

10th August 2021

Online Submission

Mr Brett Whitworth
Deputy Secretary
NSW Department of Planning, Industry and Environment
Locked Bag 5022
Parramatta NSW 2124

Dear Brett

draft Macquarie Park Place Strategy

I write regarding *draft Macquarie Park Place Strategy* (Draft Strategy) prepared by the Department of Planning, Industry and Environment.

Greater activation and additional development within Macquarie Park has the capacity to assist with Sydney's post-COVID economic recovery. However, the private sector investment needed to deliver this recovery will be dependent on Precinct having sufficient land use flexibility coupled with the right controls to ensure feasibility of development.

The current planning controls at Macquarie Park are not aligned to recent investment in infrastructure and don't reflect changing market needs and trends. This is why the precinct is currently under-activated and saturated with approved and undevelopable commercial development.

The outlay and delivery of major infrastructure to the area, in the form of the Metro with the three stations that service the precinct and the M2 Hills Motorway, means that the precinct has the capacity for additional growth. This growth could go a long way in delivering much needed new homes and jobs for the District and supporting, the otherwise recalcitrant, Ryde Council is meeting its GSC targets.

The draft Strategy identifies the problems that the overly prescriptive, current planning framework has delivered. However, the draft Strategy fails to provide a plan that addresses these problems.

The proposed approach in the draft Strategy to not rezone the identified investigation areas and rule out or put caps on the amount of residential development in the proposed "neighbourhoods", will still render many sites unfeasible for redevelopment. Additionally, the draft Strategy is dominated by aspirational statements, actions and 'big moves' but light on clarity as to built form outcomes. This is underwhelming given the 15 years of consultation in the

development of the draft plan and is not conducive to making informed investment decisions to the benefit of the precinct and the broader economy.

On the land use planning information that is included in the draft Strategy, Urban Taskforce members advise that the proposed masterplan is too rigid in its zoning and runs counter to the greater flexibility and competition needed to activate Macquarie Park and lose its reputation as an under-performing employment area.

Unrealised opportunity to introduce mixed use across the precinct

Macquarie Park presents an excellent opportunity for Government to consider a more open and 'true' mixed use zone where most uses are permissible with consent. This approach would fulfil the brief set by the *Productivity Commission's White Paper* of "consolidating and increasing flexibility of employment and industrial zones to accommodate new businesses".

Urban Taskforce is deeply concerned about draft Strategy's impact on the feasibility of development. There is limited demand for new commercial development due to COVID-19 and many organisations moving to working from home, with hybrid working arrangement likely to remain. Therefore, the only way to incentivise development and fund provision of infrastructure required for the precinct, would be through new mixed – use and residential development in the precinct. Importantly, there is already a housing supply and affordability crisis without limiting feasible residential development further.

Without residential activation the precinct will retain the character of a business park, which is deserted after 5:30pm.

Residential activation would increase feasibility of employment options beyond offices and office hours through viable entertainment premises, restaurants, bars, shops, other businesses. Additional residential development would increase the precinct's attraction and boost its competitiveness compared to other developed urban centres. It would also help facilitate reduced dependence on car travel, ensure the pedestrian, bike and open space networks planned for the precinct are patronised; thereby allowing people to live work and play in these areas and realise their full productivity capacity.

Accordingly, in the context of the Productivity Commission's White paper, **Urban Taskforce recommends** that the draft Strategy be re-drafted to include an open and true mixed use zone that allows for residential and employment generating development across the precinct investigation areas to open-up it to competition, investment and activation.

Proposed Affordable Housing Contributions

The feasibility of residential development, in the neighbourhoods where it is proposed to be allowed, will be challenged by the proposed affordable housing contribution of 5-10%. Further this approach is contrary to the NSW Productivity Commission's finding that affordable housing levies are not consistent with a "principled based approach to infrastructure contributions".

The NSW Productivity Commission Review of Infrastructure Contributions Final Report (2020) stated:

"It is not clear that housing is being made more affordable as a result of these [affordable housing] schemes, as ... the creation of a small quantity of 'affordable housing', may be at the cost of making other housing more expensive."

