

#### THE HILLS SHIRE COUNCIL

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15 July 2024

Elizabeth Kimbell Manager, Local Planning and Council Support Department of Planning, Housing and Infrastructure Locked Bag 5022 PARRAMATTA NSW 2124

> Our Ref: 9/2019/PLP Your Ref: IRF24/1441

Dear Ms Kimbell

# REVIEW OF GATEWAY DETERMINATION - 34-46 BROOKHOLLOW AVENUE, NORWEST (9/2019/PLP)

I refer to your recent correspondence dated 1 July 2024 which requests comments on a Gateway Review Request submitted by the Proponent for the planning proposal applying to land at 34-46 Brookhollow Avenue, Norwest.

This planning proposal seeks to amend The Hills Local Environmental Plan 2019 to facilitate approximately 38,306m² of commercial gross floor area across three separate buildings ranging from 4 to 23 storeys in height and a 10 storey residential flat building comprising a maximum of 76 dwellings (9,576m² of residential gross floor area). The matter was considered by Council on 27 July 2021 and a copy of the Report and Minute are attached for information (see Attachment 1).

The Department's Gateway Determination dated 29 April 2024 determined that the proposal should proceed to exhibition subject to amendments including, but not limited to, the removal of the proposed additional permitted use for residential flat buildings on the site. The Department's Finalisation Report dated April 2024 states that the permissibility of residential uses on the site is inconsistent with local and State strategies and that the justification provided by the Proponent and Council for such an inconsistency is considered insufficient for the following reasons:

- The proposed (20%) use of the site for residential development is not considered to be a minor variation to the requirement for the entire site to be made available for commercial development.
- The circumstances of the site are not considered unique or unlikely to be replicated in the precinct, and the introduction of residential uses within this SP4 Enterprise zone could potentially create a precedent for other employment zones.
- Council's Draft Norwest Precinct Plan 2023 identifies potential residential development opportunities outside of the designated commercial area in the precinct, including in the existing R3 Medium Density Residential zones adjoining this site.

 Existing and planned residential development is, and will be, located within close proximity to urban amenities in the centre, particularly in Bella Vista and Baulkham Hills.

The Department's Notification Letter to Council dated 29 April 2024 suggests that should Council wish to encourage increased residential outcomes in Norwest, this should be considered holistically in finalising the then draft Norwest Precinct Plan.

The Proponent's Gateway Review Request objects to the condition requiring removal of the residential component and suggests that the planning proposal, as submitted for Gateway Determination (inclusive of the proposed residential component), demonstrates sufficient strategic and site-specific merit.

## (a) Status of Planning Proposal

The planning proposal was lodged on 18 March 2019. On 27 July 2021 Council resolved to forward the planning proposal to the Department for a Gateway Determination. The assessment and Council's consideration of the planning proposal preceded the completion of detailed precinct planning and infrastructure analysis for the Norwest Strategic Centre. As such, the merits of the proposed outcomes sought under the planning proposal were considered separate from the holistic planning of the precinct. This approach is consistent with all active and finalised planning proposals lodged before the exhibition of the draft Norwest Precinct Plan (now finalised and adopted).

## (b) Norwest Precinct Plan

On 9 July 2024, Council adopted the Norwest Precinct Plan (Precinct Plan). The Precinct Plan builds on the pre-existing local and State strategic planning framework and is the next step to inform potential changes to both the planning controls and infrastructure framework in a holistic manner. The Precinct Plan recognises several active planning proposals that were lodged and have been considered by Council prior to the exhibition and adoption of the Plan. With specific reference to the subject site, the Precinct Plan identifies the following:

'An active planning proposal is currently in progress for this site. In accordance with Council's resolution of 27 July 2021, the planning proposal would permit up to 76 residential dwellings on the western portion of the site, in addition to employment outcomes on the remainder of the site, subject to meeting certain criteria. The final land use outcomes will be determined through the site-specific planning proposal and in accordance with the resolved position of Council, if the planning proposal ultimately proceeds to finalisation'.

The planning proposal site is located within the Norwest Central 'Designated Employment Area' which does not generally anticipate residential uses, as consistent with the local and State strategies. Notwithstanding, the Precinct Plan acknowledges Council's resolved position to support the site-specific planning proposal for the subject site, which permits a small amount of residential development (76 dwellings) and would ultimately be determined under the planning proposal pathway. The yield calculations and associated infrastructure analysis under the Precinct Plan accounts for a limited amount of residential on this site. Should the planning proposal not proceed to finalisation, the site will likely be included within the Council-led planning proposal for this Focus Area to facilitate an employment only outcome.

Based on a holistic analysis of the Strategic Centre, the Precinct Plan identifies 3 'investigation' sites within the employment core of Norwest Central. For these 'investigation' sites the Precinct Plan flags the potential to permit a small amount of ancillary residential uses on these unique sites, contingent on achieving Council's expected employment outcomes, the residential uses being separated from and subservient to the employment outcomes, and where the proposal does not result in inappropriate built form or infrastructure outcomes. These sites have areas that are greater than 4ha. Residential uses on these sites are not an entitlement and are ultimately subject to further investigation as part of future site-specific planning proposals.

It is noted that the subject site does not meet the criteria to be an 'investigation' site. However, the site has satisfied the trigger for further detailed investigations through the site-specific planning proposal pathway (despite this preceding the finalisation of the Precinct Plan).

Given the foregoing, the merits of permitting residential uses on the subject site should continue to be considered separately under the site-specific planning proposal submitted and which Council has resolved to support.

## (c) Strategic Merits of Planning Proposal

The following comments are provided with respect to the planning proposal and the issue of land use raised in the Gateway Review Request.

The planning proposal will facilitate a primarily commercial development, with ancillary residential uses that would assist in the timely evolution of Norwest to become one of nine specialised commercial office precincts within Greater Sydney.

It is acknowledged that the proposal would permit residential uses on approximately 3,450m<sup>2</sup> of land within Norwest's designated commercial office precinct and therefore demonstrates a technical inconsistency with local and State strategies. However, it is considered that this minor departure from the strategic framework is justified for the following reasons:

- The proposal would retain an underlying zone of SP4 Enterprise across the entire site, and commercial uses would continue to be permitted across the entire site, should market demands dictate an alternate outcome to the residential component proposed.
- The proposed 38,306m² of employment floor space is an adequate contribution to meeting the employment targets established for the Strategic Centre, as identified in the local and State strategies, including the Norwest Precinct Plan.
- The site is irregular in shape, flanked by residential development on two frontages and the location of the proposed residential uses provides a logical land use transition.
- It is unlikely that these same unique circumstances could be replicated on other land within the strategic centre and as such, the proposal is unlikely to create an undesirable precedent. This includes the SP4 Enterprise zoned land along Brookhollow Avenue, which demonstrates a clear and logical distinction and separation between existing employment and residential land uses.
- Subject to the provision of an infrastructure solution that demonstrates a fair and reasonable local infrastructure contribution, it is considered that the demand for infrastructure generated by the residential development at this location can be adequately serviced. The Proponent has flagged entering into a Voluntary Planning Agreement with Council following the issue of a Gateway Determination.

## (d) Government Housing Reforms

The identification of 'investigation' sites within the Norwest Central Precinct has, in part, sought to respond to current Government housing priorities seeking to increase densities in close proximity to transit centres. Given this site has been assessed by way of a site-specific planning proposal and the opportunity for a limited amount of residential has been supported by Council, it is considered that the site presents a good opportunity to support Government housing priorities without compromising the employment focus of the Strategic Centre or setting a precedent for residential uses on other employment land.

Therefore, having regard to the relevant planning directions and priorities established within the strategic framework, it is considered on balance that permitting a small number of residential

dwellings (76 dwellings) on the subject site is a minor inconsistency and will not impact on the overall quantum of employment floor space envisaged for the site and the Norwest Strategic Centre more broadly.

Thank you for providing Council with an opportunity to comment on the Proponent's Gateway Review Request. Should you have any queries or wish to discuss this matter further, please contact Gideon Tam, Senior Town Planner on

Yours faithfully



# Brent Woodhams ACTING MANAGER - FORWARD PLANNING

Attachment 1: Council Report and Minute, 27 July 2021 Attachment 2: Gateway Determination, 30 April 2024 ITEM-4 PLANNING PROPOSAL - 34-46 BROOKHOLLOW

**AVENUE, NORWEST (9/2019/PLP)** 

THEME: Shaping Growth

**OUTCOME:** 5 Well planned and liveable neighbourhoods that meets

growth targets and maintains amenity.

