



Maitland City Council

Draft LSPS

UDIA Response

May 2020

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ABOUT THE UDIA

Established in 1963, the Urban Development Institute of Australia is the leading industry group representing the property development sector. Our 500 member companies in NSW include developers, engineers, consultants, local government including Maitland City Council, and utilities. Our advocacy is focussed on developing liveable, affordable and connected cities.

INTRODUCTION

The Urban Development Institute of Australia – NSW Division (UDIA) welcomes the opportunity to provide a submission into the exhibition of the Draft Maitland City Local Strategic Planning Statement (DLSPS).

UDIA congratulates Maitland City Council (Council) on the release of its DLSPS and commends Council for clearly articulating its vision and priorities and the Actions it will undertake to support them.

The Maitland local government area (LGA) is critical to achieving the objectives of the Hunter Regional Plan (HRP) 2036 and the Greater Newcastle Metropolitan Plan (GNMP) 2036. We commend Council for aligning its objectives with these documents and placing the DLPS within their context.

This submission highlights the key issues that we have raised over ongoing consultation on behalf of our members which includes a range of major developers operating within Maitland. UDIA makes the following recommendations to Council to improve the DLSPS:

- 1. Align the LSPS time horizon with the Hunter Regional Plan 2036 and Greater Newcastle Metropolitan Plan 2036.**
- 2. Clearly state the LSPS monitoring and review schedule in the final document. LSPS Actions should be updated annually in the Operational Plan; the LSPS should be reviewed upon the completion of the LHS; and the LSPS should be reviewed on an ongoing basis concurrent with the CSP's Delivery Program.**
- 3. Deliver the LSPS concurrent with the Local Housing Strategy. If they are delivered separately, then the LSPS should contain an Action to review the LSPS upon the adoption of the Local Housing Strategy.**
- 4. Provide flexibility in planning controls to encourage housing diversity.**
- 5. Adopt a merit-based approach to planning proposals and set out a clear approach for additional development sites.**
- 6. Commit to publishing Annual Reports of the MUSS and work with the Hunter Urban Development Program to monitor and support growth of housing and employment land, with clear accountabilities in partnership with industry.**
- 7. More expansively consider the existing train line as well as the influence of the nearby Hunter Expressway including freight opportunities and access for residents into Sydney and vice versa, and take a regional view on infrastructure planning.**
- 8. Investigate the utilisation of the Aboriginal Land SEPP 2019 to support economic development of the Mindaribba LALC.**
- 9. Implement 'Better Placed' as a principle and design framework.**

10. Engage with the development industry in the preparation of the Economic Development Strategy, Centres Strategy, Industrial Land Audit and Industrial and Employment Lands Strategy.
11. Proceed cautiously and collaborate closely with industry in the development of the Environmental Strategy and take a regional approach to biodiversity conservation.
12. Collaborate with industry through the UDIA Hunter Infrastructure Funding Working Group to address current infrastructure needs.

GENERAL COMMENTS: STRATEGIC PLANNING ALIGNMENT

Maitland's history, diversity of landscapes, infrastructure base and strategic location which provides connectivity to the Upper Hunter, Newcastle and Sydney, make Maitland an attractive place to live and work. It is no surprise that Maitland is enjoying a rapid pace of growth.

Alignment with Hunter Regional Plan and Greater Newcastle Metropolitan Plan

We note that the various other strategic plans to which the LSPS relates, including the Greater Newcastle Metropolitan Plan (GNMP), Hunter Regional Plan (HRP) and Council's Community Strategic Plan (CSP, *Maitland +10*) and its Delivery Plan have different time horizons, ranging from 2021, 2028, 2036 and 2040. This inconsistency makes it challenging for the community and industry to gauge how the plans integrate together and what successful implementation of plans will look like. We are urging all councils to align their LSPSs and Housing Strategies with the timing of the HRP and GNMP which is 2036.

