

Draft Central District Plan

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REVISED DRAFT CENTRAL CITY DISTRICT PLAN

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Prepared by



Strategic Planning Services

On behalf of



Executive Summary

Dexus acknowledges the importance of the Sydney Region and District Planning process to Sydney.

The process generally aims to provide the strategic planning link between metropolitan, regional planning and local planning with a key focus on the three city metropolitan and land use, transport and infrastructure planning. It is intended to guide the preparation of local environmental plans and be a key matter for consideration in the preparation and consideration of planning proposals.

Dexus had reviewed and made submission on the 2016 draft District Plans. Dexus has now reviewed the *Draft Greater Sydney Region Plan* (Draft Region Plan) and revised *Draft Central City District Plan* (Draft District Plan) within the context of the Draft District Plan's stated ability to guide key decisions in relation planning matters. The review focused primarily how the Draft District Plan might guide Dexus' own decision making in relation to its business interests, specifically as they relate to its land within the Norwest Business Park.

Findings

The review found that the Draft Plan, whilst based on sound planning principles, still does not provide the sort of guidance required to inform regional and local planning outcomes, nor does it give business the confidence to commit to investing in the long term development of its land. The revised Draft Plan continues to be dominated by broad policy statements which are not supported by well articulated actions, spatial outcomes and timeframes.

The review found this to be the case for Norwest where a strong policy position supports opportunities for both increased employment and urban renewal given the need to optimize the significant expenditure in the form of the North West Metro and Norwest Station. However, beyond the identified priority precinct areas, such opportunities are not spatially notated within the Draft Plan which is likely to lead to variable interpretation, ambiguity and uncertainty in delivery outcomes.

Whilst noting the move away from more traditional regional plans, the District Plans need to provide a balance between broad scale policy objectives and spatial recognition as to where these policy objectives translate on the ground. This will remove ambiguity for all stakeholders within the decision making process.

Recommendations

The District Plans should be amended to:

1. provide greater spatial guidance in terms of the opportunity to co-locate employment and housing opportunities particularly around key nodes where significant transport infrastructure has been provided (**Section 3.1**);
2. to elevate and identify strategic centres such as Norwest in recognition of their ability to facilitate jobs growth and urban renewal consistent with the fundamental aims of the Draft Region Plan and the Draft District Plan (**Section 3.2**);
3. provide greater guidance in terms of the location of housing supply outside collaboration areas which supports key policy directions such as transit orientated development, and which supports the State Government's significant expenditure on key transport infrastructure such as the Sydney Metro Northwest (**Section 3.3**);
4. encourage standard local housing strategies to be adopted by councils which acknowledge recommendation 3 and adopt location-specific dwelling targets and clear steps for implementation including regular monitoring (**Section 3.3**);

5. provide actions relevant to jobs growth in strategic centres and the job types required in strategic centres (**Section 3.4**); and
6. clarify the ambiguity around employment related lands particularly in relation to what constitutes industrial and urban services land, and wider employment generating lands including business zones (**Section 3.4**).

1. Background

3 Brookhollow Avenue (Lot 2021 DP831173) is a 51,750m² site owned by Dexu within the Norwest Business Park in Baulkham Hills. The site is currently zoned B7 Business Park and used as a data centre by IBM Australia. The existing building covers only 26% of the site, with the rest open space and car parking.

A floor space ratio of 1:1 and building height limit of RL 116m (equivalent to approximately 14-36 metres) currently apply under The Hills Local Environmental Plan 2012. The site which is located between 200-400 metres from Sydney Metro Norwest Station is underutilized.

Dexu considers that the site offers significant opportunities to both increase employment on the site whilst at the same time introducing an element of residential and retail noting that Norwest is identified as a strategic centre that is to benefit from high frequency, high volume public transport via the nearly complete Sydney Metro Norwest Station.

