. Following the desktop review, a site visit was undertaken to validate the information and document the existing environment against the mapping as well as assess the investigation area and its potential environmental constraints in key locations.

The study identified that the following key environmental considerations will influence future decision-making about land capability in the investigation area:

- Vegetation communities;
- Wildlife corridors;
- Threatened flora and fauna;
- Waterways and threatened aquatic biodiversity;
- Inner and outer riparian corridor;
- 100 year flood prone land; and
- Land with a slope that is greater than 20%.

These environmental factors were mapped and compared to determine where environmental constraints could be managed and still enable some development to occur and where they would prevent development from occurring. In many cases, it is not one single environmental constraint that would prevent development from occurring but a combination of these constraints on the same land that has led to the land being classified as undevelopable.

The outcomes of the environmental studies in the Phase 1 Urban Capability and Capacity Assessment have identified that there are areas where multiple environmental features, such as riparian corridors, steep slopes, vegetation and bushfire risk are present. These areas are not suitable for future development. It has also identified land with development potential, that is either free from physical environmental constraints, or the physical environmental constraints warrant further consideration if planning progresses, but do not prevent development from occurring on the land.

It is important to note that this component of the Assessment simply identifies whether or not land is 'capable of development', having regard to environmental factors. It did not take into account other factors such as infrastructure capacity, social infrastructure requirements (such as playing fields), funding availability for road upgrades or strategic planning principles for urban development.

An analysis of agricultural land uses in the investigation area was also included, which indicated that some land is still being used for agricultural purposes (such as market gardens and orchards), or is capable of being used for such purposes.

PAGE 121

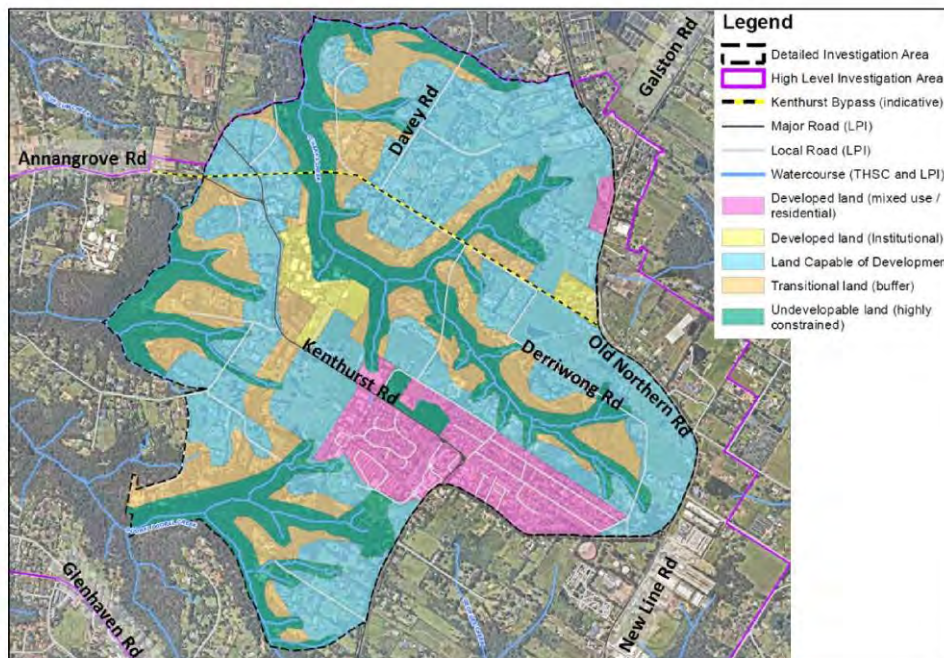


Figure 2
Outcomes of Environmental Study

(b) Infrastructure Capacity Assessment

A preliminary infrastructure capacity investigation examined the drinking water, wastewater, gas and electricity supply and traffic infrastructure capacities in Dural. It also identified where augmentation is required. An overview of infrastructure capacity in the study area is provided below:

