

## 2 Penrith Accelerated Housing Delivery Program

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<b>Outcome</b>	<i>We plan for our future growth</i>
<b>Strategy</b>	<i>Facilitate development that encourages a range of housing types</i>
<b>Service Activity</b>	<i>Plan for and facilitate delivery of release areas and urban renewal in the City</i>

### Executive Summary

In order to maintain housing delivery in the short term, Council commenced an Accelerated Housing Delivery Program (AHDP) to identify land suitable for new release housing delivery over the next 5 years. The AHDP has assisted in setting the strategic direction for the location, type and delivery of new release housing with Penrith LGA. It has also provided important information to be considered in the Penrith Local Housing Strategy.

As a result of the evaluation of the 11 submissions that were received, two (2) sites are recommended to be pursued as accelerated housing delivery sites. These sites have demonstrated consistency with the assessment criteria, as they provide logical extensions to Penrith's urban areas that are supported by Centres, can be serviced and provide infrastructure to support housing and will not compromise future game changing infrastructure projects.

The AHDP is not itself a rezoning process and any sites recommended for short term housing delivery will require proponents to submit a planning proposal, which Council will consider through the normal statutory processes.

### Background

The population of the Penrith Local Government Area (LGA) continues to grow. The remaining capacity of Penrith's existing new release areas is less than 4,500 dwellings. This capacity is anticipated to only satisfy demand for the next 3 – 4 years.

In order to facilitate sufficient housing supply in a timely fashion, Council resolved at its Policy Review Committee meeting of 14 August 2017 to commence an innovative *Accelerated Housing Delivery Program*, calling for landowner nominations for sites suitable to provide short term housing supply. The aim of the Program is to ensure that a housing delivery pipeline is maintained and to assist in informing the medium to long term component of Council's Local Housing Strategy.

Council's previous experience with planning new release areas has revealed that the length of time to plan and deliver a release area can take up to five years. To ensure the continuous and timely supply of new release area housing in the Penrith LGA, it is therefore considered critical that the identification and commencement of planning a new release area is undertaken.

### *Region and District Plans*

Both the Draft Greater Sydney Region Plan and the Draft Western City District Plan provide a framework for the future growth and city building for our region. The Greater Sydney

Commission (GSC) have indicated a priority for delivering a diversity of housing that is close to employment with accessible infrastructure.

A key action from both draft plans is for Councils to prepare a Local Housing Strategy ("the Strategy"). The Strategy will address the delivery of both five and ten year housing targets and how Penrith LGA will contribute to the 20 year housing target for the Western City District.

Council has been set a five year dwelling target of 6,600 and will work with the GSC through the Local Housing Strategy to set a ten and 20 year housing targets. To ensure delivery of our housing targets, planning must commence now, to ensure Council is able to provide conditions that support the timely supply of housing.

#### *Local Housing Strategy- Housing Demand Forecasting*

Work to date on Council's Local Housing Strategy has highlighted the impact of delays to the release of planned housing at Penrith Lakes (4,900 dwellings). The growth in housing demand within Council's existing new release areas is such that it is now necessary to accelerate the planning of areas to supply housing (over 3,000 dwellings over the next 3-5 years) ahead of the finalisation of the Strategy.

Recent work undertaken by SGS Economics and Planning for the Strategy has forecast approximately half of all additional housing in Penrith over the next 20 years is to be provided in greenfield locations. It is anticipated that the Strategy will identify potential future release area housing locations based on these demand forecasts that are consistent with regional and district plans.

#### *Game changers and new housing alignment*

Over the past 18 months a number of game changing development catalysts, that have the ability to transform infrastructure and provide opportunities for increased economic growth for our region, have been announced by State and Federal Governments for delivery and/or investigation. These include:

- Western Sydney Airport,
- widening of the Northern Road and Mulgoa Road,
- the Outer Sydney Orbital and M12,
- the North-South Rail Link, and
- Western Sydney City Deal.

It is expected that these projects will be catalysts for identifying appropriately located housing in the future and will form the basis for medium to long term planning decisions.

### **The Program**

The AHDP was established to identify suitable sites that have the ability to deliver release area housing in the next 3-5 years, through an open and transparent submission process.

#### *Notification and submission process*

The AHDP was open to landowners with land approximately 100 hectares in size (or more), capable of producing 1,000+ lots, and with access to immediate infrastructure, to make a submission.