2. Draft Greater Sydney Region Plan

The GSC has prepared the Draft Region Plan to replace *A Plan for Growing Sydney* and provide the blueprint for Metropolitan Sydney for the next 40 years. The Draft Region Plan is a broad vision based around a global metropolis of three cities being the emerging Western Parkland City, the Central River City, and the Eastern Harbour City.

The Draft Region Plan promotes the need for people to live close to jobs and services so each of the three cities need to have more housing in the right places. Housing and jobs need to be aligned with new or improved infrastructure. The key principle underpinning the three city metropolis is the ability of people to commute to their nearest city within 30 minutes.

The Draft Plan provides broad policy and direction in four key areas, infrastructure and collaboration, liveability, productivity and sustainability. These principles form the core of the 5 district plans which have been developed to provide the bridge between the Draft Region Plan and local planning.

3. Revised Draft Central City District

The Draft District Plan aims to guide growth over the next 20 years consistent with the 40 year vision established in the Draft Region Plan. The Draft District Plan which covers the LGAs of Blacktown, Cumberland, Parramatta, and the Hills aims to guide strategic decision and plan making at the local level. Ostensibly, decisions on planning proposals need to be consistent with the Draft Plan.

The Draft District Plan adopts the same broad principles established in the Draft Region Plan being infrastructure and collaboration, liveability, productivity and sustainability.

3.1 Infrastructure and Collaboration

The planning priorities and actions outlined in the Draft District Plan in relation to infrastructure and collaboration are broad and generally reflect those in the Draft Sydney Region Plan. The Plan aims to coordinate infrastructure and land use planning to maximise the use of existing and future infrastructure and better support communities. It is to be achieved through collaboration in planning and delivery of infrastructure, housing, jobs and great places.

At the State level, the coordination of infrastructure and land use planning within the District is reflected in collaboration areas such as the North West Priority Growth Area and the Sydney Metro Northwest Priority Urban Renewal Corridor. Led by the Department of Planning and Environment, urban renewal is aligned with infrastructure and opportunities coordinated and optimized to deliver greater liveability outcomes within these precincts.

However, there are other areas in the District such as Norwest where opportunities for employment growth and urban renewal also exist, yet there are no specific actions or spatial recognition of these areas. Consistent with the objectives of both the Draft Region and Draft District Plan's, these opportunities should be realized by aligning infrastructure (the provision of high volume public transport via Norwest Station) and urban renewal opportunities to deliver similar liveability outcomes to those that will be achieved in the collaboration areas.

To provide greater guidance in terms of the opportunity to co-locate employment and housing opportunities, the District Plans should, in addition to the collaboration areas, identify nodes or centres where key infrastructure such as the North West Metro can be optimized in terms of employment and housing supply.

3.2 Strategic Centres

The Draft District Plan identifies Norwest as a strategic centre. Strategic centres are to be supported by public transport, cycling and walking networks which provide residents with a 30-minute public transport service to their nearest strategic centre seven days a week. The Draft District Plan promotes housing within a walkable distance of strategic centres to encourage non-vehicle trips. The Draft District Plan notes however, that while housing within centres contributes to a sense of vibrancy, it should not be at the expense of the ongoing operability and expansion of commercial and retail activities.

Importantly, strategic centres such as Norwest are expected to generate high levels of private sector investment; flexibility, so that the private sector can choose where and when to invest; co-location of a wide mix of land uses, including residential; high levels of amenity and walkability; and identified areas for commercial uses including commercial cores.

Norwest makes a significant contribution to employment. It can also make a significant and positive contribution to housing and the broader principles of liveability without affecting employment targets. The broad policy intent outlined in the Draft District Plan identifies that strategic centres should:

- prioritise investment in centres to improve strategic centres as places **to** live, work and enjoy and provide community services;
- concentrating jobs and education facilities in strategic centres to maximise choices to a wide variety of jobs to boost local economies and reduce travel times;
- investigate urban renewal in key centres and corridors where there is significant infrastructure investment to provide housing in the right locations;
- co-locate activities in centres and to attract housing in and around centres to create walkable neighbourhoods to enhance the well-being and a sense of community; and
- residential development should be created within strategic centres and within walking distance without compromising the growth of jobs.

