

ITEM-4	OUTCOMES OF THE DURAL URBAN CAPABILITY ASSESSMENT (FP67)
THEME:	Shaping Growth
OUTCOME:	5 Well planned and liveable neighbourhoods that meets growth targets and maintains amenity.
STRATEGY:	5.1 The Shire's natural and built environment is well managed through strategic land use and urban planning that reflects our values and aspirations.
MEETING DATE:	26 MARCH 2019 COUNCIL MEETING
GROUP:	SHIRE STRATEGY, TRANSFORMATION AND SOLUTIONS SENIOR TOWN PLANNER
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EXECUTIVE SUMMARY

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

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

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

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

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

BACKGROUND

28/06/2016

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

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

24/08/2016

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

13/12/2016

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

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

31/01/2017

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

01/02/2017

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

10/02/2017 Rezoning Review request received by the Department of Planning and Environment with respect to the Planning Proposal for land at Old Northern and Derriwong Roads, Dural (23/2016/PLP).

14/02/2017 By Mayoral Minute 1/2017, in response to the Planning Panel decision on 582-582A Old Northern Road, Council resolved to write to the Mayor of Hornsby Shire Council to reiterate our support for the holistic planning of the South Dural, Dural and Round Corner areas with the appropriate upgrades to infrastructure including Annangrove Road, New Line Road, Old Northern Road and a Dural/Round Corner bypass. Council also resolved to write to the Minister for Planning, Minister for Housing and Special Minister of State expressing a number of concerns with the operation of the Planning Panel.

11/04/2017 Council considered a report on the Dural Strategic Investigation work and resolved:

1. *The progress report on Dural Strategic Investigation work be received.*
2. *Council allocate up to \$300,000 for the preparation of Phase 1 Urban Capacity and Capability Assessment of Dural locality in the next Budget Review.*
3. *Council write to Hornsby Council to seek a financial contribution from their 2017/18 budget.*
4. *The Strategic investigation incorporate the potential use of rural lands in the urban housing mix.*

20/4/2017 The Rezoning Review request for Planning Proposal at Old Northern Road and Derriwong Road, Dural was determined. The Panel found that the proposal should not be submitted for a Gateway Determination because the proposal has not demonstrated strategic merit. The reasons for their decision are as follows:

1. *The Panel finds the proposal is consistent with a number of aspects of A Plan For Growing Sydney and the draft District Plan, especially meeting the demand for larger lot residential land in a rural setting.*
2. *However, the overall strategic context, particularly the demand for and supply of the physical and social infrastructure needed to support this development and other development in the Local Government Area and adjoining Local Government Area, and the implications for the urban-rural interface are unresolved.*
3. *Therefore, the Panel considers this proposal to be premature and should not proceed before completion of the strategic study programed for the area which the Panel anticipates will be completed by the end of 2017.*
4. *The Panel will entertain a new proposal subsequent to the end of the year date in anticipation of additional information including but not dependent upon the Council Rural Land Study. The Panel will be amenable to consideration of a new proposal and the Panel recognises that the southern portion of the area currently proposed for rezoning has stronger merit.*

- 14/06/2017** Hornsby Shire Council resolved to not commit funding toward the Phase 1 Urban Capacity and Capability Assessment but reiterate their support for a clear vision for the rural areas and an infrastructure funding plan to cater for existing and future development of that land.
- 05/02/2018** Department of Planning and Environment notified Hornsby Shire Council that the South Dural planning proposal was no longer supported due to the cost and government investment required to upgrade New Line Road and Old Northern Road.
- 18/03/2018** Greater Sydney Commission released the finalised Central City District Plan, which contains priorities relating to better management of rural areas, including limiting urban development to the urban areas.
- 11/04/2018** Hornsby Shire Council resolved to not proceed with the South Dural planning proposal.

