

6 June 2012

Mr Roy Wakelin-King
Chief Executive Officer
Sydney Metropolitan Development Authority
PO Box 1198
Strawberry Hills NSW 2012

By email: contactus@smda.nsw.gov.au

Dear Mr Wakelin-King,

Re: Auto Alley Urban Renewal Study

The Urban Taskforce represents Australia's most prominent property developers and equity financiers. We provide a forum for people involved in the development and planning of the urban environment to engage in constructive dialogue with both government and the community.

The Urban Taskforce has reviewed the Auto Alley Urban Renewal Study Community Consultation material which outlines the results of the preliminary investigation into the Auto Alley precinct. We have identified a number of issues worthy of further consideration when more detailed investigations are undertaken for the preparation of the urban renewal plans for the Auto Alley precinct ("the precinct").

Our comments are generally outlined below for your consideration.

1. Urban Taskforce supports urban renewal studies

It is encouraging to observe that the Sydney Metropolitan Development Authority is actively driving a planning process that is focused on the renewal of urban environments in key locations. The Sydney Metropolitan Development Authority should be congratulated for the preparation of two logical renewal options for the Auto Alley Precinct and we look forward to the completion and release of the detailed studies.

2. The Urban Renewal Study must consider the broader study area

We have considered the two urban renewal study options put forward by the Sydney Metropolitan Development Authority and recommend that option two (2) which will examine the broader precinct be pursued.

Meaningful and worthwhile urban renewal strategies consider wider precinct initiatives. For this reason it is important that the Urban Renewal Study to be prepared for the Auto Alley Precinct consider an area outside of the Church Street Corridor. The potential for the expansion of the commercial core and mixed use areas along with increased residential densities within the broader study area should become the focus of the more detailed urban renewal study.

3. The Church Street corridor should be zoned B4 mixed use

The Church Street corridor is a challenging redevelopment proposal. All would agree that there is potential and a desperate need to renew this corridor of land. To incentivise development there is a need to provide flexibility in the planning controls to ensure that there is opportunity to provide for innovative design solutions.

The Urban Taskforce is a strong advocate of mixed use development. We argue that vibrant, exciting places are those that include a mix of compatible land uses. If the Sydney Metropolitan Development Authority wants to drive change in the precinct to create a lively, active and safe place, then residential land use must be actively encouraged along the Church Street corridor. Limiting or otherwise discouraging residential development in the guise

of preserving business uses will not deliver a lively, vibrant environment. The risk of imposing planning controls that favours one form of development over the other is that investment will be slow and more sensitive to changes in the market.

Limiting residential development is not only unimaginative and restrictive but it's also in conflict with contemporary planning philosophy. Progressive and contemporary planning focuses on land use mix and considers that successful places include a mix of uses, including jobs, retail, entertainment and residential apartments all coexisting, working together to make a place attractive and successful at all times of the day and week.

Land in the vicinity of Church Street should not be subject to limiting and overly prescriptive planning controls. In fact, this area should be viewed as an area of "opportunity". This should be an area where, business activity is permitted on equal footing with appropriately designed and constructed residential development.

Shop top housing may be a viable option in some circumstances, while a standalone residential development, particularly where deep lots exist, may be an attractive option in other circumstances. There could be options for commercial development fronting Church Street with residential flat development at the rear. The B5 Business Development zone does not provide for this flexibility. However, the B4 Mixed Use zone does provide the necessary flexibility to permit innovative land use and design solutions to a challenging locality.

Furthermore, a flexible mixed use zone will provide the base for future regional/corridor land use strategies for Church Street. When conducting the more detailed planning investigations into the precinct, the Sydney Metropolitan Development Authority must consider the extension of the B4 Mixed Use zones so that **all the land currently zoned B5 Business Development along Church Street be zoned B4 Mixed Use. Some of the land currently zoned R4 High Density Residential should also be zoned to permit mixed uses.**



It is acknowledged that careful land use strategies and design solutions will need to be devised to minimise land use conflict, but the presence of an extensive road corridor and future infrastructure improvements must be seen as an advantage and valued.

It is also suggested that the flexible B4 Mixed Use zone should extend deeper into the adjacent R4 – High Density Residential zone.

Areas currently zoned B5 Business Development Should be B4 Mixed Use

Consider extension of B4 Mixed Use zone in these locations

The benefits of mixed use zones and the ability for this type of zone to encourage renewal must not be underestimated. The Auto Alley precinct is clearly an ideal location for increased urban mix. It is an area in close proximity to centres of activity and well serviced by community infrastructure and public transport. This precinct is blessed with excellent transport opportunities and is extremely accessible. This is an ideal location for appropriate higher density residential development that will not only enable additional housing needs of a growing Sydney to be met, but will at the same time provide opportunities for the creation of vibrant, healthy and liveable urban communities where business and residential uses can happily coexist. The suggestion that Auto Alley simply be an extension of the commercial core, where residential development will be discouraged in favour of commercial land uses, is not considered to be a suitably flexible urban renewal strategy. Restricting development will delay renewal.

It is widely understood that the local council and government seek to encourage a higher usage of public transport. The quality, positioning and price of public transport are clearly very important, but they are not the sole determinants of success. The type of urban development that is permitted in the vicinity of the key transport nodes strongly influences patronage. Therefore, if government wants to encourage improved environmental performance and genuinely wants people to use public transport, then controls to increase urban density and population intensity in key locations must be provided.