The AHDP did not apply to:

- Existing urban areas
- Non-urban housing proposals or
- Proposals which are mainly for employment, retail or other non-residential uses.

The AHDP was advertised in the Western Weekender. Letters were sent to previous submitters to the Draft West District Plan, parties that had made previous enquiries in respect to new release housing development and other relevant stakeholders.

Detailed information was provided on Council's website regarding the Program, submission requirements and the assessment criteria.

#### *Probity Plan and Evaluation Process*

The framework for how the AHDP was conducted was established by a Probity and Evaluation Plan ("The Plan"). The Plan outlines principles, processes and roles and responsibilities required to mitigate and manage probity risks associated with the project. The plan was created as the AHDP is a non-statutory process, unlike the planning proposal process, which is governed by the Environmental Planning and Assessment Act, 1979. The plan therefore only relates to the AHDP process and evaluation.

The successful proponent/s will be required to go through the normal planning proposal process, including the assessment of the merits of the proposal, community engagement and associated Council and Department of Planning & Environment (DPE) approvals. The proponent will also be responsible for the preparation and lodgement of the planning proposal, including their own land use and planning investigations and supporting studies in order to enable the lodgement of a planning proposal.

The evaluation of submissions under the AHDP occurred through the following steps:

1. Initial review of submissions by City Planning Team,
2. Evaluation of submissions by City Planning Team, with assistance from relevant technical officers,
3. Assessment by AHDP Assessment Group (comprising Executive Manager - City Economy and Planning, Executive Manager - Environment and City Development, Engineering Services Manager, City Planning Manager, Development Services Manager),
4. Comments sought from Department of Planning & Environment (DPE) and Greater Sydney Commission (GSC) and Sydney Water,
5. Briefing of Council's Property Development Advisory Panel (PDAP),
6. Peer Review conducted on the AHDP Assessment Group evaluation, by independent consultant.

#### *Submission & Assessment Criteria*

Submission requirements and assessment criteria were prepared for the program (refer to Attachment 1). Submissions were required to provide documents to meet the submission requirements and to demonstrate achievement of the assessment criteria. The submission requirements were created in order to determine:

- The ability for the size and scope of the land to deliver efficient and cost effective housing and infrastructure in a short timeframe.
- The impact of land ownership and fragmentation on the deliverability of land.
- The physical, strategic and market suitability of housing development on the land.

- Consideration of housing diversity, strategic merit and land capability.
- The ability to service land and provide infrastructure essential to the delivery of housing in a short timeframe at no cost to Government.

Table 1 (Attachment 2) lists the qualities that were considered necessary in order to be highly suitable for short term urban housing.

## The Submissions

Eleven (11) submissions across Penrith LGA were received for the AHDP. These sites are identified in Table 2 (Attachment 2) and the attached map (Attachment 3).

## Assessment Results

A full review of each submission was undertaken against the assessment criteria at two stages in the evaluation process. A summary of the assessment of each submission, including a score out of 100, is provided in Attachment 4. As a result of the evaluation, the submissions were placed into one of three categories: suitable for short term development, medium term development potential and long term or unsuitable development sites.

### 1. Suitable for Short term Development

Two sites met all criteria objectives and are recommended as suitable for short term housing. These are:

- Site 4 – Glenmore Park Extension, and
- Site 2 – Legacy (Orchard Hills North)

The submissions established their ability to be physically and strategically fit, have access to immediate servicing and demonstrated a proven ability to deliver housing quickly. Details of these sites can be found in Table 3 (Attachment 5).

Both sites offer logical extensions to existing urban areas, without compromising existing agricultural or future employment and transport corridors. The sites are in sequence with regional and district growth planning outcomes and offer the ability to define Penrith's urban edges.

It is noted that Site 2 would impact Council's long standing policy of providing a rural entrance into Penrith along The Northern Road. Further investigation of the impact of the Site 2 proposal, in conjunction with the widening of The Northern Road and Western Sydney Airport, on this policy would be undertaken as part of a future planning proposal.

### 2. Medium term development

A number of sites demonstrated that they are generally physically and strategically fit for urban development, however, the submissions were unable to demonstrate immediate access to infrastructure and/or further clarification of the location of future employment and transport corridors is required.