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: 27 JULY 2021

COUNCIL MEETING

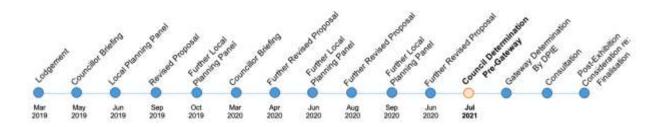
GROUP: SHIRE STRATEGY, TRANSFORMATION AND SOLUTIONS

AUTHOR: TOWN PLANNER

GIDEON TAM

RESPONSIBLE OFFICER: MANAGER – FORWARD PLANNING

**NICHOLAS CARLTON** 



## **REPORT**

STRATEGY:

This report relates to the planning proposal applicable to land at 34-46 Brookhollow Avenue, Norwest (9/2019/PLP). The matter is being reported to Council for a decision on whether or not the planning proposal should be submitted to the Department of Planning, Industry and Environment for a Gateway Determination.

### RECOMMENDATION

- The planning proposal for land at 34-46 Brookhollow Avenue, Norwest be forwarded to the Department of Planning, Industry and Environment for Gateway Determination, based on the revised concept submitted by the Proponent in June 2021 and as detailed in Section 4 of this report.
- Prior to the proposal being forwarded to the Department for Gateway Determination, the Proponent be required to submit an updated Planning Proposal Report, Urban Design Report, Overshadowing Analysis, Economic Impact Assessment, Social Impact Assessment and Transport Assessment which reflect the June 2021 revised concept which is the subject of this report.

- 3. Draft The Hills Development Control Plan 2012 Part D Section X 34-46 Brookhollow Avenue (Attachment 4) be publicly exhibited concurrently with the planning proposal.
- 4. Council proceed with discussions with the Proponent with respect to the preparation of a Voluntary Planning Agreement, with a view to securing infrastructure contributions which are, at a minimum, commensurate with those specified in Table 3 (with respect to commercial component of the development) and Table 4 (with respect to the residential component of the development) of this report.
- 5. Prior to public exhibition of the planning proposal and draft Development Control Plan, Council consider a further report on the draft Voluntary Planning Agreement.

**PROPONENT** Visy Dior Pty Ltd

OWNERS Marti's Investments Pty Ltd Acgrew Pty Ltd

Psalmsone Superfund Pct Pty Ltd Action Partners Inc
Rosario Colosimo Pty Ltd Deer Vale Pty Ltd
Tihana Pty Limited Hillsong City Care Ltd

Unit 2 38 Brookhollow Pty Ltd Mrs C E Ellis

Wesco Group Pty Ltd Mrs F Pupo

**POLITICAL DONATIONS** Yes

## 1. HISTORY

**18/03/2019** Original planning proposal lodged with Council.

19/06/2019

Original planning proposal considered by the Local Planning Panel. The Panel advised that the proposal should not proceed to Gateway Determination on the basis that it does not demonstrate adequate strategic merit, undermines the employment role of Norwest Business Park, comprises inappropriate built form and does not adequately consider impacts on local infrastructure. Following receipt of this advice, the Proponent requested that reporting of the matter to Council be deferred, pending the submission of a revised proposal.

**12/09/2019** Revised planning proposal material submitted by Proponent (2<sup>nd</sup> iteration).

16/10/2019

Revised planning proposal (2<sup>nd</sup> iteration) considered by the Local Planning Panel. The Panel advised that the proposal should not proceed to Gateway Determination on the basis that it does not demonstrate adequate strategic merit, weakens the employment function of the site, is inconsistent with zone objectives, includes overly flexible development standards and inappropriate built form and does not adequately consider impacts on local infrastructure. Following receipt of this advice, the Proponent requested that reporting of the matter to Council be deferred, pending the submission of a revised proposal.

**30/04/2020** Revised planning proposal material submitted by the Proponent (3<sup>rd</sup> iteration).

#### 17/06/2020

Revised planning proposal (3<sup>rd</sup> iteration) considered by the Local Planning Panel. The Panel advised that the proposal should not proceed to Gateway Determination on the basis that it does not demonstrate adequate strategic merit, does not include any public benefit to the community and the proposed development is inconsistent with the B7 zone objectives and the current and future character envisaged.

#### 01/07/2020

Meeting held with Proponent and Council officers to discuss the proposal and the Local Planning Panel's consistent advice that the matter should not proceed to Gateway Determination. The Proponent requested that reporting of the matter to Council be deferred, pending the submission of a revised proposal.

#### 28/08/2020

Revised planning proposal material submitted by the Proponent (4<sup>th</sup> iteration).

#### 17/09/2020

Revised planning proposal (4<sup>th</sup> iteration) considered by the Local Planning Panel. The Panel advised that the proposal should not proceed to Gateway Determination on the basis that it is inconsistent with the strategic planning framework and objectives of the B7 Business Park Zone, would weaken the future commercial viability of the site, the incentive FSR is not linked to the provision of public benefits, the proposal has failed to demonstrate how the proposed uplift will be adequately serviced by local infrastructure and the proposal would result in an inappropriate interface with adjoining residential development.

#### 03/11/2020

Meeting held with Proponent and Council officers. Council officers suggested that in response to the Panel's concerns, consideration should be given to investigating the following options:

- 1. Proposing a commercial only development outcome, consistent with the applicable strategic planning framework;
- 2. Reducing podium heights for Buildings "A" and "B" from 8 storeys to 4 and 6 storeys respectively;
- 3. Demonstrating how adjoining residential properties at 1-7 Ridgehaven Avenue could be developed and how a more appropriate development outcome could be achieved if the site was amalgamated with these adjoining residential properties to form a larger master planned mixed use development site

#### 18/12/2020

Proponent submitted additional information illustrating how potentially isolated lots adjoining the site at 1-7 Ridgehaven Avenue could be developed in isolation. The additional amendments did not make any further changes to the proposal (4<sup>th</sup> iteration) in response to the Panel's advice or Council officer feedback. The Proponent advised that no further amendments could be made to the proposal and requested that the matter be reported to Council for a decision.

### 15/06/2021

Further meeting held between Council officers and Proponent. Council officers reiterated the outstanding issues with the planning proposal (submitted in 2020) and discussed in the meeting on 3 November 2020 and

suggested a number of further amendments to the proposal for the Proponent to consider, which might effectively overcome the unresolved issues.

#### 24/06/2021

Following consideration of the issues raised by Council officers, the Proponent submitted a revised concept (5<sup>th</sup> iteration) illustrating amendments to the proposal including reduction in the overall FSR, residential yield, building height and site coverage as well as increased setbacks and future building separation between proposed residential buildings. The Proponent requested that Council Officers report this revised proposal to Council for a decision on whether the matter should proceed to Gateway Determination.

#### 2. BACKGROUND

Since the planning proposal was initially lodged in March 2019, it has been revised on five (5) occasions, with each of the first four (4) iterations of the proposal having been considered by the Local Planning Panel. Each iteration submitted by the Proponent attempts to address the concerns raised by the Panel and Council Officers. On each occasion that the matter was considered by the Panel, the advice remained that the proposal should *not* proceed to Gateway Determination. The Panel felt that the proposal does not demonstrate sufficient strategic and site specific merit. The most recent advice of the Panel (dated 18 September 2020) is provided as Attachment 2 to this report.

Notwithstanding the advice of the Local Planning Panel, the Council Officer's assessment report to the Local Planning Panel in September 2020 (Attachment 1) did step out a potential pathway for the proposal to proceed to Gateway Determination. The Council officer's report submitted that there were site-specific and logical grounds on which the inconsistency with the strategic framework could be justified, especially noting the substantial uplift proposed and the unique characteristics and location of this specific site, whereby the thinnest portion of the site adjoins existing and future residential uses on two property boundaries.

However, in making this recommendation, the Council officer's assessment report also clearly identified a number of site-specific issues with the Proposal that would need to be resolved through further work by the Proponent, if Council was supportive of the proposal and a Gateway Determination was received. Critically, these issues included the following:

- An amended development concept which gives effect to the site coverage requirements of the Precinct and demonstrates better utilisation of vacant areas at the ground plane for more consolidated, functional and usable areas with opportunity for significant and mature landscaping;
- Plans to demonstrate that the proposed base FSR would result in an acceptable urban design outcome;
- Draft amendments to DCP 2012 that address key outcomes such as building layout and siting, building height, setbacks, through site links, plaza and common spaces, site coverage, landscaped area, solar access, parking, materials and finishes and wind (the draft site-specific DCP would be reported to Council for consideration prior to public exhibition of the planning proposal);
- Further information demonstrating that the design requirements for residential flat building under SEPP 65 and Council's DCP can be achieved, despite the proposed site area for the residential component of the development being less than Council's minimum requirement of 4,000m<sup>2</sup>; and

 Infrastructure analysis and identification of an appropriate mechanism to address the increased demand for local infrastructure within the Norwest Precinct as a result of the proposed uplift.

