



20 June 2024

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

Attention: Jorge Alvarez, Senior Planner [REDACTED]

Dear Sir,

GATEWAY DETERMINATION REVIEW REQUEST | 34-46 BROOKHOLLOW AVE, NORWEST

On behalf of Wesco Development Pty Ltd (the Proponent), we hereby request a Gateway Determination Review of a Planning Proposal, pertaining to land at 34-46 Brookhollow Ave, Norwest (the site). This request for the Gateway Review has been prepared in accordance with the 'Local Environment Plan Making Guideline' (August 2023). This follows the issue of a Gateway Determination in relation to PP-2023-2049.

The Planning Proposal the subject of this Gateway Review Request (PP-2023-2049) was submitted to The Hills Shire Council in June 2021, however, it follows a long history of planning proposals on the site submitted to the Council since March 2019. On 29 April 2024 the delegate of the Minister for Planning and Public Spaces (the Minister) signed a Gateway Determination stating that the Planning Proposal should proceed subject to the Gateway Conditions.

The Proponent supports the decision of the Minister that the Planning Proposal may proceed, however submits for review Gateway Condition 1(a) which states:

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,

The Proponent accepts the remainder of the Gateway Conditions, however requests that the Independent Planning Commission (IPC) recommend to the Minister that Gateway Condition 1(a) is removed from the Gateway Determination for the reasons outlined in this letter.

1. SUMMARY

The Planning Proposal

By of background, this Planning Proposal seeks to amend *The Hills Shire Local Environmental Plan (LEP) 2019*, by the following:

- Increasing the height of building (HOB) development standard from RL 116m to RL 112-182m
- Increasing the floor space ratio (FSR) development standard from 1:1 to 2.4:1
- Introducing an incentive FSR of 3:1, and
- Including "residential flat building" as an additional permitted use on the site to permit a mixed-use commercial/ residential development with 76 dwellings.



The objectives of the planning proposal are to facilitate:

- a mixed-use development comprising 38,306m² of commercial gross floor area (GFA) across three separate buildings, ranging from 4 to 23 storeys to facilitate 1,989 jobs, and
- a 10-storey residential flat building comprising 9,576m² of residential GFA with a maximum of 76 dwellings.

Alignment with local strategies

The site is located within the Norwest Strategic Centre and Norwest Station Precinct. The Planning Proposal complies with the following aims and objectives of the Hills Future 2036: Local Strategic Planning Statement (LSPS) and draft Norwest Precinct Plan:

- The LSPS recognises whilst mixed use development creates active neighbourhoods, commercial office precincts such as Norwest are essential clusters of higher-order employment where business can agglomerate.
- The Planning Proposal will deliver upon the priorities established under the LSPS, including:
 - Planning for sufficient jobs targeted to suit the skills of the workforce
 - Building strategic centres to realise their potential
 - Influencing travel behaviour to promote sustainable choices
- The Hills Shire Council have a history of protecting their employment lands and ensuring that strategic centres, such as Norwest, is retained for significant employment generating land use. The Council has resolved that the proposal aligns with their local strategies in that it will deliver greater employment opportunities across the site, with the inclusion of residential development, than would otherwise be achieved on the property.

The Planning Proposal demonstrates strategic merit as it:

- Seeks to facilitate job opportunities and housing close to public transport, being adjacent to the Norwest Metro Station to support the 30-minute city. The residential component of the proposal is broadly aligned to the objectives of priority C5 as the proposal seeks to increase diversity and supply of housing.
- Supports commercial development opportunities and the principal underlying economic goal for strategic centres, employment growth and will contribute to meeting Norwest's jobs target.
- As outlined by the Local Environmental Plan Making Guideline (2023) the following factors may lead to demonstrating that a proposal has strategic merit:
 - **Response to key Government priorities:** Delivering housing supply is a priority issue for Sydney for all levels of Government.
 - **Changes to population and demographic trends and associated needs such as housing or jobs:** This planning proposal not only delivers upon the need for employment land but also housing. The proposed inclusion of an additional permitted land use on the site (residential) improves the feasibility of delivery employment floor space on the site, noting that the feasibility of development in Norwest for commercial office properties has been fundamentally altered by the COVID-19 pandemic, and as confirmed by the Council will deliver additional jobs on the site than would otherwise be delivered under the existing planning controls. As such, this proposal can achieve both strategic priorities of Government.
- The planning proposal is considered the best way to achieve the intended outcomes for the site being an increase in commercial floorspace, retail, jobs and housing close to Norwest Metro Station. The proposed development controls will guide an appropriate built form outcome on the site and encourage transit orientated development.



The Planning Proposal demonstrates site-specific merit for the following reasons:

- **Biodiversity** - The site is already developed and there are no impacts are anticipated on biodiversity.
- **Built form** - The proposed built form carefully considers site planning and urban design, resulting from considerable negotiation between the proponent and The Hills Shire Council. It is considered that the proposed built form and urban design is sensitive to the interface with adjoining residential (including solar access considerations) and that appropriate development can be managed through DCP controls.
- **Flooding** - Council has noted flooding is not an immediate concern in Norwest and a flood study can be considered post issuing the Gateway determination and prior to exhibition.

Department's Gateway Assessment – potential areas of concern

In reviewing the documentation and completing the assessment for the purposes of Gateway Determination, concerns were raised by the Department of Planning, Industry and Housing (the Department) with respect to the inclusion of residential uses on the site for reasons summarised as follows:

1. Potential for inconsistency with the District Plan.
2. Inconsistency with Direction 7.1 (Employment Zones) - The Department considers that the proposal is inconsistent with the Direction as it reduces the total potential employment floor space area for residential uses and the objective to encourage and protect employment lands.
3. Potential for inconsistency with The Hills Shire LSPS.
4. Potential for Inconsistency with the draft Norwest Precinct Plan 2023.
5. That the residential use may limit the potential for commercial development opportunities.
6. That the location of the site may not be appropriate, in terms of housing being located in the right places.
7. That the use of 20% of the site for residential purposes may be inconsistent with a requirement for the entire site to be made available for commercial development.
8. There is the potential for the planning proposal to establish an undesirable precedent, particularly with respect to other properties along Brookhollow Ave.

The Department did not consider that the residential component had been adequately justified. These matters are set out in further detail in this submission.