Sites identified as having potential for medium term development are:

- Site 6 – Atilol Holdings (Orchard Hills South)
- Site 7 – Celestino (Sydney Science Park)
- Site 8 – Capitol Hill (Mt Vernon)
- Sites 1 & 3 – The Northern Road

Details of these sites can be found in Table 4 (Attachment 5).

These sites will be further investigated as part of Council's Local Housing Strategy for opportunities for medium term housing.

It is noted that Sites 1& 3 would impact Councils long standing policy of providing a rural entrance into Penrith along The Northern Road. As indicated above, further investigation of the impact of this proposal in conjunction with the widening of The Northern Road and Western Sydney Airport, on this policy will be undertaken.

### 3. Long term or unsuitable sites

Sites that could not demonstrate any of the three criteria were placed in this category. A number of sites were subject to physical constraints that would appear to make urban housing unsuitable and some sites did not address or satisfy regional and district planning.

These sites are:

- Site 5 – Luddenham Landowners
- Site 9/9A – Bakers Lane (Kemps Creek)
- Site 10 – Whitegate Road (Londonderry)
- Site 11 – Agnes Banks

Details of these sites can be found in Table 5 (Attachment 5).

The sites did not demonstrate access to immediate infrastructure and would generally represent out of sequence development.

### Peer review

As required under the Probity and Evaluation Plan, an independent peer review of Council's assessment of the submissions was undertaken by planning consultants Ryan Planning. The consultants brief was to:

- Review council's assessment of submissions,
- Provide advice on the reasonableness and soundness of Council's recommendations and,
- Provide advice on whether the conclusions and decisions reached by Council are consistent with the objectives of the assessment criteria.

The peer review concluded that:

- *"Council's merit and quantitative based assessment of the submissions was undertaken in a comprehensive and consistent manner,*
- *Council has consistently applied and ranked the various criteria across all sites and,*
- *Council's assessment and recommendation that Sites 2 and 4 proceed to the next stage of investigation under the AHDP is endorsed"*

A copy of the final peer review is in Attachment 6.

### Next Steps – Planning proposals and Council's Local Housing Strategy

Where it is recommended to support accelerating the planning and delivery of sites for urban housing, Council's City Planning Team will work closely with proponents and government agencies to enable planning processes for these sites to be prioritised and occur quickly and efficiently.

Proponents will be responsible for preparing and lodging planning proposals for consideration, under the usual statutory processes. It is anticipated that planning proposals will be lodged between in December 2017 and February 2018 and reported to Council within the first half of 2018.

Council has briefed both DPE and GSC on the program and its intend outcomes. The DPE has informed Council of the formation of a fast track zoning team within its Housing Delivery Unit, whose responsibility will be coordinating and delivering planning outcomes that result in the creation of additional housing supply. The team will assist Council in processing proposals efficiently and liaising with government agencies.

Those sites identified as medium term sites will be included in Council's Local Housing Strategy for further investigation. Landowners will have a further opportunity to be engaged in this process. Some sites identified as long term may not be suitable at all for urban housing, however some may become suitable over time. These will be considered as required in Council's Strategy.

## Conclusion

The objective of the AHDP was to accelerate the identification of land and planning processes associated with new release housing development. The program was developed in order to maintain a continuous pipeline of new release housing, consistent with regional and district planning and Councils work to date on the Local Housing Strategy.

Eleven (11) submissions were received for the program and these were evaluated following the Probity and Evaluation Plan. As a result, Site 2 and Site 4 have been recommended as suitable for short term housing delivery. Sites 1 & 3, 6, 7, 8 are recommended for consideration under the Local Housing Strategy. Where sites become suitable for long term housing, these can be identified in a future review of the Local Housing Strategy.

## RECOMMENDATION

That:

1. The information contained in the report on Penrith Accelerated Housing Delivery Program be received.
2. Council support Sites 2 and 4 as accelerated housing sites and that discussions commence with proponents in order to proceed with statutory planning processes.
3. Council continue to investigate future housing on Sites 1 & 3, 6, 7, & 8 through the Local Housing Strategy or other available mechanisms and monitors the suitable of long term sites for future housing.
4. The proponent of each submission made to the AHDP be advised of Council's resolution.