Whilst Council officers, as at September 2020, were of the view that the range of unresolved issues *could* potentially be rectified through further work following the issue of a Gateway Determination, the Department of Planning, Industry and Environment had since commenced implementation of its Planning Reform Action Plan, which imposes stricter timeframes on the progression of planning proposals following the issue of a Gateway Determination. The impact of this is that it provides Council and Proponents with very limited ability to defer the resolution of issues until after the issue of a Gateway Determination and these matters must now form part of a planning authority's initial decision with respect to adequacy of a proposal and whether or not it should proceed to Gateway Determination.

Having regard to the above, further discussions were held between Council officers and the Proponent between September 2020 and June 2021, which culminated in the submission of a 5<sup>th</sup> iteration of the proposal in the form of a revised development concept, which is now the subject of this report.

### 3. THE SITE

The site is known as 34-46 Brookhollow Avenue, Norwest (Lot 1 DP 270106), located within the Norwest Strategic Centre adjacent to Norwest Station. It includes a number of strata titled buildings and has a total area of 16,326m². The site is generally bound by Norwest Boulevarde to the north-west, Brookhollow Avenue to the north-east and has a direct interface to low density residential areas on its southern and western boundaries as shown below.



Figure 1
Aerial view of the site and surrounding locality

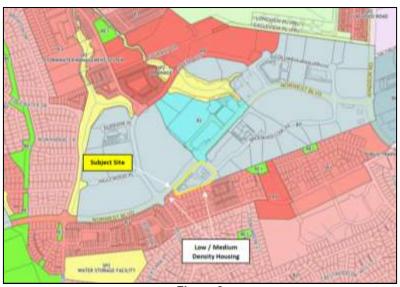


Figure 2 LEP 2019 Land Zoning Map

The site is affected by a stratum subdivision established as part of the Sydney Metro Northwest, where the rail and associated infrastructure runs beneath the site. The site, stratum lots and surrounding context are shown in the figures below.



Figure 3
Subject site showing stratum lots

#### 4. DESCRIPTION OF PLANNING PROPOSAL

The current planning proposal (5<sup>th</sup> iteration) seeks to amend LEP 2019 as detailed below.

	Current (LEP 2019)	NWRL Corridor Strategy	Hills Corridor Strategy	Current Proposal (June 2021)
Zone	B7 Business Park	No Change	No Change	No Change
Additional Permitted Uses (APU)	Nil	Nil	Nil	Residential Flat Buildings (Site A - max. GFA 9,576m²)
Max. Height	RL 116 metres (7 storeys)	8-10 storeys	10 storeys	RL112 - RL 182 metres (4 – 23 storeys)
FSR	Max. 1:1	Max. 4:1	Min. 2:1	Base: 2.4:1 Incentive: 3:1
Min. Lot Size	8,000m <sup>2</sup>	No change	No change	No change
Residential Yield	Nil	Nil	Nil	9,576m <sup>2</sup> (91 units) Equivalent to 0.6:1
Employment Yield	16,326m <sup>2</sup> (816 jobs)*	65,304m <sup>2</sup> (3,265 jobs)*	32,652m <sup>2</sup> (1,088 jobs)*	38,304m² (1,882 jobs)* Equivalent to 2.4:1
Total GFA	16,326m <sup>2</sup>	65,304m <sup>2</sup>	32,652m <sup>2</sup>	47,880m <sup>2</sup>

Table 1
Proposed amendments to LEP 2019

It is important to note that whilst the NWRL Corridor Strategy stipulates a maximum FSR, the Hills Corridor Strategy has been developed based on *minimum* commercial FSRs, intending to encourage commercial investment in the Station precincts. The proposed commercial FSR of 2.4:1 is within the FSR range established by the strategies (2:1 to 4:1) with the incentivised FSR (3:1), should it be achieved, also within this overall range.

The current proposal indicates a total gross floor area of 47,880m², with 38,304m² of this proposed to be employment floor space (approximately 1,882 jobs) comprising commercial offices, a hotel / pub, retail (neighbourhood shops and food and drink premises) and a child care centre. At least 3,880m² of the site is proposed to be public plaza space. The concept includes 9,576m² of residential gross floor area on the portion of the site which adjoins residential areas on 2 boundaries). This would facilitate a residential yield of up to 91 units which would comply with the requirements of Council's Housing Diversity Provision.

The current proposal (June 2021) is the fifth iteration of the planning proposal. An overview and comparison of each iteration of the planning proposal is shown below:

<sup>\*</sup> Based on an employment ratio assumption of 1 job per 20m<sup>2</sup> of commercial GFA, with the exception of the Hills Corridor Strategy, which used an assumption of 1 job per 30m<sup>2</sup>.

	Original Proposal (March 2019)	Revised Proposal (Sept 2019)	Revised Proposal (April 2020)	Revised Proposal (August 2020)	Current Proposal (June 2021)
Zone	B4 Mixed Use	B7 Business Park	B7 Business Park	B7 Business Park	B7 Business Park
Additional Permitted Uses	N/A	Residential Flat Buildings (max. 28,258m <sup>2</sup> GFA) and Shops (max. 1,500m <sup>2</sup> GFA)	Residential Flat Buildings (Site A only - max. 14,000m <sup>2</sup> GFA)	Residential Flat Buildings (Site A only - max. 12,407m <sup>2</sup> GFA)	Residential Flat Buildings (Site A only - max. 9,576m <sup>2</sup> GFA)
Max. Height	RL 222 (40 storeys)	RL 182 (25 storeys)	RL 112 - RL 178 (4 – 22 storeys)	RL 112 - RL 182 (4 – 23 storeys)	RL 112 - RL 182 (4 – 23 storeys)
Max. FSR	5.8:1	4.3:1	Base: 3:1 Incentive: 4.1:1	Base: 3:1 Incentive: 3.8:1	Base: 2.4:1 Incentive: 3:1
Min. Lot Size	No change	No change	No change	No change	No change
Residential Yield	52,678m <sup>2</sup> (432 units) (275 d/ha)	28,258m <sup>2</sup> (224 units) (142 d/ha)	13,966m <sup>2</sup> (107 units) (66 d/ha)	12,407m <sup>2</sup> (91 units) (56d/ha)	9,576m <sup>2</sup> (91 units) (56d/ha)
Employment Yield	40,576m <sup>2</sup> (2,029 jobs)*	40,576m <sup>2</sup> (2,029 jobs)*	50,841m <sup>2</sup> (2,543 jobs)*	48,289m² (2,415 jobs)*	38,304m <sup>2</sup> (1,882 jobs)*
Total GFA	93,254m <sup>2</sup>	68,838m <sup>2</sup>	64,807m <sup>2</sup>	60,696m <sup>2</sup>	47,880m <sup>2</sup>

Table 2
Revisions to the Proposal since lodgement in March 2019

The first four (4) iterations of the proposal have been considered by the Local Planning Panel (in June 2019, October 2019, June 2020 and September 2020) and on each occasion, the Panel has advised that the proposal should not proceed to Gateway Determination, primarily on the basis that it does not demonstrate adequate strategic merit and would, in the view of the Panel, result in an inappropriate built form outcome and interface with adjoining residential areas.

The current concept (5<sup>th</sup> iteration) seeks to meaningfully address the issues raised by the Local Planning Panel and Council officers through the assessment process (spanning from 2019 to June 2021) and demonstrates a significant and positive shift in the proposed built form, building heights and site layout.

For comparison purposes, the proposed site layout and building heights proposed in the August 2020 ( $4^{th}$  iteration) and current (June  $2021-5^{th}$  iteration) proposals are shown in Figures 4 and 5 below. Figure 6 shows the change in the proposed heights of buildings on the site between the August 2020 ( $4^{th}$  iteration) and current (June 2021  $-5^{th}$  iteration) proposals, with the yellow outline indicating the revised building heights subject of the current proposal.