2. THE SITE AND SURROUNDING CONTEXT

2.1. THE SITE

The land to which this proposal relates is 34-46 Brookhollow Avenue, Norwest. The site forms the southern-most point of the Norwest Strategic Centre. Refer to Figure 1 for an aerial view of the site.

Figure 1 Location plan



Source: Department, Gateway Assessment Report.

The key features of the site are summarised in Table 1.

Table 1 Key features of site

Feature	Description
Street Address	34-46 Brookhollow Avenue, Norwest
Legal Description	Lot 1 DP 270106
Site Area	15,960m ²
Vegetation & Biodiversity	There is an existing landscaped/vegetation strip along the southern boundary of the site – established as part of the 1992 Norwest Master Plan. The Hills Shire Council is satisfied with the intended outcome – with vegetation being retained within the 15m setback to the southern boundary as part of future development.

Feature	Description
Bushfire	The site is not identified as bushfire prone.
Existing Services and Utilities	The site is readily serviced by existing services and utilities.
Hydrology	The site is not flood affected by mainstream flooding in either the 1% Annual Exceedance Probability (AEP) and Probable Maximum Flood (PMF) storm event.

2.2. SURROUNDING DEVELOPMENT

Situated on the corner of Norwest Boulevard and Brookhollow Avenue, the site is located directly opposite the Norwest Metro Station, Norwest Marketown and Hillsong Convention Centre. Low density residential properties adjoin the site to the south and west.

The built form and land use outcomes have been specifically informed by the site context. This was recognised in the assessment of the Hills Shire Council:

“..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.”

and:

“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”.*

The surrounding development and proposed built form in this site context is not in question and are agreed for the purposes of the Gateway Determination and subsequent public exhibition.

3. PLANNING PROPOSAL SUMMARY

3.1. INTENDED OUTCOME

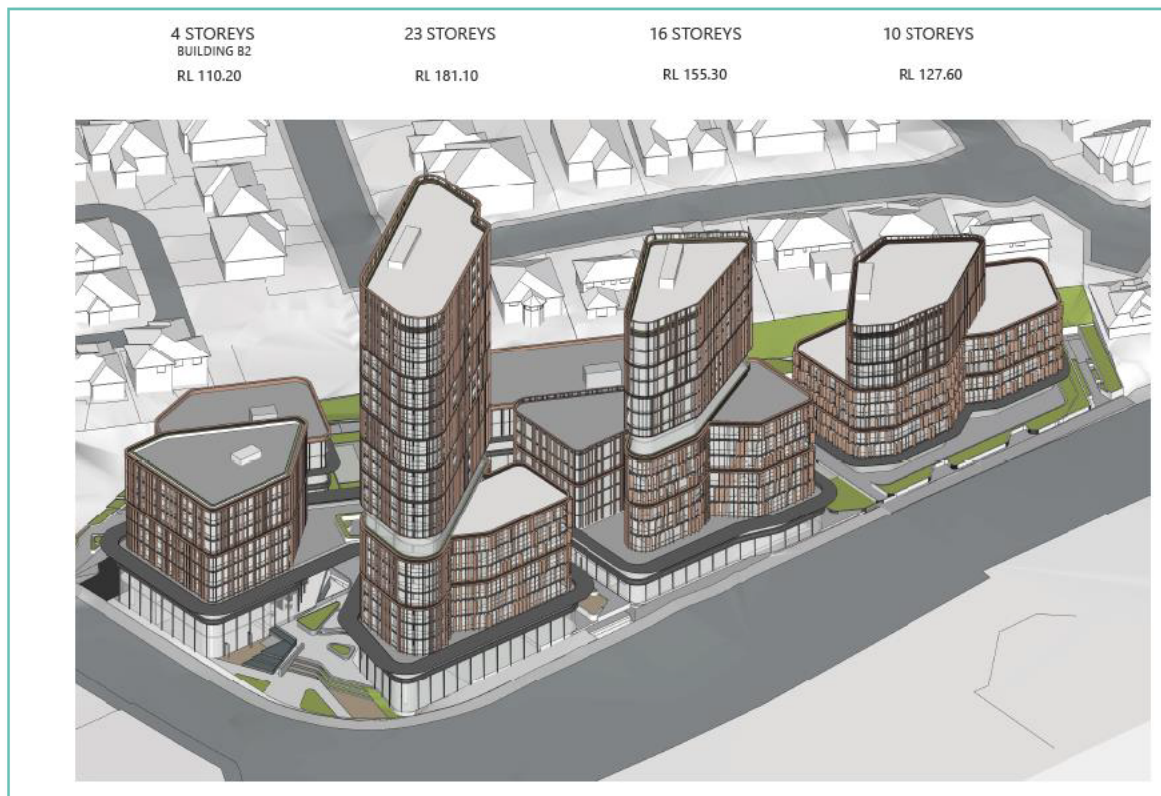
By of background, this Planning Proposal seeks to amend The Hills Shire LEP 2019, by the following:

- Increasing the height of building (HOB) development standard from RL 116m to RL 112-182m
- Increasing the floor space ratio (FSR) development standard from 1:1 to 2.4:1
- Introducing an incentive FSR of 3:1, and
- Including “residential flat building” as an additional permitted use on the site to permit a mixed-use commercial/ residential development with 76 dwellings.
- The objectives of the planning proposal are to facilitate:
 - a mixed-use development comprising 38,306m² of commercial gross floor area (GFA) across three separate buildings, ranging from 4 to 23 storeys to facilitate 1,989 jobs, and
 - a 10-storey residential flat building comprising 9,576m² of residential GFA with a maximum of 76 dwellings.

3.2. CONCEPT MASTER PLAN

An Urban Design Report was prepared by PBD Architects to accompany the Planning Proposal. The Concept Master Plan which would be facilitated by the Planning Proposal is illustrated in Figure 2.

Figure 2 - Concept Master Plan



Source: PBD Architects

Figure 3 Photomontage of Proposed Commercial Concept Plan (View from North East)



Source: PBD Architects

Figure 4 Photomontage of Proposed Commercial Concept Plan (View from South East)



Source: PBD Architects

A copy of the full Urban Design Report is provided as an Appendix.

4. ENGAGEMENT WITH AGENCIES/DECISION-MAKING HISTORY

4.1. ENGAGEMENT WITH THE HILLS SHIRE COUNCIL

A summary of the matters discussed during the various meetings held between the proponent and the relevant local authorities are provided in Table 2 below.