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

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

Table 1

Current Status of recent Planning Proposals in Dural

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

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

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

REPORT

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

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

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

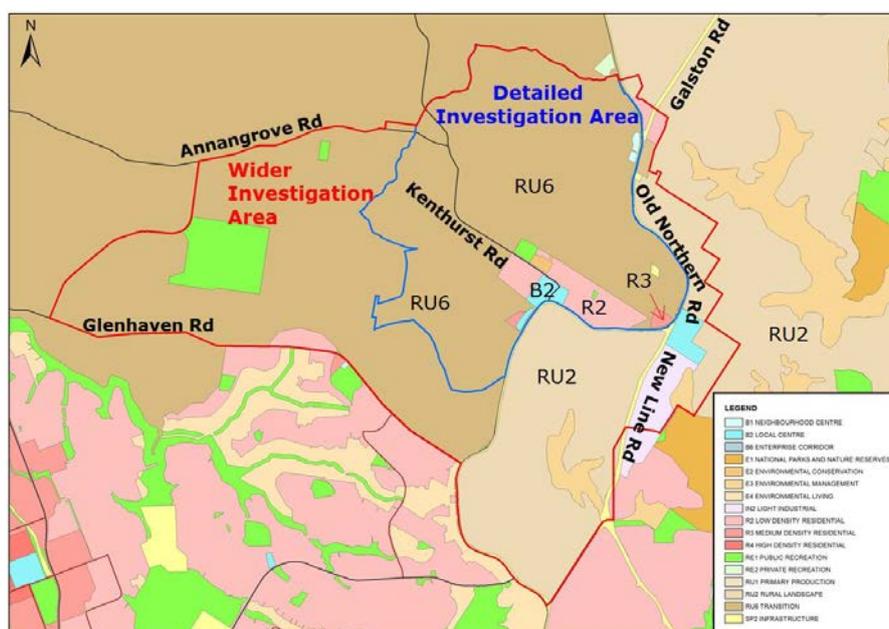


Figure 1
Dural Investigation Areas and Current Zoning

1. METHODOLOGY OF DURAL URBAN CAPABILITY AND CAPACITY ASSESSMENT

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

- Environmental Study; and
- Infrastructure Capacity Assessment.

The outcomes of each of these documents is discussed below.