- Gas Services: The Jemena gas network is located in the vicinity of the study area and could be extended. Their policy is to extend gas mains to all developments wherever possible, depending upon economic viability.
- Electrical Infrastructure: The Study Area has not been identified as a growth area by Endeavour Energy and there are no long term plans to increase capacity. The Dural Load Area has existing capacity to supply small developments of 175 to 230 small / medium sized lots before requiring network upgrades. The Kenthurst Zone could accommodate approximately 800 to 1,100 small / medium sized lots in the short term, before requiring investment in a new zone substation and sub transmission feeders.
- Potable and Waste Water: The potable water reservoirs and sewage pumping stations in the study area do not have sufficient spare capacity to accommodate development in the study area. Development in the area would require installation of trunk water and sewer networks, including new water reservoir/s, sewer pump stations and potentially a new treatment plant or upgrades to an existing plant.

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

- Traffic: The road network in the locality already experiences traffic delays during peak times. Based on the existing network performance, Cardno recommend that the following works should be further investigated to cater for existing conditions in Dural:
 - Upgrading the Old Northern Road / New Line Road roundabout to a signalised intersection; and
 - Providing midblock lane capacity (duplication) along Old Northern Road and New Line Road. This upgrade would also improve the operation of the Old Northern Road / Kenthurst Road intersection in peak times.

The infrastructure capacity assessment identified that there is little remaining capacity in the locality, particularly in relation to traffic. As was the case with South Dural in Hornsby, the regional road network of Old Northern Road and New Line Road are operating over capacity and present a key constraint to any future development, as this would only exacerbate the already unacceptable load on these roads. More detailed discussion of outcomes of the Infrastructure Capacity Assessment, with respect to traffic and transport, is provided below.

(c) Road Capacity / Traffic Management in Dural

The current regional road network for west–east vehicle movement between the growing North West Growth Centre and the localities of Pennant Hills and Hornsby follows Annangrove Road, Kenthurst Road, Old Northern Road and New Line Road. This route bisects the Round Corner town centre and traffic volumes are expected to increase as development continues within the Growth Centre.

The Cardno investigation has identified the road capacity and traffic issues that are already being experienced in Dural. It is likely that existing delays will be exacerbated as planned development occurs within the North West Growth Centre, unless upgrade works are undertaken to ensure that the road network can cater for the increased demand.

A holistic approach is needed to address existing traffic issues in Dural and better manage the anticipated vehicle volumes from planned development in the North West Growth Centre. In particular, the opportunities discussed below must be further investigated.

Upgrading of Old Northern Road and New Line Road

The completion of any major road upgrades in Dural will come at a significant cost to government as a consequence of high property values, often difficult topography in the locality and other environmental constraints.

Any traffic solution for Old Northern Road and New Line Road will require a funding commitment by the Roads and Maritime Services, as they are both State-owned roads. To date, there has been no commitment by the State Government to fund major road infrastructure upgrades in Dural to address current needs or to accommodate forecast traffic from development that has already been planned in Sydney's northwest. It is evident that a long term, regional strategic approach to traffic management and infrastructure in Dural is needed.

In terms of cost, the State Government estimated in 2017 that the road works required to support the rezoning of land to service the 2,900 dwellings proposed as part of the South Dural planning proposal (in the Hornsby Shire local government area) would cost in excess of \$300 million. In that instance, the State Government considered that given the significant cost and relatively low number of dwellings proposed to be delivered, the project was unlikely to compare favourably on a cost benefit analysis to other areas when prioritising Government expenditure.

Reclassification of Annangrove Road

Annangrove Road provides an important east-west link between the North Kellyville and Box Hill Growth Centres to New Line Road and Pennant Hills, via Round Corner. Annangrove Road currently consists of a single carriageway that is under the care and ownership of Council.