## ATTACHMENTS/APPENDICES

- |                                                                                                                                    |       |             |
|------------------------------------------------------------------------------------------------------------------------------------|-------|-------------|
| 1. AHDP submission requirements and assessment criteria                                                                            | 2     | Attachments |
|                                                                                                                                    | Pages | Included    |
| 2. Table 1 - Assessment critieria and qualitieis suitable for short term housing development and Table 2 - AHDP submission details | 2     | Attachments |
|                                                                                                                                    | Pages | Included    |

<b>3.</b>	Map of land subject to submissions for the AHDP	1 Page	Attachments Included
<b>4.</b>	Summary evaluation of submissions	11 Pages	Attachments Included
<b>5.</b>	Table 3 - Sites suitable for short term urban housing , Table 4 - Sites for future investigation in Local Housing Strategy and Table 5 - Long term or unsuitable sites for urban housing	2 Pages	Attachments Included
<b>6.</b>	Peer Review of AHDP	17 Pages	Attachments Included

**4 Report and Recommendations of the Policy Review Committee  
Meeting held on 13 November 2017**

311 RESOLVED on the MOTION of Councillor Kevin Crameri OAM seconded Councillor Aaron Duke that the recommendations contained in the Report and Recommendations of the Policy Review Committee meeting held on 13 November, 2017 be adopted.

**DELIVERY PROGRAM REPORTS**

**OUTCOME 1 - WE CAN WORK CLOSE TO HOME**

**1 Naming of Western Sydney Airport**

312 RESOLVED on the MOTION of Councillor Ross Fowler OAM seconded Councillor Tricia Hitchen

That:

1. The information contained in the report on Naming of Western Sydney Airport be received.
2. Council write to the Australian Government indicating Council's support for recognising the contribution that William (Billy) Hart made to the early development of aviation in Western Sydney, through the naming of Western Sydney Airport in his honour.

**OUTCOME 2 - WE PLAN FOR OUR FUTURE GROWTH**

**2 Penrith Accelerated Housing Delivery Program**

313 RESOLVED on the MOTION of Councillor Tricia Hitchen seconded Councillor Bernard Bratusa

That:

1. The information contained in the report on Penrith Accelerated Housing Delivery Program be received.
2. Council support Sites 2 and 4 as accelerated housing sites and that discussions commence with proponents in order to proceed with statutory planning processes.
3. Council continue to investigate future housing on Sites 1 & 3, 6, 7, & 8 through the Local Housing Strategy or other available mechanisms and monitors the suitability of long term sites for future housing.
4. The proponent of each submission made to the AHDP be advised of Council's resolution.

An AMENDMENT was moved by Councillor Marcus Cornish seconded Councillor Kevin Crameri OAM that the public consultation period for the Penrith Accelerated Housing be extended for three months from January 2018 to enable more submissions to be received.

The AMENDMENT was PUT.



In accordance with Section 375A of the Local Government Act 1993, a DIVISION was then called with the following result:

<b>For</b>	<b>Against</b>
Councillor Marcus Cornish Councillor Kevin Crameri OAM	Councillor Kath Presdee Councillor Ben Price Councillor Greg Davies Councillor Todd Carney Councillor Aaron Duke Councillor Karen McKeown Councillor Ross Fowler OAM Councillor Jim Aitken OAM Councillor Tricia Hitchen Councillor Bernard Bratusa Councillor John Thain

The AMENDMENT was LOST.

The MOTION was PUT.

In accordance with Section 375A of the Local Government Act 1993, a DIVISION was then called with the following result:

<b>For</b>	<b>Against</b>
Councillor Kath Presdee Councillor Ben Price Councillor Greg Davies Councillor Todd Carney Councillor Aaron Duke Councillor Karen McKeown Councillor Ross Fowler OAM Councillor Jim Aitken OAM Councillor Tricia Hitchen Councillor Bernard Bratusa Councillor John Thain	Councillor Marcus Cornish Councillor Kevin Crameri OAM

The MOTION was CARRIED.

### **3 Submission on draft Greater Sydney Region Plan and draft Western City District Plan**

314 RESOLVED on the MOTION of Councillor Kevin Crameri OAM seconded Councillor Aaron Duke

That:

1. The information contained in the report on Submission on draft Greater Sydney Region Plan and draft Western City District Plan be received
2. A submission be prepared based on the matters raised within this report and provided to the Greater Sydney Commission by 15 December 2017.