The Draft District Plan purports to identify areas of regional and district significance where these opportunities exist. However, contrary to this stated position, beyond the identified collaboration areas it is left to the reader to identify these opportunities relevant to their

interests and how they interpret the broad policy framework. There is no spatial interpretation of how these policies translate on the ground. This is likely to result in a wide variety of potential outcomes and ambiguity at the Planning Proposal assessment stage. .

It is recommended that the District Plan be amended to elevate and identify strategic centres and nodes such as Norwest in recognition of their ability to facilitate jobs growth and urban renewal opportunities consistent with the fundamental aims of the Draft Greater Sydney Region Plan and the Draft District Plan.

3.3 Liveability

The Draft Plan aims to provide direction for creating a city for people, housing for the city and great places including diversity, people and planning, increasing housing supply including diversity of housing and affordable and social housing. According to the Draft Plan, significant and unprecedented investment in public transport is now enabling urban revitalization for a new pattern of high density transit orientated development.

With an expected population growth of 550,500 an additional 207,500 homes will be required across the District by 2036. The Draft Plan states that priority precincts will deliver a large proportion of the District's housing needs consistent with the objectives of the Draft Region Plan. Similarly, beyond these precincts, local councils will be required to prepare housing strategies consistent with the same objectives of the Draft Region Plan.

The Draft District Plan sets 5 year housing targets for the Hills of 8,550. Both the priority precincts and council's housing strategies will need to address the delivery of the 5 year targets and the delivery of 6-10 year targets (to be identified) and development of 20 years or capacity. In preparing the strategies, councils must consider creating housing capacity in the right locations, and in doing so investigate opportunities for alignment with investment in regional and district infrastructure and the supporting role of centres.

However, it is difficult to see how these housing targets will be met. While the Draft District Plan clearly identifies the role of the priority precincts in delivering housing, the form of council strategies and how they will deliver on the housing targets in the Draft District Plan is unclear. For example, the Draft District Plan does not identify urban renewal opportunities within strategic centers/nodes that are located outside the priority precincts and that would be considered beyond the scope of medium density infill development and the council residential strategies. This is despite the strong policy position on the need for urban renewal around nodes and within strategic centres such as Norwest.

The 2016 District Plans stated that new and expanded opportunities for housing capacity in areas that are not collaboration areas or medium density infill development would be investigated and that these 'investigation areas' would be identified in the revised plans. Yet this concept has not been progressed in the 2017 District Plan leaving a significant gap in the identification and opportunity for urban renewal in the right locations.

Dexus considers that strategic centres such as Norwest should be open to value-add and employment uplift in appropriate locations, funded through a residential component consistent with the key policy directions outlined in both the Draft Region and Draft District Plans, provided the residential component does not compromise jobs growth.

Clearly, strategic centres such as Norwest have potential for employment growth and urban renewal given its location to the Sydney Metro Norwest Station and it is important that

decisions on prioritizing and aligning key infrastructure such as the Sydney Metro Norwest Station be identified by the State Government and spatially identified in the final District Plan. The spatial representation of these opportunities could then be identified in council residential strategies along with targets and timeframes for delivery.

It is recommended that the final District Plan spatially identify areas suitable for jobs growth and urban renewal particularly in nodes and strategic centres outside priority precincts to support key policy directions such as transit orientated development.