Urban Taskforce recommends proposed action 5.5 requiring a 5-10% affordable housing contribution be deleted from the Strategy so as to not inflict a tax on new home buyers who, themselves, can least afford to pay it.

Infrastructure delivery and contribution plans

The draft Strategy includes the action: "2.4 Develop state and local infrastructure delivery and contribution plans".

To realise the vision of the precinct and deliver all of the proposed public benefits will require substantial investment, suggesting considerable development contributions from developers investing in the neighbourhoods. The private sector investment needed to deliver this level of overly-prescribed design and place outcome will be dependent on each of the neighbourhoods having an open approach to land use and reasonable development contributions.

The Strategy confirms an infrastructure priority list is required for the precinct, to prioritise projects that will deliver the greatest economic impact. Uncertainty around infrastructure delivery and sequencing provides challenges to developers considering planning for individual sub-precinct delivery.

The proposed roads, pedestrian and open space network in the Strategy's Masterplan is at odds with both the Ryde DCP - Access and Open space map and much of the recently approved and delivered roads, pedestrian paths and open space in the precinct. The Masterplan should be updated to reflect all recently approved and/or delivered infrastructure to ensure it is accurate and relevant.

Urban Taskforce recommends that in finalising the plans and controls for each neighbourhood, including infrastructure contributions:

- the feasibility of development is considered and tested with industry; and
- a detailed review of all recently approved and/or delivered infrastructure is undertaken to ensure there is no 'double dipping'.

Approach to car-parking provisions

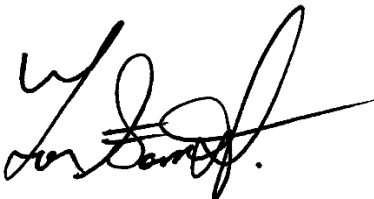
The Strategy proposes future reduction in parking rates for the precinct. Without increasing the proportion of residential development within the precinct, which would encourage greater walking and cycling to work, car dependency to and from and around the precinct will remain. Further reduction of car parking will further reduce the precinct's competitiveness and attractiveness and run counter to the aspirations of the draft Strategy.

Urban Taskforce recommends that if the draft Strategy is finalised on the basis of the proposed limits to residential development that Actions 3.2 and 3.3 relating to reduced parking rates be deleted.

Table 1 includes a summary of all Urban Taskforce recommendations

The Urban Taskforce is always willing to work closely with the Government to provide a development industry perspective on proposed policy and planning changes.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tom Forrest', with a stylized flourish extending from the end.

Tom Forrest
Chief Executive Officer

Table 1:
Summary of Urban Taskforce recommendations

	Urban Taskforce recommendation
1.	<p>In the context of the Productivity Commission's White paper, Urban Taskforce recommends that the draft Strategy be re-drafted to include an open and true mixed use zone that allows for residential and employment generating development across the precinct investigation areas to open-up it to competition, investment and activation.</p>
2.	<p>Urban Taskforce recommends proposed action 5.5 requiring a 5-10% affordable housing contribution be deleted from the Strategy so as to not inflict a tax on new home buyers who, themselves, can least afford to pay it.</p>
3.	<p>To realise the vision of the precinct and deliver all of the proposed public benefits will require substantial investment, suggesting considerable development contributions from developers investing in the neighbourhoods. The private sector investment needed to deliver this level of overly-prescribed design and place outcome will be dependent on each of the neighbourhoods having an open approach to land use and reasonable development contributions.</p> <p>Urban Taskforce recommends that in finalising the plans and controls for each neighbourhood, including infrastructure contributions:</p> <ul style="list-style-type: none"> • the feasibility of development is considered and tested with industry; and • a detailed review of all recently approved and/or delivered infrastructure is undertaken to ensure there is no 'double dipping'.
4.	<p>Without increasing the proportion of residential development within the precinct, which would encourage greater walking and cycling to work, car dependency to and from and around the precinct will remain. Further reduction of car parking will further reduce the precinct's competitiveness and attractiveness and run counter to the aspirations of the draft Strategy.</p> <p>Urban Taskforce recommends that if the draft Strategy is finalised on the basis of the proposed limits to residential development that Actions 3.2 and 3.3 relating to reduced parking rates be deleted.</p>