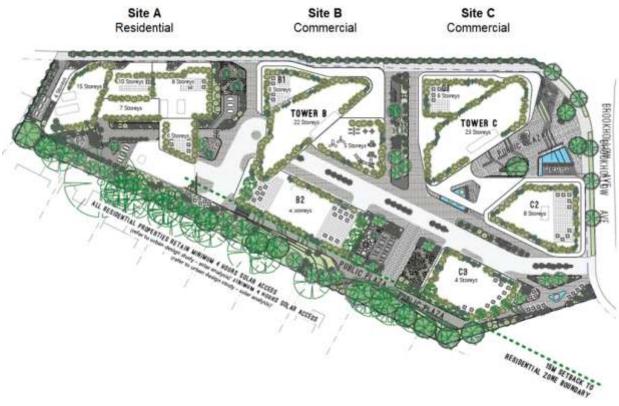


Figure 4
Previous Concept (4<sup>th</sup> Iteration) Ground Floor Plan and Building Heights (August 2020)



Current Concept (5<sup>th</sup> Iteration) Ground Floor Plan and Building Heights (June 2021)



Perspective as viewed from Norwest Marketown (August 2020 concept photomontage with current concept outlined in yellow)

The key changes to the proposal between the August 2020 ( $4^{th}$  iteration) and current (June 2021 –  $5^{th}$  iteration) versions can be summarised as follows:

- Reduced overall incentivised FSR across the site from 3.8:1 to 3:1;
- Reduced commercial GFA from 48,289m<sup>2</sup> to 38,304m<sup>2</sup>;
- Reduced residential GFA from 12,407m<sup>2</sup> to 9,576m<sup>2</sup> (maintaining overall yield of 91 units):
- Reduction in height of commercial Tower B from 22 storeys to 16 storeys;
- Reduction in height of residential Tower A from 15 storeys to 10 storeys;
- Reduction in height of residential podium (Site A) from 8 storeys to 6 storeys;
- Increased front residential setback (to Norwest Boulevard);
- Increase side and rear setbacks for the proposed residential building;
- Consolidate basement parking area to enable removal of access road through the site;
- Reduced site coverage and increased areas of landscaping and pedestrian plaza areas.

Despite the reduced residential GFA of 2,831m<sup>2</sup> in the fifth iteration of the planning proposal, the Proponent's revised concept retains the same dwelling yield of 91 residential units. The Proponent's previous proposals sought substantially more residential GFA than would have been necessary to deliver 91 units and this correction, in part, explains the reduction in GFA without any loss of residential yield. In addition, the Proponent has reduced the number of 2 to 3 bedroom dwellings proposed, which was provided in excess of Council's housing mix and diversity requirements.

The reduction in building footprint and heights on Site A (residential component) to facilitate an improved built form outcome is *not* at the cost of an appropriate outcome in terms of the mix and diversity of the dwellings. Specifically, the proposal would maintain full compliance with Council's housing mix and diversity requirements under Clause The Hills LEP 2019 and

the proposed inclusion of 5% of affordable rental housing for key-workers (5 units), as submitted by the Proponent, would not be precluded.

The planning proposal includes further provisions which seek to ensure delivery of the proposed concept. These are:

#### 1. Local Provision

A new site specific local clause is proposed to clarify the intended outcomes on the site and permit the achievement of the higher incentivised FSR of 3:1, where certain key site development outcomes are achieved. The draft clause is provided below:

7.XX Development at 34-46 Brookhollow Avenue Norwest

This clause applies to land at 34-46 Brookhollow Avenue, Norwest, that is identified as 'Area X' on the key sites map.

Despite clause 4.4, the consent authority may consent to development on land to which this clause applies with a floor space ratio that does not exceed the floor space ratio identified on the Floor Space Ratio Incentive Map, if the consent authority is satisfied that:

- a) the entire area of land identified as 'Area X' on the key sites map is the subject of a development application;
- b) a minimum of 38,304m<sup>2</sup> of gross floor area for employment purposes is included in the development;
- c) a public plaza on ground level with a minimum area of 3,880m<sup>2</sup> is included in the development;
- d) the mix and size of dwellings and number of car parking spaces for dwellings complies with the standards in clause 7.11(3); and
- e) a competitive design process involving at least three registered architects has been carried out in the preparation of the development application.

## 2. Additional Permitted Use Clause

It is proposed that the existing B7 Business Park zoning applicable to the site would be retained, in its entirety, with an additional permitted use clause inserted into Schedule 1 of Council's LEP, which permits residential flat buildings on a portion of the site. The draft clause is provided below:

Use of certain land at 34-46 Brookhollow Avenue. Norwest

- (1) This clause applies to part of the land at 34-46 Brookhollow Avenue, Norwest, being part of Lot 1 in DP 270106 shown as "Item XX" on the Additional Permitted Uses Map.
- (2) Development for the purposes of a residential flat building is permitted with consent, but only if:
  - (a) the total GFA of residential components does not exceed 9,576m<sup>2</sup>;
  - (b) the total residential yield does not exceed 91 dwellings;
  - (c) the development complies with the requirements in clause 7.XX (refer to site specific local provision); and
  - (d) 5% of the total number of dwellings are provided as affordable rental housing for key-workers for a period of ten years.

It is noted that sub-clause (d), which requires 5% of the total number of dwellings (approximately 5 units) to be provided as affordable rental housing for key-workers has been put forward by the Proponent as an important part of their proposed development outcome in responding to the demand for diverse housing stock and tenure. If Council resolves to forward the planning proposal to Gateway Determination, further consideration would be required with respect to the mechanics and implementation of this requirement.

The proposed Additional Permitted Use for residential flat buildings would apply only to Site A. It would allow Council to 'cap' the maximum number of dwellings and ensure the conditions of the local provision were also met in order for residential flat buildings to be permitted on the land.

To provide further clarity and assurance that the design and development outcomes proposed under the current revised concept are delivered, should Council resolve that the planning proposal proceed to Gateway Determination, it is recommended that a site specific Development Control Plan also be publicly exhibited concurrently with the planning proposal. A draft DCP has been prepared and is provided as Attachment 4 to this report. The Draft DCP includes controls with respect to key development criteria such as:

- Land use distribution;
- Building heights and site layout;
- Design and built form;
- Site coverage and landscaping;
- Active frontages and public domain;
- Solar access and overshadowing; and
- Traffic, parking and access.

It is important to note that the planning proposal has been with Council for assessment since March 2019 and has undergone five (5) iterations to date. While minimal supporting information has been submitted in relation to the current (5<sup>th</sup> iteration), the revised concept as well as the body of supporting studies completed with respect to the previous iterations is considered sufficient to enable the Council to make a decision on whether or not the planning proposal should proceed to Gateway Determination. However, should Council resolve to forward the planning proposal to Gateway Determination, the Proponent would be required to submit the full suite of amended documentation material which reflects the revised proposal in order to meet the technical requirements needed for submission of the planning proposal to the Department of Planning, Industry and Environment for Gateway Assessment.

## 5. MATTERS FOR CONSIDERATION

A summary and discussion of the key technical considerations associated with the current proposal submitted by the Proponent (June  $2021 - 5^{th}$  iteration) is provided below. The assessment has regard to and draws on the previous technical assessment of the fourth iteration of the planning proposal (August 2020) which is contained in the Council Officer's Assessment Report to the Local Planning Panel (Attachment 1 to this report) as well as the Panel's most recent advice (Attachment 2 to this report).

**Key Consideration** Comment Strategic Context The proposal generally achieves the employment targets identified under the relevant strategic framework including the Greater Sydney Region Plan, Central City District Plan, North West Rail Link Corridor Strategy, The Hills Corridor Strategy and Local Strategic Planning Statement Under the Region Plan, the site is within the designated "Commercial" Office Precinct" of Norwest and is envisaged to accommodate standalone office buildings. The NWRL Corridor Strategy and Hills Corridor Strategy anticipate a commercial outcome on this land with a height of up to 10 storeys and a density of 4:1 (2,600 jobs) and 2:1 (1,100 jobs) respectively. It is important to note that whilst the NWRL Corridor Strategy stipulated a maximum FSR, the Hills Corridor Strategy was developed based on *minimum* commercial FSRs, intending to encourage commercial investment in the Station precincts. With this in mind, the proposed commercial FSR of 2.4:1 is within the range of density envisaged under both corridor strategies. Noting that the Hills Corridor Strategy identifies a minimum commercial floor space ratio of 2:1, the proposed development would achieve a greater employment yield than the minimum anticipated under Council's Strategy. Having regard to the NWRL Corridor Strategy, the Hills Corridor Strategy and the proximity of the site to the station, the proposed commercial FSR of 2.4:1 is not an unreasonable density for this site. pending the ability to accommodate the yield within a suitable built form and urban design outcome (site specific and built form considerations are discussed further within the "Built Form, Scale and Urban Design" section of this table). For reference, Council has recently supported a planning proposal for the adjoining Norwest Station site, which proposes to map an FSR range of 4.1:1 to 6.5:1 on the developable portions of the site, to achieve an effective FSR of 3.1:1 (when the entire station site is viewed in its totality). While Council's decision concerning the Norwest Station site sets no formal precedent, the proposed maximum commercial FSR of 2.4:1 on the subject site would broadly be in keeping with the high density character that is being established on, and directly adjoining, the station site. The identification of marginally lower FSRs on the subject site would be appropriate in order to provide transition in built form as distance from the station increases and an appropriate interface with adjoining residential areas. The proposal seeks to protect and retain the majority of the site (80%) - Sites B and C) for employment uses, with the potential to accommodate over 38,304m<sup>2</sup> of commercial floor space (1,882 jobs), which will assist Norwest in achieving its role, function and targets under the relevant strategic plans.