Traffic volumes will increase as a consequence of development in the Box Hill and North Kellyville Growth Centre areas. The role and function of Annangrove Road is expected to change as this occurs. This was recognised in a report prepared for the then Roads and Traffic Authority in May 2011 titled 'The North West Growth Centre Road Framework'. The report, prepared by Jackson Teece, recommends the upgrade of Annangrove Road to a Principal Arterial Road (as shown in Figure 3). The report defines principal arterial roads as "major roads that connect with motorways, linking centres and communities, with posted speeds of 80km/h and 70km/h. Although largely dedicated to a transport function, they typically include pedestrian and cycle access and provide for a higher volume of traffic at higher speed."

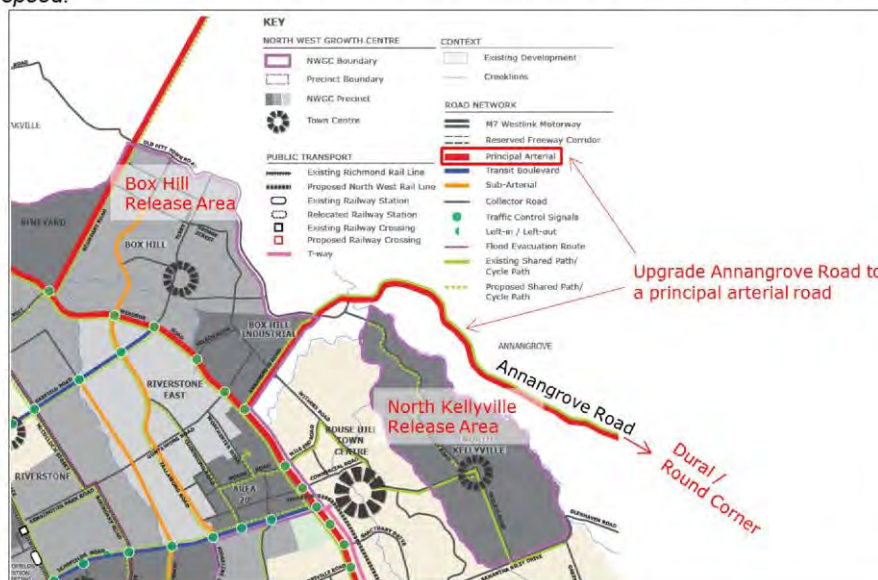


Figure 3
Existing and Proposed Road Network

Source: Jackson Teece, (May 2011) 'The North West Growth Centre Road Framework' (pg. 17)

The re-classification of Annangrove Road from a sub-arterial road to an arterial road would recognise the higher traffic volumes that are expected on Annangrove Road in the near future. This re-classification would transfer the ownership of Annangrove Road to the State Government, who would also be responsible for its maintenance and upgrade where required. Although it is noted that this would not resolve current capacity issues of the key east-west route along Kenthurst Road through Round Corner town centre.

New Round Corner Bypass

A new road link from Annangrove Road to Old Northern Road that bypasses Round Corner has been explored as a possible solution to improve traffic flows and reduce traffic

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

congestion in Round Corner and to improve the efficiency of the broader regional road network. A preliminary review of possible future locations for a bypass road has been undertaken, as shown in Figure 4.

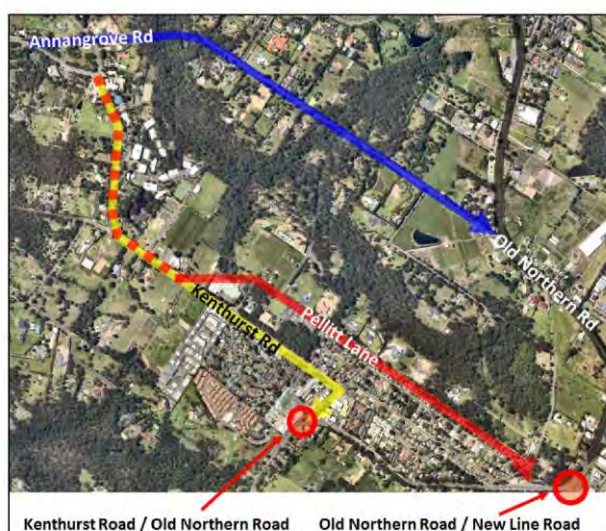


Figure 4
Potential Round Corner Bypass Options

While it is recognised that such a bypass road would have a considerable financial cost given the local topography, land acquisition costs and likely requirement for a bridge over local creeks, its identification is needed now to inform future planning for the wider area. This road would serve as an important east-west arterial link within the North West Growth Centre, and its economic justification is reinforced by Transport for NSW's identification of the Outer Sydney Orbital west of Box Hill / Maraylya.