Table 2 Pre-Lodgement Discussions with Local Planning Panel and Council

Authority	Comment/Summary	Attachment
Local Planning Panel (LPP)	<p>The LPP has considered four revised versions of the planning proposal from 19 June 2019 – 17 September 2020, but has not commented on the latest version. On each of these earlier versions the LPP recommended the proposal should not proceed to Gateway determination due to the proposal not demonstrating sufficient strategic and site-specific merit. Concerns related to the introduction of residential uses within the commercial area, which is inconsistent with the strategic framework, impacts on local infrastructure, and built form impacts on the adjoining area.</p> <p>The latest report noted there were site-specific and logical grounds on which the inconsistency with the strategic framework could be justified, though several site-specific issues would need to be resolved during the detailed design. The final version of the proposal has been revised to address earlier comments from the LPP, including a reduction in the overall FSR, residential yield, building height and site coverage as well as increased setbacks and separation between buildings.</p>	N/A - included with the minutes from Council meeting, as listed below.
Hills Shire Council	Council resolved at its meeting on 27 July 2021 to approve a Planning Proposal for the subject land at 34-46 Brookhollow Avenue as recommended in the Council report to proceed to Gateway to allow residential on part of the land, increase the floor space ratio (FSR) from 1:1 to 3:1, and increase building heights to allow heights from 4 to 23 storeys.	Minutes of Council meeting.

As part of extended negotiated outcomes between the Proponent and The Hills Shire Council, the Planning Proposal was updated on a number of occasions – as outlined in the summary table below.

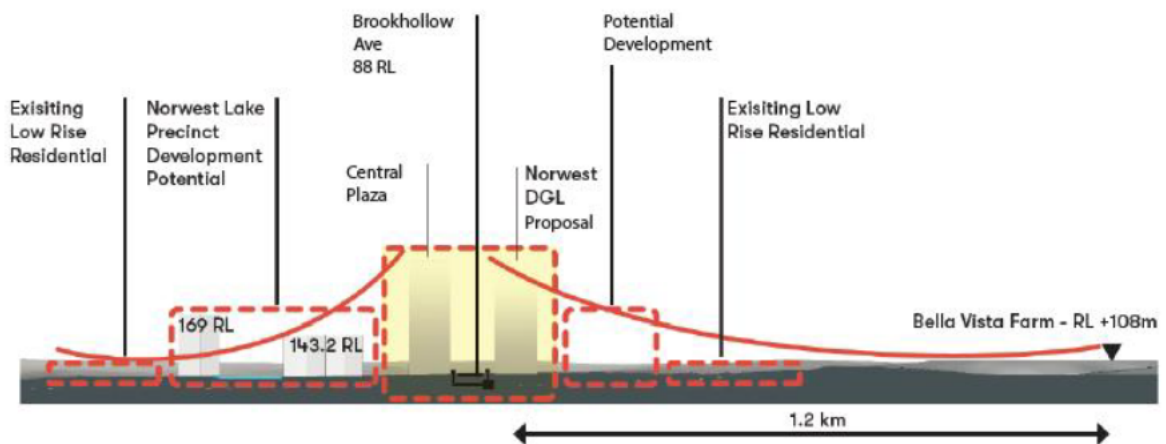
Table 3 Summary of Planning Proposal Amendments

	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 ² GFA) and Shops (max. 1,500m ² GFA)	Residential Flat Buildings (Site A only - max. 14,000m ² GFA)	Residential Flat Buildings (Site A only - max. 12,407m ² GFA)	Residential Flat Buildings (Site A only - max. 9,576m ² 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 ² (432 units) (275 d/ha)	28,258m ² (224 units) (142 d/ha)	13,966m ² (107 units) (66 d/ha)	12,407m ² (91 units) (56d/ha)	9,576m ² (91 units) (56d/ha)
Employment Yield	40,576m ² (2,029 jobs)*	40,576m ² (2,029 jobs)*	50,841m ² (2,543 jobs)*	48,289m ² (2,415 jobs)*	38,304m ² (1,882 jobs)*
Total GFA	93,254m ²	68,838m ²	64,807m ²	60,696m ²	47,880m ²

A copy of the minutes from the Council meeting are provided as an Appendix.

The built form outcomes have been the subject of extended engagement and negotiation between the applicant and The Hills Shire Council. **As noted previously, the proposed built form in this site context is not in question and are agreed for the purposes of the Gateway Determination and subsequent public exhibition.**

Figure 5 Indicative section of Norwest.



Source: PBD architects

4.2. ENGAGEMENT WITH OTHER GOVERNMENT AGENCIES

A summary of the matters discussed during the various meetings held between the proponent and the relevant government agencies are provided in **Table 4** below.

Table 4 Pre-Lodgement Discussions with Agencies and Stakeholders

Agency	Comment
TfNSW	<p>The Department in its Gateway Determination has recommended that Transport for NSW is consulted on this proposal prior to public exhibition, specifically to seek their input into traffic impacts and the proposed car parking rate. The planning proposal notes that regional traffic and transport modelling for the Norwest Strategic Precinct (including the subject site) is currently in progress by Transport for NSW and Council.</p> <p>It is noted that the Hills Shire Council is currently updating the parking rates in the Hills Shire DCP 2012, which (at the time of writing) are on public exhibition. The updated (reduced) parking rates are as follows:</p> <p>Norwest Strategic Centre – Inner Catchment:</p> <ul style="list-style-type: none"> - Minimum 1 space per 100m² of GFA, and - Maximum 1 space per 75m² of GFA <p>Once finalised, the updated parking rates will apply to the entire Norwest Strategic Centre. There is no need for this to be resolved at a site-specific level and the built form outcomes are not dependent on the car parking levels of provision.</p>
Sydney Metro	<p>The site is affected by a stratum subdivision which could impact on any proposed basement. It is recommended that the Council consult with Sydney Metro on the proposal to understand any impact the stratum subdivision may have on the future design of this proposal.</p>
	<p>Council also requested consulting with Environment and Heritage Group to discuss the landscape plan provision of deep soil, tree planting and soft landscaping. However, it is considered that this level of detail can be assessed at the development application stage.</p>
Schools Infrastructure	<p>Council has also requested consultation with School Infrastructure NSW to inform them about the residential growth occurring for planning schools in the area. It is noted that consultation with SINSW can be conducted at the development application stage if required. The proposal is not expected to have any material impact on the school site planning/delivery in the local government area. Similarly, school site planning/delivery remains the subject of on-going broader collaborative efforts between the Council and the State Government – which shall not be compromised by this planning proposal.</p>
Utility Providers Such as Endeavour Energy and Sydney Water	<p>Recommended to be consulted for a period of 30 days as part of the legislated exhibition period.</p>

5. KEY ISSUES AND RELEVANT CONSIDERATION

The Gateway Determination Report confirmed both the strategic merit and site-specific merit of the Planning Proposal. The primary focus of this review request is the requirement in the Gateway Determination to remove the residential component, as follows:

“1. The planning proposal is to be updated to.. (a) remove the proposed inclusion of an additional permitted use of residential flat buildings on the site”

The following sections set out the key/relevant planning considerations to support the removal of this requirement as requested by this Gateway Review Request.