It is further recommended that standard local housing strategies to be adopted by councils which acknowledge the above recommendation and adopt location-specific dwelling targets and clear steps for implementation including regular monitoring;

3.4 Productivity

Norwest Business Park

Productivity relates to the 30 minute city and the integration of jobs, housing and transport to provide for a more accessible city and a strong economy. By integrating jobs growth with new or enhanced transport infrastructure it will deliver a well connected region. The Draft Plan specifies the need to connect the Eastern and Western Economic Corridors with Parramatta and the Olympic Peninsula by boosting the corridor with faster connections to skilled labour markets and the surrounding centres of Macquarie Park, Norwest and Bankstown.

The Draft Plan identifies a number of additional mass transport initiatives for investigation including connections from Parramatta to the strategic centres of Epping and Norwest. There are also broad objectives relating to innovation precincts, focusing investment activity in centres, and the need to protect and manage industrial and urban services land.

The Draft Plan identifies the Norwest Business Park as a strategic centre and established commercial centre and one of 9 office precincts. Norwest is anticipated to grow from 32,000 jobs to between 49,000 and 53,000 jobs by 2036. However, while the Draft Plan promotes the need to provide jobs growth in centres such as Norwest, there are no actions relevant to prioritizing jobs, or any identification of the type of jobs required.

Consistent with the principles of transit orientated development, the Draft Plan also identifies that 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. Yet beyond the need to retain and grow commercial capacity to achieve the centres job targets, and the need to identify a potential future corridor for mass transit links to Greater Parramatta, there are no specific actions that would help deliver these objectives.

The Draft Plan should be amended to identify areas such as Norwest as urban renewal investigation areas to support the contribution to the 30 minute city, and to include actions relevant to jobs growth in these areas; and to identify the types of jobs required.

Review of Industrial and Urban Services Land

The contribution of industrial land and urban services land to the economy is acknowledged. An action within the Draft District Plan is that the GSC will review all industrial and urban

services land within the District. However, what constitutes industrial and urban services land remains unclear and the GSC should clarify the ambiguity around employment related lands.

For example, industrial zoned land is described as existing industrial, manufacturing, warehousing and distribution industries while urban services are described as motor vehicle services, printing, waste management, courier services and concrete batching plants. The mapping supporting the District Plans to identify industrial zoned and urban services land has been sourced from the Department of Planning and Environment's Employment Lands Register. Within the register employment lands are defined as land:

“zoned for industrial or similar purposes in planning instruments. They are generally lower density employment areas containing concentrations of businesses involved in: manufacturing; transport and warehousing; service and repair trades and industries; integrated enterprises with a mix of administration, production, warehousing, research and development; and urban services and utilities”.

The Register states that:

“Employment Lands have been categorised into precincts. These Employment Land Precincts were initially defined along industrial zone boundaries. Due to the implementation of the Standard Instrument Local Environmental Plan, these precincts may now include other business zones which permit a number of industrial uses”.

It is not clear whether business parks such as Norwest are covered by the planning priority to review such land. For example, The GSC's stated action of reviewing all industrial and urban services land within the District to confirm its protection or transition to higher order uses such as business parks suggests otherwise. This is further complicated by statements within the Draft District Plan which suggest that business parks are not covered by the planning priority. These include statements that:

- Councils should guide the transition of business parks into mixed employment precincts including where appropriate, ancillary residential to support the business park; and
- Business parks must be developed as urban places which can transition into higher amenity and vibrant places while maintaining the main role as an employment precinct;

The Draft District Plan should be amended to clarify the ambiguity around employment related lands particularly in relation to what constitutes industrial and urban services land, and wider employment generating lands including business zones

Conclusion

The review found that the Draft Plan continues to be dominated by broad policy statements. In terms of informing Dexus' own consideration of opportunities for underutilized land within Norwest Business Park, the Draft District Plan, despite the broad policy statements supporting increased employment and urban renewal within Norwest, is not supported by targeted actions, spatial recognition or established timeframes.

Whilst noting the move away from more traditional regional plans, the District Plans need to provide certainty by providing a balance between broad scale policy objectives and spatial recognition as to how these policy objectives apply on the ground.