Reducing the amount of through-traffic in Round Corner could also encourage much needed redevelopment and revitalisation to occur within the town centre, which would improve amenity and pedestrian accessibility for residents and visitors.

A specific location for the new road link has not yet been established and no corridor has been reserved.

(d) Strategic Context

The Central City District Plan was released in March 2018. The Central City District Plan identifies Dural as being within the 'Metropolitan Rural Area' (see Figure 2) and acknowledges that rural land in Dural is increasingly under pressure for urban development. The District Plan also recognises that:

- A significant proportion of the Central City District's rural land is under-utilised and has the potential to be used for more productive rural uses;
- Urban development is not consistent with the values of the Metropolitan Rural Area;
- Maintaining and enhancing the distinctive character of each rural and bushland town and village is a high priority; and

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

- Rural residential development is not an economic value of the District's rural areas and further rural residential development is generally not supported.

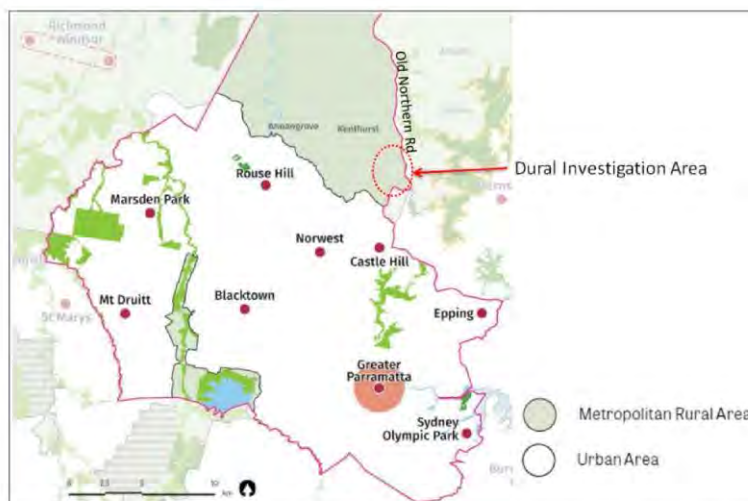


Figure 5

Central City District Metropolitan Rural Area (source: Figure 27, Central City District Plan)

Planning Priority C18 'Better Managing Rural Areas' in the Central City District Plan identifies the following actions for Councils:

Action 73: Maintain or enhance the values of the Metropolitan Rural Area using place-based planning to deliver targeted environmental, social and economic outcomes.

Action 74: Limit urban development to within the Urban Area.

Under the District Plan, urban development in the Metropolitan Rural Area will be considered only in identified 'urban investigation areas'. No such investigation areas are located in the Central City District. Advice from the Department of Planning and Environment and Greater Sydney Commission suggests that the State Government is unlikely to support urban development in the Metropolitan Rural Area within the next five years.

Under the Plan, limited growth of rural residential development could be considered where there are no adverse impacts on the amenity of the local area and where the development provides incentives to maintain and enhance the environmental, social and economic values of the Metropolitan Rural Area. However as outlined in the Plan, maintaining and enhancing the distinctive character of each rural village is a high priority, with further rural residential development generally not supported.

The Hills Shire Council is currently preparing its Local Strategic Planning Statement and Rural Strategy which will be guided by the Central City District Plan. It is anticipated that the draft Local Strategic Planning Statement will be briefed to Council early in 2019. It should be noted that whilst the Central City District Plan does set a housing supply target for The Hills LGA of 8,550 additional dwellings for the period of 2016 – 2021, it is not anticipated that the rezoning of land in Dural will be needed to enable the Shire's housing target to be met.