5.1. IS THE PROPOSAL CONSISTENT WITH THE DISTRICT PLAN?

The Department’s Gateway Assessment:

The following extracts from the assessment report summarise the assessment by the Department:

“The district plan identifies that the Norwest Business Park as a Strategic Centre and that the Sydney Metro Northwest and the new station at Norwest will provide the opportunity to transform the traditional 1990s-style business park model into a transit-oriented, more vibrant and diversified centre with higher employment densities and a mix of residential uses and supporting services. The plan identifies the Norwest area will see up to 53,000 jobs by 2036, which is an additional 20,600 jobs to the 2016 estimate of 32,440 jobs. The plan does not identify any residential growth numbers or locations within the centre.”

...

“The proposal seeks to facilitate job opportunities and housing close to public transport, being adjacent to the Norwest Metro Station to support the 30-minute city. The residential component of the proposal is broadly aligned to the objectives of priority C5 as the proposal seeks to increase diversity and supply of housing “

...

“However this priority also outlines the need to ensure housing is provided in the right places and it is considered that the location of this component is not appropriate as the residential use would limit commercial development opportunities. This inconsistency is not considered to be justified in the planning proposal.”

The Hills Shire Council Assessment:

The following extracts from The Hills Shire Council report summarises their assessment:

“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.”

Applicant’s Position:

The applicant’s position on these matters is summarised as follows:

1. The planning proposal will result in a significant employment uplift – **Consistent with District Plan Priority C10** – growing investment, business opportunities and jobs in strategic centres.
2. The location is entirely appropriate for high density housing, aligned with Priority C5 of the District Plan – Establishing a target for housing provision in the right locations. Housing is proposed in close proximity to public transport, existing urban amenities and existing residential communities.
3. The intended outcome is consistent with the principles established under Priority C9 – delivering an integrated land use and transport planning and a 30-minutes City.
4. The Hills Shire Council assessment supports the proposed inclusion of residential accommodation on the site, recognising alignment with the achievement of employment

targets for the strategic centre. These employment targets have been reached notwithstanding the residential accommodation proposed within a single building on the site.

5. The lack of specific residential growth numbers in the District Plan does not lead to the proposal not having strategic merit.

The proposal seeks to facilitate both a jobs and housing outcome – **consistent with the District Plan**. An employment floorspace uplift from 16,326m² to 38,300m² and an appropriate built form scale is not considered to be limited by the residential use of less than 20% of the site.

In short, the proposed inclusion of an additional permitted land use on the site (residential) improves the feasibility of delivery employment floor space on the site, noting that the feasibility of development in Norwest for commercial office properties has been fundamentally altered by the COVID-19 pandemic, and as confirmed by the Council will deliver additional jobs on the site than would otherwise be delivered under the existing planning controls. As such, this proposal can achieve both strategic priorities of Government and consistency with the District Plan.

5.2. ALIGNMENT WITH SECTION 9.1 DIRECTION 7.1 (EMPLOYMENT ZONES)

The Department's Gateway Assessment:

The following extracts from the assessment report summarise the assessment by the Department:

*"The Department finds the inconsistency of the proposal is not justified. The direction requires the justification of inconsistency to give consideration to the objectives of the direction, or to be of **minor significance**"*

...
"The objectives of the direction are to:

- (a) encourage employment growth in suitable locations,*
- (b) protect employment land in employment zones, and*
- (c) support the viability of identified centres.*

The justification provided relates to the benefits of the proximity of development to existing infrastructure. However, it does not adequately consider the objectives to encourage and protect employment lands."

The Hills Shire Council Assessment:

The following extracts from The Hills Shire Council report summarises their assessment

"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."

Under the current controls the site would be able to facilitate commercial development which could accommodate 816 jobs.

Under the proposed controls the site would be able to facilitate commercial development which could accommodate 1,890 jobs.

Applicant's Position:

The applicant's position on these matters is summarised as follows:

1. The planning proposal will achieve twice as many jobs than could potentially be delivered under the current planning controls.

2. The site-specific provisions ensure that the minimum employment floorspace will be achieved with any redevelopment of the site.
3. The zoning is not proposed to be changed, with residential only as an additional permitted use.
4. It is considered that the approximate 20% of the site being utilised for residential purposes is minor. The predominant use of the site remains commercial premises.
5. The additional permitted use will deliver not only much needed housing supply, but also provide a transition of land uses to the neighbouring residential community, and improve the feasibility of the delivery of a supply of a significant quantum of commercial floor space. The delivery of a residential component within a mixed-use outcome improves the feasibility of delivery commercial floorspace, which is otherwise challenging in Norwest.
6. The delivery of a residential component within a mixed-use outcome improves the on-going attractiveness of commercial floorspace for business investment, by delivering levels of interest and vibrancy, activation (e.g. 18hr economy) and the creation of a safety community, consistent with CPTED principles through a variety of land uses and passive surveillance.
7. That the assessment by The Hills Shire Council is supported.

5.3. ALIGNMENT WITH SECTION 9.1 DIRECTION 1.16 (NORTH WEST RAIL LINK CORRIDOR STRATEGY)

The Department's Gateway Assessment:

The following extracts from the assessment report summarise the assessment by the Department:

*"The Department's assessment finds that the proposal is inconsistent with this direction as it seeks to introduce residential uses on land identified as 'commercial' in the NWRL Corridor strategy and **fails to adequately justify the inconsistency**. The inconsistency is not justified by an approved strategy, a study which gives consideration to the objective of the direction or a Sub-Regional Delivery Plan prepared by the Department, and it is not considered to be of minor significance".*

The Hills Shire Council Assessment:

The following extracts from The Hills Shire Council report summarises their assessment:

*"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.**"*

"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"

"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."