**Key Consideration** Comment Notwithstanding the employment outcomes proposed, the proposal would permit a residential use on approximately 3,450m<sup>2</sup> of land within Norwest's designated commercial office precinct (Site A). The proposed residential use would have an FSR equivalent to 0.6:1, taking the total FSR of the proposed development to 3:1. As a result of the proposed residential use, the proposal is technically inconsistent with the applicable strategic framework, which promotes the protection and retention of employment lands. As detailed within the Council Officer's report to the Local Planning Panel (Attachment 1), there are site-specific and logical grounds on which a minor departure from the strategic framework may be justified in this specific instance, if all other site specific issues can be resolved. Namely, the subject site is bound by residential development on two frontages. The identified location for a small amount of residential development offers a logical transition, in that it is proposed within a small and thin 'wedge' of the site which is already effectively 'wrapped' by residential uses. The adjoining residential area is currently low density in character, however this land is identified as 3-6 storey residential flat buildings, with a density of 96 dwellings per hectare under the strategic planning framework (Figure 7). Railway Station Rail Comidor Heritage Items Open Space Norwest Lake 240 Dwellings per ha, Employment FSR 0.63:1 240 Dwellings per ha, Employment FSR 2.5-1 216 Dwellings per ha 168 Dwellings per ha-96 Dwellings per ha Employment FSR 4.5-1 Employment FSR 2.5.1 Employment FSR 2:1 Employment FSR 1.5:1 The Site Figure 7 Excerpt from Hills Corridor Strategy – Norwest Desired Outcomes The proposal would limit residential uses to this small portion (20%) of the site only (which already adjoins residential land uses on two frontages) and protect and retain the majority of the site (80%) for employment outcomes both now and in the future. As the proposal would retain an underlying zoning of B7 Business Park across the entire site, commercial uses would continue to be permitted across the entire site, should market demands dictate an alternate outcome to the residential component proposed.

Key Consideration	Comment
	Council Officers had submitted to the Local Planning Panel that the proposal represented a unique circumstance whereby an appropriate transition of land uses could be facilitated between the Station Site and existing residential areas which adjoin the site on two frontages, whilst still protecting the integrity and function of the core employment lands within the Norwest Business Park and enabling significant employment uplift in line with the strategic planning framework.
	As detailed within the Local Planning Panel's advice, the Panel did not agree with the Council officers' position and were of the view that the inconsistencies of the proposal with the relevant strategic framework could not be adequately justified or overcome.
	It remains the view of Council officers that the inconsistency of the proposal with the strategic framework (as a result of permitting 91 dwellings on a small portion of this site) have been adequately justified in the specific circumstances of this site. Further, it is unlikely that these same unique circumstances could be replicated on other land within the Business Park and as such, the proposal is unlikely to create an undesirable precedent. Given this, it is considered that the proposal has sufficient strategic merit to warrant forwarding to the Department of Planning, Industry and Environment for Gateway Assessment.
Built Form, Scale and Urban Design	The Norwest Precinct is an area that will undergo significant change over the coming years. While the residential land adjoining the site is identified as having potential for higher density development in the future, it is important that development controls have regard to both the transitional and long-term nature of redevelopment, and the existing low density residential outcomes and amenity in this locality which may or may not redevelop. In this regard, the Hills Future LSPS includes an action to complete precinct planning for the Norwest Strategic Centre, which would provide the ability to plan holistically for the desired future outcomes on both this site and the surrounding sites.
	The site adjoins the Norwest Station site, for which Council has recently supported a planning proposal to facilitate commercial development with a building height of 11 to 25 storeys and a mapped FSR ranging from 4.1:1 to 6.5:1 (however it should be noted that when the FSR is calculated including the entirety of the station site and developable land the average FSR is 3.1:1).
	In this context, the subject site will serve an important role in accommodating a transition in height between the tallest towers on the adjoining Station Site and the interface with existing low density residential, which is located on the southern and western boundary of the subject site.

Key Consideration Comment

The Local Planning Panel raised consistent concern regarding the proposed development's interface with this adjoining residential land, which is zoned R3 Medium Density Residential but currently developed as a low density outcome. In particular, the Panel was of the view that the proposed development does not adequately address the existing or desired future character of these dwellings (as shown in Figure 8). The Panel ultimately advised that the proposal did not achieve appropriate transition beyond the boundaries of the site, in the context of the broader Norwest locality and concluded that the overall bulk and scale of the development did not adequately respond to visual amenity impacts on adjoining properties.



Figure 8
Built form interface with subject site and adjoining low density residential dwellings (August 2020 – 4<sup>th</sup> Iteration)

In comparison to the August 2020 (4<sup>th</sup> iteration) version of the proposal, the current revised concept submitted in June 2021, demonstrates a more appropriate built form outcome that better addresses the site's southern interface by minimising visual amenity, overshadowing and privacy impacts on adjoining low-rise residential properties.

In comparison to the previous iterations of the planning proposal, the current design concept sympathises with the existing and future character envisaged for adjoining residential properties by facilitating the following built form outcomes:

- Reduced and stepped commercial building heights of 23, 16, 8 and 4 storeys;
- Reduced residential building heights from 15 storeys to 10 and 6 storeys; and
- Increased front, side and rear setbacks for the proposed residential building to 10m and 12m, respectively.

Reduced tower and podium heights have minimised the visual bulk of the development whilst maintaining slender towers, which maximise opportunities for solar access to the site and adjoining development. **Key Consideration** Comment The heights within the amended concept also have greater regard to the need to accommodate a transition in height between the highest towers in the Precinct on the Norwest Station site to the interface with the adjoining low-medium density residential properties (with a potential future character of up to 6 storeys). The reduction in the footprint of the proposed residential building and allowance for proper setback distances and building separation will also greatly mitigate the potential visual and amenity impacts to adjoining residential land. Norwest is currently characterised by campus style office developments with large setbacks and low site coverage, with extensive areas of the ground plane occupied by landscaping and above-ground parking areas. This contributes to an open, spacious and 'green' character which is currently enjoyed by residents and workers. As Norwest evolves into a higher density urban and strategic centre, it is important that key character elements be retained in order to create a great and desirable place for workers and business growth and investment. A key component of this will be continued limitation of bulky building footprints to ensure future development provides significant and mature landscaping, common and public open spaces and ample areas of pedestrian access and movement. The precinct planning for Norwest will establish these parameters for all sites within the strategic centre. In comparison to the previous iterations of the planning proposal the current scheme demonstrates a substantial reduction in site coverage and subsequent increase in landscaped areas to maintain the envisaged character of Norwest. Specifically, the concept illustrates the extent of the building footprints being limited to site coverage of less than 50% (including more than 18% landscaping) with an intention to provide at least 3,880m<sup>2</sup> of public plaza space. Revisions to the building footprint and consolidation of the basement car parking areas has enabled removal of the proposed access road from the site, with one single access point proposed at the eastern end of the site). This has in turn allowed for outcomes on the ground plane centre around pedestrian amenity, activity and permeability, including extension of the central public plaza, increased amenity and useability of common open spaces and enhanced permeability of the site. It is recommended that the revised scheme demonstrates more than 3.880m2 of public plaza space and if supported for progression to Gateway Assessment, any revised planning proposal material should confirm the increased size of the public plaza space and reflect this within the proposed local provision (which currently stipulates a minimum of 3,880m<sup>2</sup>).