To not pursue opportunities to encourage increased residential development because the existing local environmental plans seemingly make sufficient allowance for housing to meet expected population increases is unrealistic. It must be recognised that population projections are at best estimates and require regular review and adjustment. Because of the variability in population growth projections, adequate supply of developable sites will depend on a theoretical oversupply of zoned land. That is, planning authorities must recognise that though land is zoned for a residential purpose, it does not mean that the land will be developed as such. Landowners do not always act on rezoning opportunities nor is it always possible for developers to acquire developable parcels of land to bring housing to market at the right time.

Zoning land so that there is a theoretical oversupply will provide more development opportunities and a greater chance that sufficient housing will be available to meet future needs.

Furthermore, research consistently shows that density has a significant impact on the use of public transport. For instance, it was found that every 10-percent increase in population density was associated with about a 6 per cent increase in boardings at transit stations.¹ Furthermore, most urban services cannot be provided unless there are a certain number of people that can make them viable.²

The significance of population and employment densities as predictors of travel behaviour is undisputable. Studies reaffirm that residential density as being the most important built environment element which influences travel choices.³ It is clear that the elements of the built environment that exert a strong influence on travel behaviour are population and employment density. If densities are not sufficiently high, transit stations will not attract enough passengers.⁴

It should be noted that doubling of density will reduce the number of cars and vehicle miles travelled per household by 25 per cent.⁵ It is well understood that "land use patterns have a significant influence on how well public transport services can be delivered and utilised".⁶

¹ Parsons, Brinckerhoff, Quade and Douglas et al. 1995 in Cervero, R., Ferrell, C., and Murphy, S. 2002, Transit-Oriented development and Joint Development in the United States: A Literature Review. Transit Cooperative Research Program. Research results digest. October 2002—Number 52 [http://onlinepubs.trb.org/Onlinepubs/tcrp/tcrp_rrd_52.pdf, accessed 7 April, 2008].

² Newman, P., 2005., Transit Oriented Development: An Australian Overview. Paper presented at the Transit Oriented Development Conference. Fremantle, Western Australia 5-8 July 2005. [<http://www.patrec.org/conferences/TODJuly2005/papers/Newman%20paper%20REV.pdf>, accessed 7 April, 2008].

³ Leck, E., 2006, The Impact of Urban Form on Travel Behaviour: A meta-Analysis. *Berkeley Planning Journal*, Vol. 19, pp. 37-58.

⁴ Pushkarev and Zupan 1977, in Cervero, R., Ferrell, C., and Murphy, S. 2002, Transit-Oriented development and Joint Development in the United States: A Literature Review. Transit Cooperative Research Program. Research results digest. October 2002—Number 52 [http://onlinepubs.trb.org/Onlinepubs/tcrp/tcrp_rrd_52.pdf, accessed 7 April, 2008].

⁵ Leck, E., 2006, The Impact of Urban Form on Travel Behaviour: A meta-Analysis. *Berkeley Planning Journal*, Vol. 19, pp. 37-58.

⁶ Alford, G., 2006, Integrating Public Transport and Land use Planning – Perspectives from Victoria. *Australian Planner*, Vol. 43, No. 3, pp. 6-7.

The Sydney Metropolitan Development Authority is urged to give careful consideration to the formulation of an urban renewal strategy that is focused on higher population density in the vicinity of critical and costly public transport infrastructure.

4. The Urban Renewal Study must result in planning controls that encourage higher residential and employment density

The Church Street corridor is clearly an ideal location for urban renewal. For urban renewal to occur, this location must be supported with development controls that will kick-start new mixed use developments.

With the appropriate zoning and development controls Auto Alley could be an attractive urban renewal corridor. This corridor could support higher density development that will not only enable additional housing needs of a growing Sydney to be met, but will at the same time provide opportunities for the creation of vibrant, healthy and livable urban communities.

Urban renewal is reliant upon private sector investment. It is the private sector that will bring about beneficial changes to the private and public domains. This will only happen if development controls recognise development feasibility and a need for a return on investment. Unfortunately, the approach to development controls and urban renewal previously adopted by local planning authorities do not demonstrate an understanding of the economy of development. Put simply, if investment in urban renewal is slow under existing development controls, not increasing development capacity will obviously further delay investment and hence renewal of the Parramatta Road corridor.

Therefore, to encourage renewal, controls that permit an increase in urban density and population intensity in key locations must be provided. What is an appropriate density for the precinct in general will depend on many contextual and environmental matters. However, serious investigation into the provision of FSR of at least 3.5:1 in all mixed use zones should be explored. The precinct is in very close proximity to the Harris Park and Parramatta railway stations. Areas of mixed use within 500 metres of these railway stations, which appears to be a great majority of the precinct, should enjoy a FSR of at least 6.0:1. The appropriateness of building heights starting at 24 metres must not be seen as excessive in this context. Furthermore, investigations into areas where significantly taller buildings are appropriate must be actively pursued.

Commitment to urban renewal will require the Sydney Metropolitan Development Authority to look for opportunities to incentivise the market. One of the most effective means of doing this is to provide appropriate FSR and height controls.

I confirm that the Urban Taskforce supports urban renewal strategies that are economically sound and recognises the important role of private sector investment. We are always willing to work closely with the Sydney Metropolitan Development Authority and the relevant councils and provide a development industry perspective on urban renewal strategies and planning controls. Should you require any further clarification of the content of this correspondence, please feel free to contact me.

Yours sincerely

Urban Taskforce Australia



Chris Johnson
Chief Executive Officer