PAGE 126

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

At the local level, the Local Strategy (through the Rural Lands Strategy) reinforces the Council's strong focus on the preservation of rural lands, recognising that rural character is a unique drawcard to the Hills district. The Rural Lands Strategy identified that the major issues affecting the potential expansion of centres in the Shire's rural areas are:

- The provision of reticulated water and sewerage;
- Provision of adequate access to the higher order centres (road and public transport);
- Ability to provide for social services and facilities;
- Presence of unconstrained land surrounding the settlement;
- Fragmentation of and surrounding the settlement; and
- Ability to absorb a higher density of population.

These factors remain relevant considerations for any proposed urban expansion into the rural area of Dural.

2. RECOMMENDATIONS OF THE URBAN CAPACITY AND CAPABILITY ASSESSMENT

The conclusions of the Urban Capacity and Capability Assessment are as follows:

- *There are no government plans to encourage additional growth in the investigation area.*
- *The investigation area has some physical capability for development uplift.*
- *Constraints arising from lack of capacity in transport and service infrastructure would be likely to preclude any development uplift in the investigation area. At this time there is no government will to invest in upgrades to these services. Private investment in infrastructure would be necessary to facilitate any substantial development uplift.*

While the environmental study identifies that there is land within the Dural locality which is capable of accommodating development, the issues with respect to local and regional infrastructure capacity would hinder orderly urban development at this time. This is especially true having regard to the applicable strategic planning framework and core planning principles which promote the location of new urban development in well-serviced areas. There may be potential for further consideration of urban development opportunity within the Dural locality, if the local and regional infrastructure issues could be resolved.

The NSW Government has indicated that the funding of these upgrades is unlikely to compare favourably to other investment opportunities on a cost benefit analysis and therefore, any infrastructure upgrades required to support rezoning within Dural locality must be a no cost to Government. It is unlikely that a developer/s could feasibly fund the full extent of required infrastructure, whilst also delivering the type of low density development outcome that would respect the current and future character of the locality.

OPTIONS

There are a number of options available to Council, as outlined below:

(a) Option 1: Retain the Existing Land Use Hierarchy and character of Dural

This approach recognises the findings of the recently completed Dural Urban Capacity and Capacity Assessment and retains the existing rural zone and character of Dural. Under this approach, current and future planning proposals for urban development on rural land in Dural are unlikely to be supported. This approach aligns with the Central City District Plan's

ORDINARY MEETING OF COUNCIL

26 MARCH, 2019

'Priority C18 – Better Managing Rural Areas' by reiterating that urban expansion in Dural is not consistent with the desired characteristics and scenic values of the Metropolitan Rural Area at this time.

The Hills Shire's Local Strategic Planning Statement (LSPS) is being prepared to determine how Council will meet its housing targets. It is important to allow the LSPS to guide where future development occurs and there is currently insufficient justification for the rezoning of rural land for residential purposes in Dural. It is important that existing infrastructure issues be resolved before any major policy decisions are made that would change planning policy in Dural.

Restricting urban development to within existing residential zoned land would minimise the potential for landuse conflict and assist with reinforcing the centres hierarchy by concentrating development within a walkable catchment of shops and services. This approach also presents an opportunity for Council to support agricultural production which continues to make a valuable contribution to the Shire's economy and Greater Sydney's regional output. In 2015-16 the total value of agricultural output in The Hills Shire was \$32 million. Nurseries and cut flowers accounted for around three-quarters of the Shire's total agricultural output in value terms (ABS, 2016).

The Hills Shire's rural areas have a distinctive character that is enjoyed and valued by the local community and visitors to the Shire. Existing planning controls and Council policies have generally confined new development to within close proximity of centres, avoiding 'ribbon' development along main roads and maintaining attractive views towards the Blue Mountains from the prominent ridge of Old Northern Road. There is currently a clear distinction between the Shire's semi-rural villages and the surrounding rural zoned land which reduces land use conflict and gives the Shire's rural areas a positive identity.