## **ORDINARY MEETING OF COUNCIL**

Key Consideration	Comment	
·	It is noted that Site A has an area of approximately 3,450m², which is below Council's minimum lot size for residential flat buildings (4,000m²). However, given Site A forms part of the larger master-planned site, outcomes would be considered holistically as part of any future Development Application. It is noted that the requirement for a single development application dealing with outcomes holistically across the site is listed as a requirement in the proposed local provision in order to achieve the incentivised FSR and trigger the permissibility of residential uses.	
Heritage View Corridor	The subject site is not located within any identified view corridors to or from Bella Vista Farm Park. The proposal is unlikely to detrimentally impact on view corridors to and from Bella Vista Farm however consultation with the relevant State Government Agencies may be required as a condition of any Gateway Determination issued.	
Proposed Planning Mechanism	Height of Buildings: The planning proposal seeks to apply varied height limits across the site to ensure future development reflects the respective development concept submitted. Should Council resolve to forward the planning proposal to Gateway Determination, the Proponent will be required to amend the proposed building heights in accordance with the current design concept submitted.	
	Floor Space Ratio: The proposal seeks enable a maximum floor space ratio of 3:1 across the site and rely on the maximum building height controls to guide the distribution of floor space.	
	However, the establishment of a 'base' and 'incentive' FSR approach will give greater certainty that the maximum development potential (and any residential development potential) on the site can only be achieved if key planning requirements are delivered.	
	Specifically, the proposed total FSR of 3:1 (the 'incentivised' FSR) would only be achievable if a minimum commercial FSR of 2.4:1 (the 'base' FSR) is delivered as part of a single development application for the site. Under this mechanism, the 'incentive' bonus of 0.6:1 of would represent the residential yield that could be achieved on Site A. If Council is supportive of the planning proposal outcome, this mechanism is considered to be the most appropriate way to provide this certainty.	
	Local Provision: The proposal seeks to apply a local provision which details requirements that must be satisfied in order to achieve the higher incentive' FSR. These outcomes are as follows:	
	<ul> <li>The entire site is subject to a single development application;</li> <li>The provision of at least 38,304m² GFA of employment uses;</li> <li>Provision of at least 3,880m² public plaza space;</li> </ul>	

Key Consideration	Comment	
	Compliance with Council's Housing Diversity Provision (Clause)	
	7.11 of LEP 2019); and	
	<ul> <li>Future development application to be subject to a compet</li> </ul>	
	design process.	
	The above requirements will secure some of the key benefits cited the Proponent within their proposal, including the undertaking of holistic design process, achieving a minimum employment GF identifying the minimum provision of public domain areas, compliant with housing diversity and ensuring high quality design outcome Despite the requirement for a competitive design process (which was stipulated by the Proponent) any future development application exceeding 25 metres (approximately 6-7 storeys) would also be referred to Council's Design Excellence Panel.	
	As detailed earlier within this report, the Proponent's revised concept depicts an increase in the size of the public plaza space which has not yet been quantified. Should Council resolve to progress the matter to Gateway Determination, the revised planning proposal material that the Proponent would be required to submit should confirm the increased size of the public plaza space and this quantum should be reflected accordingly in the local provision clause prior to submitting the planning proposal to DPIE for Gateway Assessment.	
	Additional Permitted Use: An Additional Permitted Use (APU) clause is considered to be the most appropriate planning mechanism to allow some residential development on a portion of the site, given the unique site-specific circumstances of this proposal.	
	This approach will allow the B7 Business Park zone to be retained across the entirety of the site, ensuring that the zone objectives continue to reflect the primary strategic intent for this land. It would also ensure that employment uses remain permitted on the entire site and a future developer would have flexibility to respond to market forces.	
	It is recommended that an APU be applied to 'Site A' only (where residential uses have been identified in the Proponent's concept) and that the permissibility of residential uses also be tied to the maximum floor space proposed and the delivery of the key site outcomes to be specified in the proposed local provision. This will provide certainty that residential uses will only be delivered on the small portion of the site which has been identified as suitable for this purpose, and only where other key planning outcomes committed to by the Proponent are also delivered.	
Traffic and Parking	<u>Traffic:</u> Concurrent with the Norwest Precinct Planning, along with TfNSW, Council has commissioned the preparation of detailed traffic and transport modelling for Norwest Station Precinct as well as the Bella	

**Key Consideration** Comment Vista and Castle Hill Station Precincts. This modelling will assess the capacity of the road network and upgrades required to support strategically identified uplift with a key consideration being the extent of mode shift that is likely within the precinct. Council has been advised that the relevant results of the study and modelling will now not be available until the end of 2021. The Proponent's most recent Transport Assessment indicates the proposal would result in approximately 300 additional vehicle trips during the AM and PM peak period. This represents a significant increase to existing generation form the site which is currently 104 and 88 vehicle trips during the AM and PM peak periods. Should Council support the planning proposal, the Proponent would be required to submit a revised Transport Assessment which will reflect the resulting reduction in traffic generation due to the reduced commercial and residential yield sought under the current design concept. It is noted that the proposal precedes the completion of the more detailed planning investigations for the site and broader precinct, including the regional traffic modelling. In the absence of this detailed traffic modelling for Norwest Precinct, a holistic assessment of the traffic impacts associated with this individual proposal in the context of the future Precinct cannot be completed at this time. Therefore, the planning proposal is unable to demonstrate how the cumulative demand on traffic facilities would be addressed. However, Council officers appreciate the level of modelling required is subject to the broader traffic study for which the Proponent is not responsible. As such, it is considered that the proposal demonstrates sufficient strategic and site specific merit to proceed to Gateway Determination ahead of the completion of traffic modelling. Should Council resolve that the planning proposal proceed to Gateway Determination it should be conditioned as to require the Proponent to appropriately address this issue by contributing to local and regional traffic infrastructure. Ultimately, the ability to finalise any planning proposal for this site would be contingent on the views of Transport for NSW, the completion of the precinct-wide traffic modelling and the establishment of an appropriate contributions mechanism to secure a reasonable contribution toward future local and regional road infrastructure. It is anticipated that the outcomes of the regional traffic modelling will be known to Council before the point in time where Council will be required to make a decision as to whether or not to finalise this planning proposal. Commercial and Retail Parking: Council's current DCP applies a parking rate of 1 space per 25m<sup>2</sup> of commercial GFA to the Norwest Business Park. This rate has not yet

been reviewed to account for the completion of the Sydney Metro

**Key Consideration** Comment Northwest, or associated modal shift. If the site was developed to its maximum potential under the current controls (1:1), utilising Council's existing parking rate, it is expected that approximately 650 parking spaces would be provided on site. The planning proposal, in acknowledgement of the site's proximity to the recently opened Sydney Metro Northwest, seeks to utilise a rate of 1 space per 80m<sup>2</sup> of commercial GFA and 1 space per 50m<sup>2</sup> of retail GFA. A review of other strategic centres and the reduced parking rates adopted by Council for other recent planning proposals in Norwest indicates that there is merit in considering a reduced parking rate for commercial and retail development, in recognition of the proximity to Norwest Station and the subsequent mode shift that is likely to occur. Specifically, lower parking rates have been supported by Council for two other recent planning proposals in the vicinity of this site includina: Norwest Station Site (6/2019/PLP): Commercial: 1 space per 60m<sup>2</sup> Retail: 1 space per 100m<sup>2</sup> 2-4 Burbank Place (18/2018/PLP): Commercial: 1 space per 60m<sup>2</sup> The application of a reduced car parking rate can enable a significant increase in employment capacity in a strategically-located destination site, without a commensurate increase in the number of parking spaces and associated traffic generated by a development. This is an important consideration given the limited capacity of the traffic network in and around the Norwest Precinct, which may be a key constraint to achieving employment uplift within the Norwest Precinct. As regional traffic modelling and precinct planning for Norwest progresses, Council will be provided with further opportunity to consider the balance between permitting a greater extent of commercial uplift (with reduced parking rates, lower traffic generation and reduced construction costs) or more limited commercial uplift (with higher parking rates, higher traffic generation and higher construction costs). At this time, it is considered that a reduced commercial parking rate of 1 space per 60m<sup>2</sup> is appropriate for the site, having regard to the site's proximity to the Metro Station. This would be consistent with the reduced rates supported by Council on the Station Site and at 2-4 Burbank Place. The supporting draft DCP would give effect to this rate and would also establish a retail parking rate of 1 space per 100m<sup>2</sup>, consistent with the Norwest Station Site. Should Council resolve to progress the planning proposal and draft DCP, there will be opportunity for Council to further consider and

Key Consideration	Comment
	amend the proposed parking rates to be in accordance with the outcomes of regional traffic modelling of Norwest, at the post exhibition stage.
	Residential Parking:  The Proponent's most recent iteration of the planning proposal submits the provision of 132 car parking spaces for Site A, with 114 spaces provided for residents and 18 for visitors. The rate of residential parking proposed is presents a marginal increase from the maximum rate of provision stipulated within Council's housing mx and diversity provision under The Hills LEP 2019 of 1 space per dwelling plus 1 visitor space for every 5 dwellings. Ultimately, should the planning proposal progress, it would be a requirement that future development comply with the requirement of Council's housing mix and diversity provision, including the specified parking rates. This would be an appropriate provision of parking for residential development on the site.
Local Infrastructure Contribution and Voluntary Planning Agreement	Currently, development in Norwest is subject to Council's shire-wide Section 7.12 Plan, which levies at a rate of 1% of the cost of development and caters for minor incremental development under the traditional 1:1 FSR which applies to the majority of Norwest. The existing Section 7.12 Plan does not plan or cater for the extent of uplift envisaged through the strategic framework or the outcomes proposed through the planning proposal.
	The precinct planning for the broader Norwest Strategic Centre will include more detailed infrastructure investigations culminating in a new contributions plan for the area which sets the appropriate development contribution rate/levy.
	Accordingly, levying contributions for the proposed development on the site under the existing framework is not considered a fair or reasonable solution to infrastructure demand, given that the uplift sought under the planning proposal was not anticipated under the current 7.12 Plan.
	The commercial uplift on the subject site would contribute to the cumulative demand for new local infrastructure within the Norwest Precinct, including but not limited to traffic upgrades, public domain works and pedestrian connectivity throughout the business park.
	While the residential development, in and of itself, will not generate the demand for any entirely new facilities, it would proportionately contribute to cumulative demand on the surrounding road network, the need for public domain improvement works and pedestrian connectivity throughout the Business Park, community facilities and passive and active open space.
	The proposal has not clearly addressed the local infrastructure needed to support the growing strategic centre, however, the Proponent has stated their intention to enter into negotiations with

## **Key Consideration** Comment

Council for the preparation of a Voluntary Planning Agreement, should the proposal progress to Gateway Determination.