Applicant's Position:

In the first instance, the proposal is **consistent with the Vision** established for Norwest in the Rail Link Corridor Strategy – which states the following:

*"A new station, located within the existing Norwest Business Park, will provide further impetus for **Norwest to evolve as a vibrant and active Centre of business** for the region, comprising offices,*

retailing, community facilities, recreation, cultural, education and **housing** to serve the 650,000 people of the North-West by 2036.

- *The Study Area will provide opportunities for **increased employment and housing capacities** within walking/cycling distance of the station and the Business Park, while ensuring the local amenity, heritage, open spaces and natural environment are protected.*
- *Underpinning this vision will be the final Structure Plan, **formulated on the principles of Transit Oriented Development (TOD). TODs are generally mixed-use communities within walking distance of a transit node that provide a range of residential, commercial, open space and public facilities in a way that makes it convenient and attractive to walk, cycle or use public transport for the majority of trips.***

More specifically, in respect of the Local Planning Direction, it is open to the planning authority to satisfy the Planning Secretary that that a planning proposal be inconsistent with the terms of the direction where the provisions of the planning proposal that are inconsistent are:

- (a) *justified by a strategy approved by the planning secretary;*
- (b) *justified by a study which gives consideration to the objectives of the direction;*
- (c) *the proposal in accordance a relevant sub-regional Delivery Plan prepared by the Department; or*
- (d) *of minor significance.*

The inconsistency is of minor significance given that the jobs targets will be achieved notwithstanding the proposed additional use, and noting that the additional land use is not the dominant land use on the site, consistent with subclause (d) set out above.

5.4. CONSISTENCY WITH THE HILLS SHIRE LOCAL STRATEGIC PLANNING STATEMENT

The Department's Gateway Assessment:

The following extracts from the assessment report summarise the assessment by the Department:

"The LSPS recognises whilst mixed use development creates active neighbourhoods, commercial office precincts such as Norwest are essential clusters of higher-order employment where business can agglomerate. It identifies that residential uses can detract from commercial functions and decrease the potential for agglomeration, which can decrease the viability and desirability of future commercial investment"

"The LSPS identifies that given that large parts of the Shire's strategic centres are already considered suitable for higher density residential development, there is no need for further residential development in significant employment land"

*"The LSPS also identifies the need to prepare a precinct plan for Norwest strategic centre. Council recently exhibited the draft Norwest Precinct Plan which identifies this planning proposal and notes it is under assessment. **The plan does not support residential uses on the site.**"*

"The introduction of residential uses within the Norwest SP4 Enterprise zone is inconsistent with planning priority 2, which seeks to build strategic centres to realise..."

The Hills Shire Council assessment:

The following extracts from The Hills Shire Council report summarises their assessment

"The planning proposal will give effect to the following relevant planning priorities of the LSPS:

- *Plan for sufficient jobs targeted to suit the skills of the workforce*
- *Build strategic centres to realise their potential*



- Influence travel behaviour to promote sustainable choices

The LSPS identifies residential growth will occur around the Norwest precinct with an additional 2,100 dwellings and an additional 23,900 jobs in this area.

Applicant's position:

The applicant's position on these matters is summarised as follows:

1. The proposal is aligned with the priorities in the LSPS – this has been confirmed through the support of Council on the planning proposal.
2. The proposal represents an agglomeration – the potential for the site is not lost, rather realised.
3. The proposal directly **improves** both the viability and desirability of future commercial investment on the site.
4. The existence of other areas for higher density residential development does not reduce the merit of the proposal nor negate the need for further residential development.
5. The LSPS was adopted by Council at a point in time, that pre-dates the decision on the Planning Proposal- accordingly the LSPS document doesn't reflect this.

5.5. CONSISTENCY WITH DRAFT NORWEST PRECINCT PLAN 2023

The Department's Gateway Assessment:

The following extracts from the assessment report summarise the assessment by the Department:

*"The LSPS also identifies the need to prepare a precinct plan for Norwest strategic centre. Council recently exhibited the draft Norwest Precinct Plan which identifies this planning proposal and notes it is under assessment. **The plan does not support residential uses on the site.**"*

The Hills Shire Council Assessment:

The following extracts from The Hills Shire Council report summarises their assessment:

Council has supported the progression of a number of planning proposals within the Norwest Strategic Centre, ahead of precinct planning being finalised – with the examples cited including the Norwest Station Site, 2-4 Burbank Place and 8 Solent Circuit. This has been on the basis of alignment with strategic planning framework, in a manner similar to this planning proposal.

At the time that the planning proposal was formally assessed and considered by Council in 2021, it was done in the full awareness and intent to progress a precinct plan for the Norwest Strategic Centre.

It is understood that The Hills Shire Council remains supportive of the Planning Proposal being progressed, inclusive of the residential component.

Applicant's Position:

The applicant's position on these matters is summarised as follows:

1. The Hills Shire Council **support** for the planning proposal, including residential component, remains unchanged.
2. The Norwest Precinct Plan (draft) directly acknowledges that a number of planning proposals have and continue to be progressed within Norwest. As stated in Section 5.2.2 of the draft documents, the Precinct Plan "*focuses on filling in the gaps to provide a holistic framework to guide future development and to enable Norwest to reach its full potential as a Strategic*

Centre". The Norwest Precinct Plan accordingly does not seek to revisit nor question the merit of the planning proposal.

3. The Norwest Precinct Plan is currently (at the time of writing) in draft form and is therefore potentially subject to change prior to finalisation. It is understood that the submissions from the exhibition period of the Precinct Plan will be considered by Council as part of July 2024 round of Council meetings.
4. The draft Norwest Precinct Plan is not a draft Environmental Planning Instrument (EPI), for the purposes of the Act.

5.6. WHETHER THE RESIDENTIAL USE MAY LIMIT THE POTENTIAL FOR COMMERCIAL DEVELOPMENT OPPORTUNITIES

The Department's Gateway Assessment:

The following extracts from the assessment report summarise the assessment by the Department:

"it is considered that the location of this component is not appropriate as the residential use would limit commercial development opportunities. This inconsistency is not considered to be justified in the planning proposal."

The Hills Shire Council Assessment:

The following extracts from The Hills Shire Council report summarises their assessment:

"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"

"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."