(a) Environmental Study

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

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

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

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

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

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

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

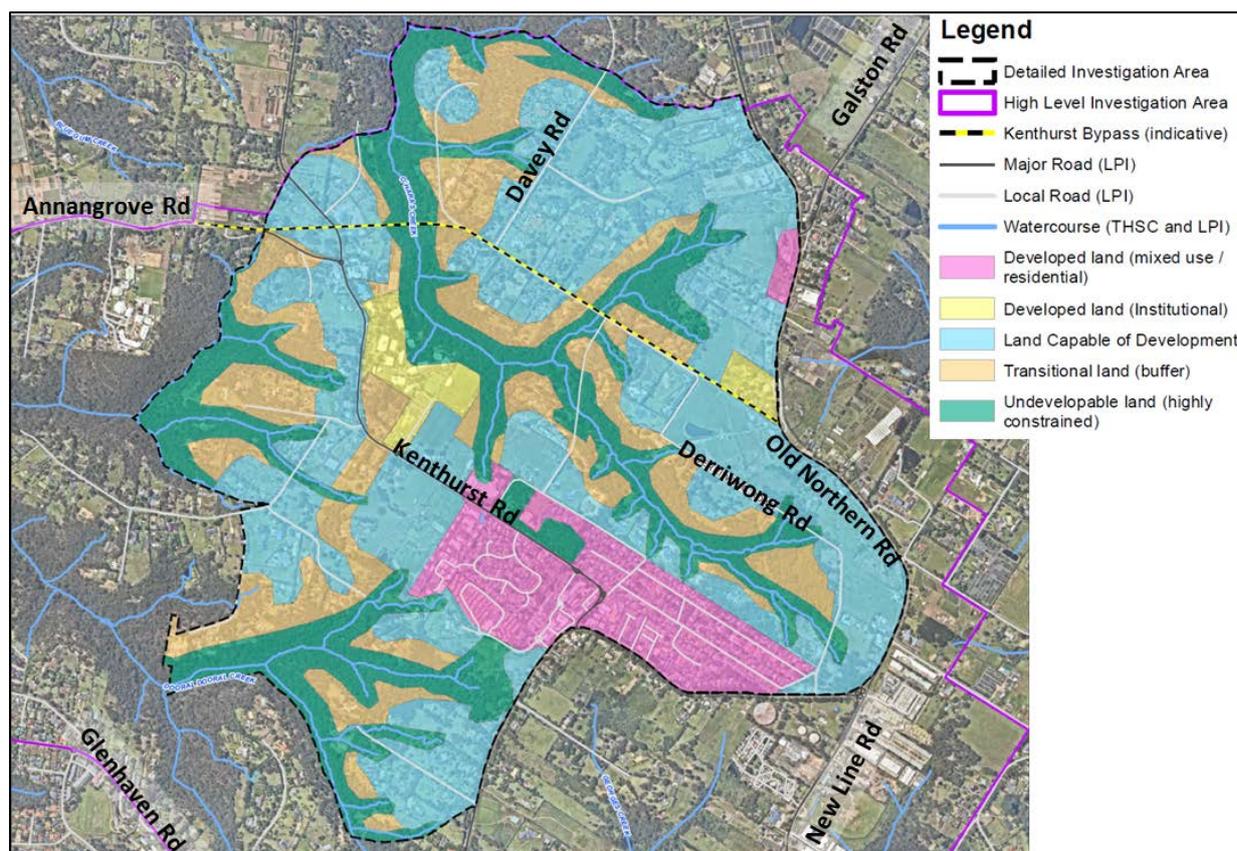


Figure 2
Outcomes of Environmental Study

(b) Infrastructure Capacity Assessment

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

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

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

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

(c) Road Capacity / Traffic Management in Dural

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

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

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

Upgrading of Old Northern Road and New Line Road

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

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

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

Reclassification of Annangrove Road

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

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

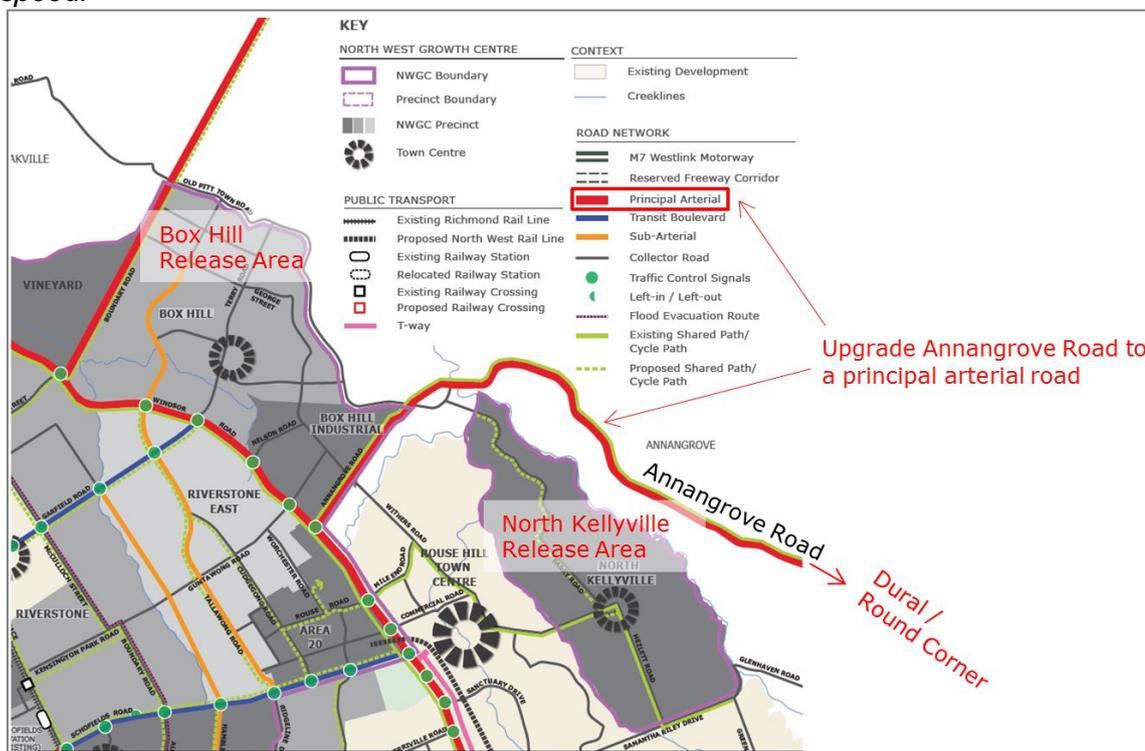


Figure 3

Existing and Proposed Road Network

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

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

New Round Corner Bypass

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

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

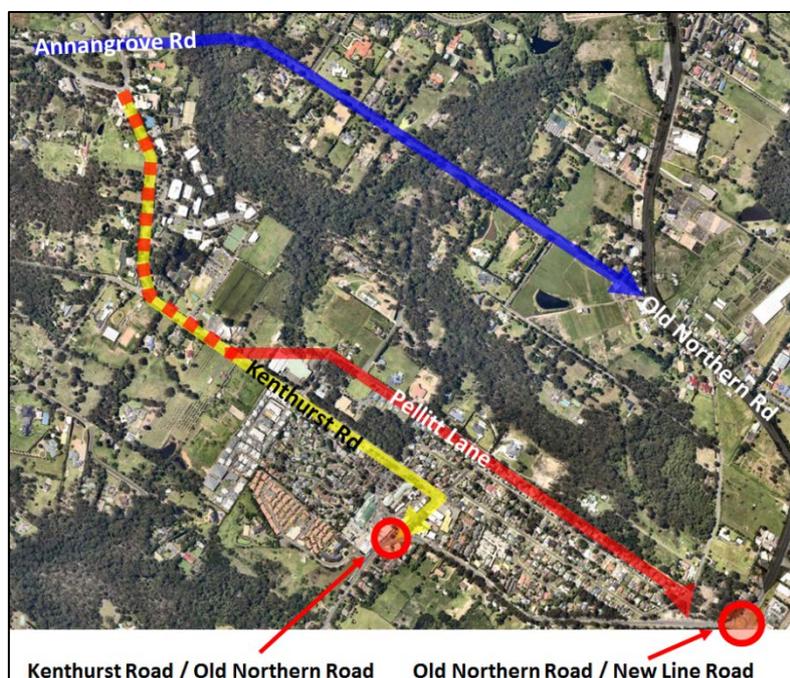


Figure 4
Potential Round Corner Bypass Options

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

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

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

(d) Strategic Context

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

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

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

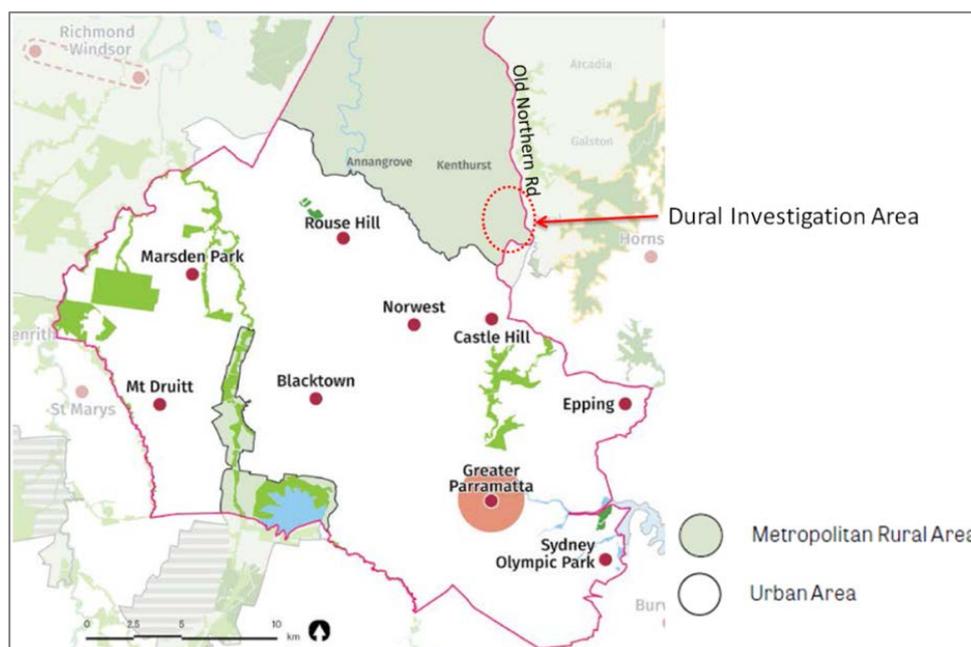


Figure 5

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

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

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