A VPA offer has not been submitted to Council at this time and as such, the matter of local infrastructure and an associated contributions mechanism remains unresolved. Accordingly, should Council resolve to forward the planning proposal to Gateway Determination, the following preliminary infrastructure analysis is provided to guide negotiations with respect to the Proponent's draft Voluntary Planning Agreement offer.

Infrastructure Analysis (Station Precincts)

It is acknowledged that beyond the provision of a publicly accessible plaza space (which in part, is already required as part of the normal course of development on the site), there is limited ability for the Developer to provide public benefits or local infrastructure solutions on the subject site. As such, it is likely that the contributions mechanism for this particular site would involve monetary contributions to Council, which Council can then pool with other contributions and expend on new infrastructure servicing development within the Precinct.

As the planning proposal seeks to progress in advance of detailed infrastructure analysis and precinct planning, the full extent and cost of infrastructure upgrades required to support development within the broader Norwest Strategic Centre is unknown. Preliminary analysis of likely infrastructure needs has informed the negotiation of a number of VPAs for commercial development within the Norwest locality and these contribution rates are provided in the table below.

Example	Local Contribution	Regional Contribution	Total Contribution (as % of Devt. Cost)
8 Solent Circuit, Norwest (Executed)	3% of development cost (2% monetary contribution + 1% for traffic works to be completed by the Developer).	0%	3%
25-31 Brookhollow Avenue, Norwest (Accepted in principle)	3% of development cost (2.5% monetary contribution + 0.5% for public plaza embellishment and traffic works)	0%	3%
Circa Commercial Precinct VPA (Accepted in principle)	2.7% (2.1% monetary contribution + 0.6% for dedication of land for a new local park)	0.5%	3.2%
2-4 Burbank	<b>3%</b> (3% monetary	TBC	≥ 3%

**Key Consideration** Comment Place. contribution) Norwest (Accepted in principle) 14-16 (3% **TBC** ≥ 3% monetarv Brookhollow contribution) Avenue, Norwest considered by Council) Table 3 Comparison of VPAs for commercial-only development A comparison of monetary contribution rates accepted by Council through VPAs relating to high density residential developments within the Sydney Metro Northwest Corridor is provided below. Site **Total Value** No. Dwellings \$/dwelling 134 98 Fairway Drive, Kellyville \$5.1m \$38,000/dw \$7.8m 300 7 Maitland Place, Norwest \$26,000/dw Lot 5 Commercial Road, \$8.25m 300 \$27.500/dw Rouse Hill Cecil and Roger Ave, \$15.5m 460 \$33,800/dw Castle Hill \$5.38m 262 \$20,500/dw Mackillop Drive, Norwest Table 4 Comparison of VPAs for high density residential development The above VPAs provide an indication of the level of contributions associated with other developments which seek to quantify the likely cost to Council in addressing the infrastructure demands generated by rezoning uplift. Should the planning proposal progress to Gateway Determination in any form, it is recommended that Council officers enter into negotiations with the Proponent for the preparation of a draft Voluntary Planning Agreement, with a view to securing contributions which are, at a minimum, commensurate with those specified in Table 3 (with respect to commercial component of the development) and Table 4 (with respect to the residential component of the development).

#### **OPTIONS**

Having regard to the technical assessment of the key strategic and site specific issues, the following options are presented for Council's consideration.

#### - Option 1: Proceed to Gateway Determination

In recognition of the substantial employment uplift proposed, the unique circumstances of the site and the significant improvements to the built form outcomes demonstrated within the current (5<sup>th</sup> iteration) version of the proposal which overcome many of the previously identified site-specific issues, it is the view of Council officers that the proposal has

demonstrated adequate strategic and site specific merit to warrant progression to Gateway Determination.

Forwarding the planning proposal to Gateway Determination would recognise that the proposal would facilitate the delivery of commercial yield, beyond what is envisaged under the strategic framework, immediately adjacent to Norwest Station and encourage commercial investment in the broader Norwest Strategic Centre. It would represent a view that the minor departure from the strategic framework (by permitting 91 dwellings) has been adequately justified in this specific instance, given the majority of the site will be protected and retained for substantial employment uplift and the portion of the site subject to the proposed Additional Permitted Use is small, thin wedge directly adjoin residential development on two boundaries.

Should Council resolve to forward the proposal to the Department for Gateway Determination, the Proponent would first be required to submit a revised package of material and updated reports and technical studies in support of the planning proposal, which reflect the current revised scheme (June 2021 - 5<sup>th</sup> iteration), in order for Council officers to have sufficient information to meet the information and technical requirements for submitting a proposal for Gateway Determination.

## - Option 2: Not Proceed to Gateway Determination

Council may form the view that the planning proposal should *not* proceed to Gateway Determination, on the basis that the proposal is seeking to achieve uplift on a single parcel of land in advance of the completion of precinct planning for the broader Norwest Precinct and that the site-specific planning proposal process does not provide the ability to establish a more holistic and master planned solution for how this site could develop as part of a vision for the broader area (in particular, adjoining residential land).

As detailed above, it is the view of Council officers that the planning proposal, in its current form, has sufficient strategic and site specific merit to warrant progression to Gateway Determination. However, notwithstanding the work completed on the proposal to date, it nonetheless remains accurate to assert that planning for the extent of uplift sought by the Proponent would be more appropriately completed as part of the precinct planning for the broader Norwest Strategic Centre, rather than in isolation as a site-specific planning proposal, and that precinct planning would likely offer the opportunity to secure superior outcomes on the site in comparison to those depicted in the planning proposal.

In accordance with Council's adopted Local Strategic Planning Statement, precinct planning for Norwest Strategic Centre is currently underway and will progress during the course of 2021, however does remain dependant on the regional traffic which has again been delayed as a result of the COVID-19 pandemic.

Through this precinct planning work, there will be opportunity to consider redevelopment of this site (along with adjoining land) more holistically and ensure that residential properties to the south and west could feasibly redevelop and with minimal amenity impacts. Precinct planning will clarify the desired built form and land use outcomes across the strategic centre, include guidance on building height transition in the context of the broader locality and potentially identify key sites where amalgamation should be pursued to promote improved development, through-site linkages and permeability (for example between Barina Downs Road and Brookhollow Avenue) and urban design outcomes and avoid unreasonable amenity impacts and site isolation.

The precinct planning will also factor in the outcomes of regional traffic modelling work which is currently underway and detailed infrastructure analysis culminating in the preparation of a new contributions plan. This would mean that Council would have greater certainty with respect to the cumulative development uplift that can be accommodated within Norwest (having regard to local and reginal infrastructure capacity), the infrastructure upgrades necessary to support growth and the value of contributions that Council will be required to levy from new development in order to deliver these works and upgrades.

Given the above, and notwithstanding the recommendation of Council officers, it would be entirely reasonable for the Council to conclude that determination of outcomes for this site should be part of the precinct planning and resolve that the proposal should not proceed to Gateway Determination. A formal decision by Council to not proceed would provide certainty with respect to the application and would enable the Proponent to consider their options in terms of next steps and potential appeal pathways (rezoning review request).

While the avenue of precinct planning warrants consideration by Council, it should be further noted that Council has previously supported the progression of other planning proposals within the Norwest Strategic Centre to Gateway Determination ahead of precinct planning, including Norwest Station Site (6/2019/PLP), 2-4 Burbank Place (18/2018/PLP) and 8 Solent Circuit (11/2018/PLP), which all broadly align with the strategic planning framework in a similar manner as the subject application.