Should Council proceed with Option 1, it is recommended that the following approach be endorsed:

- Limit urban development to within the urban area by retaining the existing land use hierarchy and distinctive character of Dural / Round Corner, its surrounding landscape and rural activities;
- Invite Hornsby Shire Council to join with The Hills Shire Council in lobbying the State Government for the funding of essential upgrades to Old Northern Road / New Line Road to address existing road capacity problems in Dural;
- Approach the Roads and Maritime Services for the re-classification of Annangrove Road from a sub-arterial road to an arterial road to recognise the higher traffic volumes that are expected on Annangrove Road in the near future; and
- Lobby the State Government for the reservation of a corridor that will facilitate a future bypass road between Annangrove Road and Old Northern Road, plus a funding commitment for the construction of a bypass road that will be needed as a consequence of population increase in the North West Growth Centre.

It is recommended that this option be adopted by Council.

(b) Option 2: Retain the Existing Land Use Hierarchy and character of Dural, with a willingness to consider future "Planned Precinct" proposals for the rezoning of land at no cost to Government

It is reiterated that the environmental study does identify that there is land within the Dural locality which is capable of accommodating development, *if* local and regional infrastructure

upgrades can be delivered. However, it is evident that at this time, the State Government is unwilling to invest in the infrastructure upgrades necessary to support rezoning within the Dural locality.

If a Developer is able to demonstrate that they can fund the required infrastructure upgrades either in full, or in partnership with another level of Government, it would be reasonable for Council to continue to consider opportunities for rezoning within the Dural locality. This could occur either through consideration of developer-initiated planning proposals, commencement of detailed precinct planning (Phase 2) or a combination of both.

Similar to Option 1 above, Council may resolve to discontinue any further investigations with respect to the rezoning of rural land within the Dural locality at this time. However, Council would continue to be open to considering, in good faith, future planning proposals to rezone land within the Dural locality, subject to the Proponent being able to satisfactorily demonstrate that the release of the land for urban development and provision of required infrastructure upgrades would be at no cost to Council. If the identified local and regional infrastructure capacity issues can be resolved, it is considered reasonable for this to trigger a review of Council's position with respect to proposals for the rezoning of land within the Dural locality.

(c) Option 3: Commence Phase 2 – Precinct Planning for Dural

It is open to Council to commence a detailed precinct planning process for Dural, notwithstanding the findings of the Urban Capacity and Capability Study. This would involve proceeding to "Phase 2" and following an urban release area pathway for land identified by Cardno as being environmentally capable of development. It would involve the following broad stages:

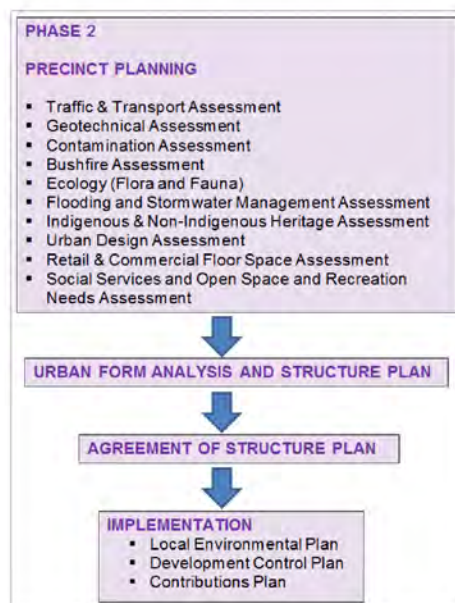


Figure 6
Urban Release Area Pathway Approach

ORDINARY MEETING OF COUNCIL**26 MARCH, 2019**

This option could enable the reservation of a corridor for a bypass road that connects Annangrove Road and Old Northern (removing traffic flows from Round Corner). Preliminary estimates (based only on land area) suggest that allowing the release of rural land in Dural for residential development could facilitate approximately 3,600 dwellings (and more if North Glenhaven was included as well) based on the available land area only. However, analysis undertaken for the Local Strategic Planning Statement indicates that there is sufficient residential zoned land available elsewhere in the LGA to meet the Shire's Central City District Plan dwelling targets.