Applicant's Position

The applicant's position on these matters is summarised as follows:

1. The planning proposal facilitates significant commercial development opportunities. 38,000m² is not considered to be a limited commercial development outcome.
2. As stated previously, the planning proposal will achieve twice as many jobs than could potentially be delivered under the current planning controls.
3. The portion of the site being proposed to be used for residential purposes intentionally establishes a suitable transition and interface to the residential area to the south. This part of the site is considered to be least suitable for use by commercial activities.
4. The proposed amenity for the residential accommodation has been justified within the Planning Proposal, as such the proposed commercial development on the site will not cause adverse environmental impacts on the proposed residential development on the site.
5. The assessment by The Hills Shire Council is supported.

5.7. THE POTENTIAL FOR AN UNDESIRABLE PRECEDENT

The Department's Gateway Assessment:

The following extracts from the assessment report summarise the assessment by the Department

"Council notes it is unlikely that the same unique circumstances could be replicated on other land within the strategic centre and it is unlikely the proposal will create an undesirable precedent in allowing residential development."

"The circumstances of the site are not considered unique or unlikely to be replicated in the precinct. A number of other sites in the precinct are adjacent to a residential zone and close to the Metro station, particularly those along Brookhollow Avenue. There are also clear opportunity sites within the centre for which this proposal could act as a precedent for permitting residential uses. Additionally, the introduction of residential uses within this SP4 Enterprise zone could potentially create a precedent for other employment zones."

The Hills Shire Council Assessment:

The following extracts from the Hills Council report summarises their assessment:

"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"

"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"

Applicant's Position

The applicant's position on these matters is summarised as follows:

1. The subject site is of sufficient scale to enable both commercial and housing outcomes to be achieved – it's not a situation of one or the other.
2. For an undesirable precedent to be established, it is necessary for the situation (a) to be replicated in a similar manner, and (b) for the resulting outcome to be negative/adverse. This proposal delivers a positive outcome. In the unlikely scenario of a similar situation being replicated, this may well also be considered to be a positive outcome – however would clearly need to be considered on its specific merits.
3. The unique characteristics of the proposal involve the following:
 - a. Immediate proximity to the metro station.
 - b. Immediate proximity and interface to existing residential areas on two sides of the site.
 - c. Due to the unique and significant size of the site, it is able to accommodate the high employment outcomes in excess of that which could be achieved under the planning controls (notwithstanding the proposed residential land use on the site).
 - d. The residential use of the site being only 20% of the proposed floorspace. The dominant use of the site remains for commercial premises.

6. ALIGNMENT WITH GOVERNMENT PRIORITIES

As outlined by the Local Environmental Plan Making Guideline (2023), the assessment criteria for demonstrating that a planning proposal has strategic merit includes whether the planning proposal responds to a change in circumstances that has not been recognised by the existing planning framework.

The following factors may lead to responding to a change in circumstances:

- Key infrastructure investment or opportunity to plan for future infrastructure unanticipated by the existing strategic planning framework.
- Response to key Government priorities – including Premier’s Priorities, climate change, or a shift in government policy.
- Changes to population and demographic trends and associated needs such as housing or jobs.

This section clearly articulates that the planning proposal aligns with and is in response to key Government priorities and a change in circumstances.

6.1. A FOCUS ON TRANSPORT ORIENTED DEVELOPMENT

Delivery both jobs and housing outcomes are clear priorities of the NSW State Government, and the Council, particularly in well located areas close to public transport.

This Planning Proposal not only delivers upon the need for employment land but also housing. The proposed inclusion of an additional permitted land use on the site (residential) improves the feasibility of delivery employment floor space on the site, noting that the feasibility of development in Norwest for commercial office properties has been fundamentally altered by the COVID-19 pandemic, and as confirmed by the Council will deliver additional jobs on the site than would otherwise be delivered under the existing planning controls. As such, this proposal can achieve both strategic priorities of Government.

Further, under the SEPP (Housing), a new Chapter 5 has been established for ‘Transport Oriented Development’.

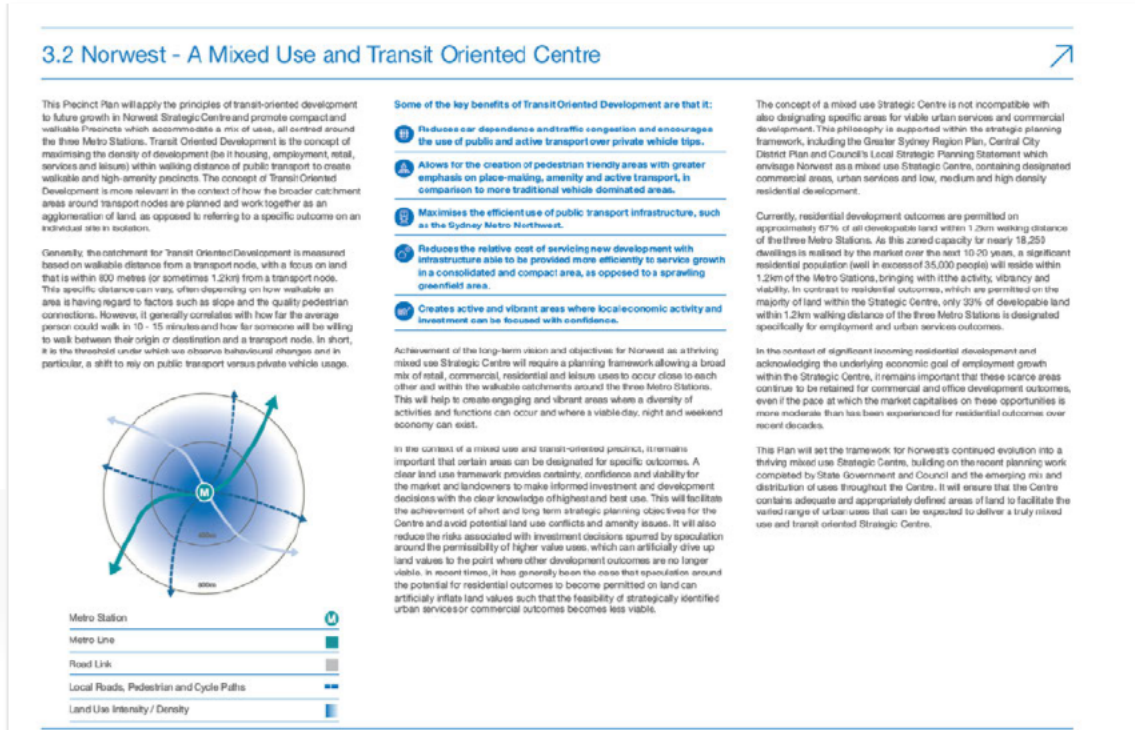
The first stated aim of this chapter is to **increase housing density within 400m** of existing and planned public transport. The second stated aim of the chapter is to mid-rise residential flat buildings and shop top housing that is well designed, of appropriate bulk and scale, and provide amenity and liveability. The third stated aim of the chapter is to encourage development of affordable housing to meet the needs of essential workers and vulnerable members of the community (with an associated minimum requirement of 2% of the GFA to be used for affordable housing).