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

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

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

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

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

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

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

2. RECOMMENDATIONS OF THE URBAN CAPACITY AND CAPABILITY ASSESSMENT

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

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

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

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

OPTIONS

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

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

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

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

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

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

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

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

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

It is recommended that this option be adopted by Council.

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

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

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

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

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

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

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

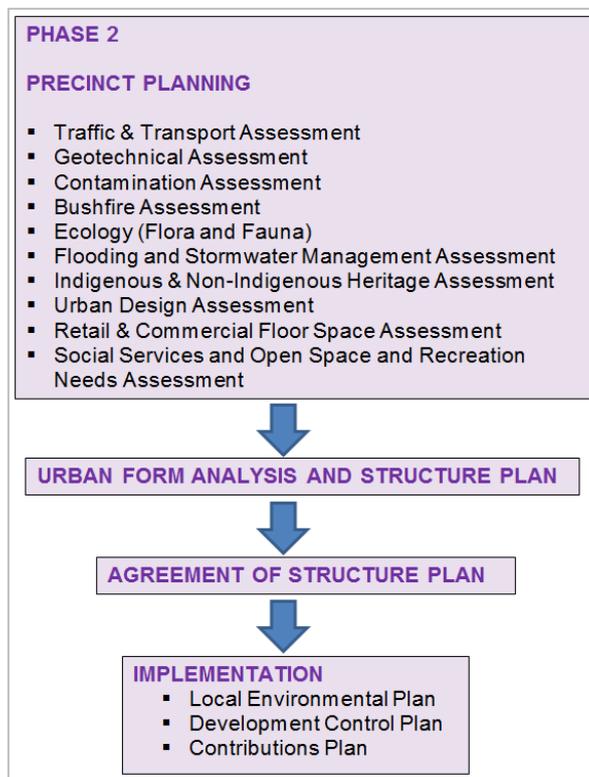


Figure 6
Urban Release Area Pathway Approach

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

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

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

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

IMPACTS

Financial

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

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

Strategic Plan - Hills Future

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

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

RECOMMENDATION

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

ATTACHMENTS

Nil.