There are a number of issues associated with significantly expanding the urban area in Dural at this time, including the need for significant Council investment (approximately \$2 million) and time for the necessary studies to be completed (approximately 2-3 years). In light of the direction provided in the Central City District Plan (that urban development should be limited to the urban area) there is a risk that the State Government may not ultimately support any intensification in Dural even after such work has been completed. Traffic issues on New Line Road would also still require resolution and a significant funding commitment from the Roads and Maritime Service.

It is acknowledged that some of the infrastructure capacity concerns identified by Cardno could be addressed by a significant capital investment from the State Government and/or developers / landowners. However, there is concern that the intensity of built form required to make redevelopment feasible in this locality would be inappropriate for Dural's location on the rural fringe. A precinct planning approach for Dural would require a detailed review of the development outcome, yield and dwelling density that would be needed by developers in order to justify funding the necessary infrastructure upgrades. It is important to note that the State Government did not consider the proposed 2,900 dwellings in the South Dural precinct as being of a feasible scale to warrant government investment at this time.

It is possible that the current physical and social infrastructure limitations in Dural may be resolved over time. The State Government's approach to metropolitan rural land and commitment to funding the necessary infrastructure upgrades could also evolve, however there is a risk in pursuing an urban release pathway in the current policy climate given that Council would need to fund the Phase 2 investigation studies. In light of Cardno's findings and the State Government's policy of protecting the Metropolitan Rural Area from further urban development, it would be premature to commence an urban release area pathway at this time.

IMPACTS**Financial**

A budget of up to \$300,000 was allocated by Council for the preparation of the Phase 1 Urban Capacity and Capability Assessment of Dural. The Assessment has been completed within budget.

Should Council resolve to further investigate the viability of an urban land release in Dural, it would require a significant investment by Council to fund the detailed studies needed to underpin precinct planning (approximately \$2 million). In light of the Central City District Plan's requirement to limit urban development to within the urban area, the likelihood of receiving State Government support for an urban release area pathway even after the completion of such studies is uncertain.

Strategic Plan - Hills Future

The Hills Future Community Strategic Plan 2017 – 2021 looks towards a natural and built environment that is well managed through strategic land use and urban planning that reflects

ORDINARY MEETING OF COUNCIL**26 MARCH, 2019**

our values and aspirations. The outcomes and recommendations of the Phase 1 Urban Capability and Capacity Assessment supports Council in taking a coordinated and long term approach to land use planning in Dural which aligns with the applicable local and state strategic planning framework.

RECOMMENDATION

1. Council receive the report outlining the outcomes of the Urban Capability and Capacity Assessment for the Dural locality.
2. Council discontinue any further investigations with respect to the rezoning of rural land for urban development within the Dural locality at this time.
3. If the proponent of any future planning proposal to rezone land within the Dural locality is able to demonstrate that they can deliver the required local and regional infrastructure upgrades at no cost to Council, Council consider such a planning proposal and review its position with respect to rezoning within the Dural locality at that time.
4. Invite Hornsby Shire Council to join with The Hills Shire Council in lobbying the State Government for the funding of essential upgrades to Old Northern Road / New Line Road to address existing road capacity problems in Dural;
5. Approach the Roads and Maritime Services for the re-classification of Annangrove Road from a sub-arterial road to an arterial road to recognise the higher traffic volumes that are expected on Annangrove Road in the near future; and
6. Lobby the State Government for the reservation of a corridor that will facilitate a future bypass road between Annangrove Road and Old Northern Road, plus a funding commitment for the construction of a bypass road that will be needed as a consequence of population increase in the North West Growth Centre.

ATTACHMENTS

Nil.