There is clear alignment between the planning proposal and the published principles for Transport Oriented Development. The planning proposal

- Is located immediately opposite the Norwest Metro Station.
- The scale of the residential component is mid-rise and has been the subject of thorough testing and negotiation with The Hills Shire Council to determine an appropriate bulk and scale.
- A high level of amenity and liveability will be achieved – through solar access, natural cross ventilation and access to areas of both open space and public domain.
- It is proposed that a minimum of 5% of residential floor space shall be used for affordable housing.

Notwithstanding that Norwest has not yet been identified on the relevant *Transport Oriented Development Sites Map* and therefore does not have statutory application at this time – there is a clear and unquestionable intent to see transport oriented development principles reflected in the planning and delivery of Norwest. This has been reflected in the Rail Corridor Strategy (2013), Hills Corridor Strategy (2015), District Plan (2016), LSPS (2019) and draft Norwest Precinct Plan (2023).

Figure 6 Extract from draft Norwest Precinct Plan



Source: Hill Shire Council, 2023.

6.2. SEEING NORWEST STRATEGIC CENTRE REACH ITS FULL POTENTIAL

A key strategic outcome for not only The Hills Shire Council and State Government but also other stakeholders, including business and the local community, is seeing Norwest as a strategic centre reach its full potential.

There is growing recognising of the challenges associated with attracting major business investment to the area – and the importance of such for seeing Norwest Strategic Centre reach its full potential. Norwest Business Park, as strategic centre, will need to continue competing with other strategic centres, to attract and retain major tenants. Beyond attracting businesses and government agencies, there is clear need to achieve a significant shift from ‘travel by car’ if Norwest is to reach its potential. In this context, the following:

- To be competitive, Norwest needs to offer something more than it has traditionally offered. There is a window of opportunity over the next 3-5 years to give Norwest an exciting future and set it on a path to realising its full potential.
- The past success of Norwest was based in large part on the availability of car parking. This is no longer a value proposition for employers and there are more sustainable opportunities and reasons for businesses to relocate to Norwest. For it to be able to reach its full and desired potential Norwest requires vibrancy at multiple scales – at a whole of precinct level as well as a neighbourhood level.
- This site has the potential to deliver a design-led and master planned vibrant place that will be a catalyst in investment for the broader business park. Aligned with broader trends for successful innovation precincts, including a focus on the achievement of an 18-hour economy – aligned with government priorities. This is achieved in part through residential component, avoiding the situation where a business park activity traditionally has fallen away quickly from 5pm.



- A mixed-use outcome has the potential to enhance the ability to walk safely at night, being an important linkage between the Sydney Metro Station and existing residential communities. Community safety and security, along with promoting physical and walkable environments, is a key factor for community well-being. This aligns with the priorities established by the Government Architect's office and is reflected in the 'Better Placed' framework.

Based on the advice of the Productivity Commission as part of the employment zone reform, the following is relevant:

"The growth of the knowledge economy has made business clustering and human interactions more important to our prosperity. This has happened even as digitisation has provided scope to reduce the importance of proximity and face-to-face contact (Withers, 2007). Innovative, creative, and knowledge-intensive businesses are essential to New South Wales' future national and international competitiveness.

*These businesses achieve economies of scale in dense urban centres—centres which give them easy access to a wide range of specialised firms and a large, skilled workforce. **If the planning system is going to enable higher productivity, it must give business centres the greatest possible capacity and flexibility to do this"***

In our thinking and planning for the future for Norwest, a greater level of flexibility is critical for success. Traditional thinking and approaches will undoubtedly fail to achieve the outcomes desired by the Hills community. The traditional business park is a redundant typology. On key sites, merely adding a bit more height and FSR to a redundant model is not the solution to attracting employers and creating jobs. The proposed form and outcomes intended to be achieved through the planning proposal (including residential component) is aligned with more contemporary thinking – and seeks to facilitate Norwest reach its full potential.

7. JUSTIFICATION FOR THE REZONING REVIEW

Part 3 of the Local Environmental Plan Making Guideline (August 2023) outlines the test in determining whether the proposal has merit and should be submitted for determination under Section 3.34 of the Act (Gateway Determination).

The proposal must demonstrate both strategic merit and site-specific merit. An assessment against the assessment criteria is provided in Table 5 below, which confirms the Planning Proposal has both strategic and site-specific merit.

Table 5 Justification for Rezoning Review

Assessment Criteria	Proponent Response
<p>Strategic Merit Test</p> <p>Does the proposal:</p>	
<p><i>Give effect to the relevant regional plan outside of the Greater Sydney Region, and/ or corridor/precinct plans applying to the site. This includes any draft regional, district or corridor/precinct plans release for public comment or a place strategy for a strategic precinct including any draft place strategy; or</i></p>	<p>Yes. The Planning Proposal will give effect to the objectives and actions of the applicable regional and district planning policies and strategies as summarised below.</p> <p><u>Greater Sydney Region Plan: A Metropolis of Three Cities</u></p> <ul style="list-style-type: none"> - A city supported by infrastructure - infrastructure use is optimised. - A city for people – communities are healthy, resilient and social connected - Housing the City – greater housing supply, this more diverse and affordable - a city of great places – greatest places that bring people together - A well-connected city – integrated land use and transport creates walkable and 30-minute cities. <p><u>Central City District Plan (2018)</u></p> <ul style="list-style-type: none"> - C9 – Delivering integrated land use and transport planning and a 30-minute city - C10 – Growing investment, business opportunities and jobs in strategic centres - C5 - Establishing a target for housing provision in the right locations - C5 - Providing housing supply, choice and affordability, with access to jobs, services and public transport <p><u>Sydney Metro Northwest Urban Renewal Corridor (2013)</u></p> <ul style="list-style-type: none"> - a target of 15,000 new jobs by 2013. - a vision that is underpinned by TOD principles. <p><u>Hills Corridor Strategy (2015)</u></p> <ul style="list-style-type: none"> - a vision for Norwest, to see it reach its full potential as a strategic centre