### **IMPACTS**

#### **Financial**

This matter has no direct financial impact upon Council's adopted budget or forward estimates. However, should Council resolve to proceed with the planning proposal, a mechanism to secure development contributions towards new local infrastructure upgrades will need to be established to ensure there is no shortfall in funding for critical infrastructure required to service future development on the site and within Norwest Precinct more broadly.

## Strategic Plan - Hills Future

Whilst the planning proposal would technically be inconsistent with the strategic planning framework, on balance and under a revised scheme, it will contribute significantly to employment growth within a strategic centre which benefits direct access to Norwest Station in a superior built form outcome. Given the unique location of this specific site, the provision of a small amount of supporting residential development will assist in a logical transition in uses between the commercial core of the business park and adjoining residential land which abuts two boundaries of the site.

## **RECOMMENDATION**

- The planning proposal for land at 34-46 Brookhollow Avenue, Norwest be forwarded to the Department of Planning, Industry and Environment for Gateway Determination, based on the revised concept submitted by the Proponent in June 2021 and as detailed in Section 4 of this report.
- 2. Prior to the proposal being forwarded to the Department for Gateway Determination, the Proponent be required to submit an updated Planning Proposal Report, Urban Design Report, Overshadowing Analysis, Economic Impact Assessment, Social Impact Assessment and Transport Assessment which reflect the June 2021 revised concept which is the subject of this report.

- 3. Draft The Hills Development Control Plan 2012 Part D Section X 34-46 Brookhollow Avenue (Attachment 4) be publicly exhibited concurrently with the planning proposal.
- 4. Council proceed with discussions with the Proponent with respect to the preparation of a Voluntary Planning Agreement, with a view to securing infrastructure contributions which are, at a minimum, commensurate with those specified in Table 3 (with respect to commercial component of the development) and Table 4 (with respect to the residential component of the development) of this report.
- 5. Prior to public exhibition of the planning proposal and draft Development Control Plan, Council consider a further report on the draft Voluntary Planning Agreement.

#### **ATTACHMENTS**

- 1. Council Officer Report to Local Planning Panel (16 September 2020) (54 Pages)
- 2. Local Planning Panel Minutes (17 September 2020) (3 Pages)
- 3. Additional Information Submitted by Proponent (December 2020) (5 Pages)
- 4. Draft The Hills Development Control Plan 2012 Part D Section X 34-46 Brookhollow Avenue, Norwest (17 Pages)
- 5. Revised Development Concept (June 2021) (2 pages)

# MINUTES of the duly convened Ordinary Meeting of The Hills Shire Council held in the Council Chambers on 27 July 2021

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 UNANIMOUSLY.

#### 386 RESOLUTION

Council proceed with Option 2 as set out in the report and not proceed with the amendment as requested on the basis that on balance it does not benefit Council, and the developer has sufficient capacity left in their remaining contributions to offset their infrastructure costs and/or exhaust their credits.

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 S P Uno

Clr R Jethi

Clr Dr P J Gangemi

CIr B L Collins OAM

Clr A N Haselden

Clr J Jackson

Clr M G Thomas

CIr E M Russo

Clr A J Hay OAM

Clr R M Tracey

Clr F P De Masi

### **VOTING AGAINST THE MOTION**

None

7.12pm Mayor Dr Byrne, Councillors Thomas, Jethi, De Masi, Dr Gangemi, Russo, Collins OAM and Uno having previously declared a non-pecuniary, less than

significant conflict of interest for Item 4 remained in the meeting.

ITEM-4 PLANNING PROPOSAL - 34-46 BROOKHOLLOW AVENUE, NORWEST (9/2019/PLP)

A MOTION WAS MOVED BY COUNCILLOR UNO AND SECONDED BY COUNCILLOR JETHI THAT the Recommendation contained in the report be adopted.

THE MOTION WAS PUT AND CARRIED.

## 387 RESOLUTION

1. The planning proposal for land at 34-46 Brookhollow Avenue, Norwest be forwarded to the Department of Planning, Industry and Environment for Gateway Determination,

# MINUTES of the duly convened Ordinary Meeting of The Hills Shire Council held in the Council Chambers on 27 July 2021

based on the revised concept submitted by the Proponent in June 2021 and as detailed in Section 4 of this report.

- Prior to the proposal being forwarded to the Department for Gateway Determination, the Proponent be required to submit an updated Planning Proposal Report, Urban Design Report, Overshadowing Analysis, Economic Impact Assessment, Social Impact Assessment and Transport Assessment which reflect the June 2021 revised concept which is the subject of this report.
- 3. Draft The Hills Development Control Plan 2012 Part D Section X 34-46 Brookhollow Avenue (Attachment 4) be publicly exhibited concurrently with the planning proposal.
- 4. Council proceed with discussions with the Proponent with respect to the preparation of a Voluntary Planning Agreement, with a view to securing infrastructure contributions which are, at a minimum, commensurate with those specified in Table 3 (with respect to commercial component of the development) and Table 4 (with respect to the residential component of the development) of this report.
- 5. Prior to public exhibition of the planning proposal and draft Development Control Plan, Council consider a further report on the draft Voluntary Planning Agreement.

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 S P Uno Clr R Jethi Clr B L Collins OAM Clr A N Haselden Clr M G Thomas Clr E M Russo Clr A J Hay OAM Clr F P De Masi

## **VOTING AGAINST THE MOTION**

Clr R M Tracey Clr Dr P J Gangemi Clr J Jackson

## **MATTER ARISING**

A MOTION WAS MOVED BY COUNCILLOR THOMAS AND SECONDED BY COUNCILLOR HAY OAM THAT the matter be brought to a briefing with a plan to review our corridor strategy.

THE MOTION WAS PUT AND CARRIED.

#### 388 RESOLUTION

The matter be brought to a briefing with a plan to review our corridor strategy.



## Department of Planning, Housing and Infrastructure

## **Gateway Determination**

**Planning proposal (Department Ref: PP-2023-2049)**: to amend the maximum height of buildings (HOB) and floor space ratio (FSR), allow an additional permitted use of residential flat buildings and new local provisions for 34-46 Brookhollow Avenue, Norwest.

I, the Executive Director, Local Planning and Council Support at the Department of Planning, Housing and Infrastructure, as delegate of the Minister for Planning and Public Spaces, have determined under section 3.34(2) of the *Environmental Planning and Assessment Act 1979* (the Act) that an amendment to The Hills Local Environmental Plan 2019 to increase the HOB from RL 116m to RL 112-182m, increase the ('base') FSR from 1:1 to 2.4:1 and introduce new local provisions, should proceed subject to the following conditions:

The LEP should be completed on or before 21 February 2025.

## **Gateway Conditions**

- 1. Prior to exhibition, the planning proposal and supporting documents are to be amended and forwarded to the Minister under s 3.34(6) of the Act to:
  - a. remove the proposed inclusion of an additional permitted use of residential flat buildings on the site,
  - b. confirm approach to the proposed FSR incentive provision on the site,
  - c. provide a flood assessment,
  - d. provide an updated assessment relating to the draft or finalised Norwest Precinct Plan and justify any inconsistencies with this Plan,
  - e. update supporting documentation to address the amended planning proposal,
  - f. update the car parking rates after consultation with Transport for NSW,
  - g. update the project timeline to reflect the requirements of the Gateway determination.

The updated documentation is to be forwarded to the Department for review and endorsement.

- 2. Public exhibition is required under section 3.34(2)(c) and clause 4 of Schedule 1 to the Act as follows:
  - (a) the planning proposal is categorised as standard, as described in the *Local Environmental Plan Making Guideline* (Department of Planning, Housing and Infrastructure, August 2023) and must be made publicly available for a minimum of 20 working days; and
  - (b) the planning proposal authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in *Local Environmental Plan Making Guideline* (Department of Planning, Housing and Infrastructure, August 2023).
- 3. Consultation is required with the following public authorities and government agencies under section 3.34(2)(d) of the Act and/or to comply with the requirements of applicable directions of the Minister under section 9 of the Act:
  - Transport for NSW

- Sydney Metro
- Utility providers such as Endeavour Energy and Sydney Water

Each public authority is to be provided with a copy of the planning proposal and any relevant supporting material via the NSW Planning Portal and given at least 30 working days to comment on the proposal.

4. A public hearing is not required to be held into the matter by any person or body under section 3.34(2)(e) of the Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).

Dated 29 April 2024



Tom Kearney
Executive Director
Local Planning and Council Support
Department of Planning, Housing and
Infrastructure

**Delegate of the Minister for Planning and Public Spaces**