Assessment Criteria	Proponent Response
	<p>- establishing of minimum commercial floorspace and resulting employment outcomes.</p> <p><u>Draft Norwest Precinct Plan (2023)</u></p> <p>- a commitment to TOD principles.</p> <p>- a series of recommendations for ‘plugging the gaps’, where site-specific planning proposals have not already been advanced.</p> <p>It is acknowledged that the above documents focus on the achievement of employment/investment outcomes as a primary outcome for Norwest. The planning proposal seeks to facilitate and specifically enable this outcome to be achieved.</p> <p>The inclusion of residential accommodation on 20% of the site does not undermine the ability of the site to contribute to the employment and jobs targets of the precinct, but rather will help facilitate that outcome. As noted elsewhere, the planning proposal will achieve twice as many jobs than could potentially be delivered under the current planning controls. The inclusion of residential development further supports the delivery of the strategic priorities of these plans as it aligns with the TOD planning principles, provides greater housing choice and housing supply in the locality (including affordable housing), and will further activate the precinct at greater hours of the day than a singular use site.</p>
<p><i>Demonstrates consistency with the relevant LSPS or strategy that has been endorsed by the Department or required as part of a regional or district plan; or</i></p>	<p>Yes. The proposal is aligned with the priorities in the LSPS – this has been confirmed through the support of Council on the planning proposal.</p> <p>The LSPS was adopted by Council at a point in time, that pre-dates the decision on the Planning Proposal- accordingly the LSPS document doesn’t reflect this.</p>
<p><i>Respond to a change in circumstances that has not been recognised by the existing planning framework.</i></p>	<p>Yes. The existing planning framework for Norwest has been largely established in the 2013 and 2015 period, with the North-West Rail Corridor Strategy and in turn The Hills Corridor Strategy.</p> <p>Covid-19 was a historical event that change many aspects of our lives and lifestyles. The Pandemic has highlighted the need to have a strong and resilient local economy that has the capacity to remain diverse, flexible and offer opportunities to work closer to home and in vibrant locations with high levels of amenity (Source: Hills Shire Economic Development Plan, 2023). Working from home has become part of the ‘new normal’, which will have implications on the demand and</p>

Assessment Criteria	Proponent Response
	<p>supply of commercial spaces throughout the Shire and in particular, employment hubs such as Norwest, Castle Hill and Rouse Hill.</p> <p>Housing affordability and availability is recognised in 2024 as the biggest single pressure facing the people of New South Wales. In this context, the priorities of the government include:</p> <ul style="list-style-type: none"> - the achievement of more housing where people want to live - more homes near better infrastructure, with a significant focus on transport-oriented development, and - new housing targets for the next 5 years, aligned with the National Housing Accord. <p>The existing planning controls for this site do not reflect these changes in circumstances. The Planning Proposal can achieve both the strategic objectives of Government by increasing employment floor space on the site in a sustainable and feasible way, while also increasing housing supply and housing diversity in the locality (in a highly accessible site).</p>
<p>Site-Specific Merit Test</p> <p>Does the proposal give regard and assess impacts to:</p>	
<p><i>the natural environment on the site to which the proposal relates and other affected land (including known significant environmental areas, resources or hazards)</i></p>	<p><u>Yes</u> all vegetation on site has been planted since 1992, as part of landscape buffer at the rear of the site.</p> <p>Norwest is not identified as having any material flood impacts.</p>
<p><i>the built environment, social and economic conditions</i></p>	<p><u>Yes.</u> This Planning Proposal is supported by the detailed assessment of the existing built environment of the immediate surrounds of the site. This has specifically informed the built form response and land use mix.</p> <p><u>Social Impacts</u></p> <p>The Planning Proposal has adequately assessed the social impacts of the proposal. In summary, the proposal has been carefully designed to minimise potential amenity impacts on existing residents, provide new places to live and delivery on local employment opportunities.</p> <p><u>Economic Impacts</u></p> <p>The Planning Proposal has also considered the economic impacts of the proposal – with both direct and indirect investment and associated new employment opportunities. This includes an employment uplift to approx 1,882 jobs.</p>

Assessment Criteria	Proponent Response
	In accordance with the Gateway assessment by the Department, an updated economic impact assessment is recommended pre-exhibition to reflect the latest project metrics and development/land use outcomes.
<i>existing, approved and likely future uses of land in the vicinity of the land to which the proposal relates; and/or</i>	The site outcome has been carefully considered to be specifically responsive to the site in its context/surrounds – in terms of land uses, built form outcomes and the like.
<i>services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.</i>	<p>Yes. Preliminary investigations indicate that all services are readily available.</p> <p>In terms of infrastructure, there will be upgrades required to the overall movement network required as part of the broader development of the Norwest Strategic Centre – rather than as a direct result of this development. This has been recognised as being appropriately handled through a local Planning Agreement negotiated with Council.</p> <p>In terms of regional road infrastructure, suitable arrangements will be in place for this through a combination of appropriate levels of parking provision and relevant contributions being made to regional infrastructure – in consultation with TfNSW.</p>

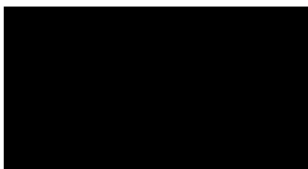
8. CONCLUSION

This letter has been prepared in support of a Gateway Determination Review request to DPHI in relation to the Proponent initiated Planning Proposal at 34-36 Brookhollow Ave, Norwest.

It is demonstrated that there is clear strategic and site-specific merit as outlined in ‘*Local Environmental Plan Making Guidelines*’ and thus warrants a favourable consideration by the Commission.

Any questions, please do not hesitate to contact the undersigned.

Yours faithfully,



Ashleigh Ryan
Director





APPENDIX A – LANDOWNERS CONSENT & DISCLOSURE OF REPORTABLE POLITICAL DONATIONS

APPENDIX B – MINUTES FROM HILLS SHIRE COUNCIL, INCLUDING LPP

APPENDIX C – GATEWAY DETERMINATION