Recommendation: *The LSPS should align its time horizon with the Hunter Regional Plan 2036 and Greater Newcastle Metropolitan Plan 2036.*

Monitoring and Review

A clear vision and integrated planning are imperative to support growth in Maitland, and regular monitoring and review of Council's plans are critical to the successful coordination of the LGA's growth. The Local Strategic Planning Statement will guide Council's actions and sets expectations for the community and the private sector. Investment decisions will be informed by the LSPS, and it is important that the LSPS is reviewed regularly and transparently in order to provide for the successful coordination of Maitland's growth.

We are pleased that Council recognises that the LSPS planning priorities will need to be progressively reviewed and updated. We also support the utilisation of Council's existing Integrated Planning & Reporting Framework to monitor the implementation of the LSPS. We strongly encourage Council to commit to a specific ongoing formal monitoring review schedule. UDIA recommends:

- Review the LSPS Actions every year and incorporate updates into Council's annual Operational Plan;
- Incorporate the outcomes of the Local Housing Strategy into the LSPS, either by delivering both documents concurrently, or by reviewing the LSPS as soon as the Local Housing Strategy is adopted; and
- Formally review the LSPS every 4 years concurrent with the Community Strategic Plan's Delivery Program.

We note several significant Actions in the DLSPS for the Immediate or Short Term, including:

- Local Housing Strategy (LHS)
- Review activities undertaken under the Central Maitland Structure Plan 2009
- Precinct Plan for West Maitland
- Aboriginal and Rural Heritage Study
- Local Character Study and Local Character Statement
- Economic Development Study
- Destination Management Plan
- Centre Strategy
- Industrial Land Audit and Industrial and Employment Lands Strategy
- Environmental Strategy
- Rural Land Strategy
- Blue and Green Grids assessments
- Lorn Riverbank Masterplan
- Place Plans for Maitland LGA and its precincts
- Maitland Bicycle Plan and Strategy 2014
- Community Infrastructure Strategy

UDIA commends Council for these planned deliverables and we eagerly anticipate the opportunity to engage with Council in the development of all these plans. Each of these will provide important insights to help shape the planning of Maitland's future. They will also provide signals to the development industry which will inform private investment decisions which could impact on the delivery of Maitland's community and economic goals.

Given their influence and the fact that the LSPS will carry statutory weight, the outcomes of these Immediate and Short-Term Actions should be considered in an early review of the LSPS.

Council's monitoring and review schedule should be spelled out in the final document.

***Recommendation:** The LSPS monitoring and review schedule should be clearly stated in the final document. LSPS Actions should be updated annually in the Operational Plan; the LSPS should be reviewed upon the completion of the LHS; and the LSPS should be reviewed on an ongoing basis concurrent with the CSP's Delivery Program.*

PEOPLE AND PLACES

UDIA applauds Council on its broad vision for growth. We believe that Maitland is a beautiful and vibrant place to live and work, and the development industry welcomes the chance to work with Council to deliver the 12,600 additional homes and employment sites to support the 6,500 additional jobs that the DLSPS identifies through to 2040.

Alignment with Local Housing Strategy

UDIA notes Council's plan to deliver a Local Housing Strategy (LHS) in the Immediate term, i.e., by 2022. We welcome that commitment and look forward to engaging with Council in the development of the LHS. The LHS is critical to the achievement of Maitland's growth vision.

UDIA believes that the LSPS and the Local Housing Strategy should be delivered concurrently in every local government area. If they are not delivered together, then a formal LSPS review should be undertaken once the Local Housing Strategy is adopted. This immediate review to incorporate the outcomes of the LHS into the LSPS should be included explicitly as an additional Action in the LSPS.

Without a robust evidence from the Local Housing Strategy, the LSPS unfortunately does not offer adequately meaningful information to residents or developers about where housing is likely to occur or what form it is likely to take. For example, the LSPS articulates an intention for greater density in planned greenfield urban release areas but does not provide clarity on how that may be achieved. Presumably the LHS will provide the detail on that question and others; however, for now many questions remain about how the LSPS vision will be achieved.

Given the LSPS will carry statutory weight, UDIA strongly recommends that Council provides clarity in its Local Housing Strategy and then review the LSPS accordingly. A formal review should be written into the LSPS to ensure this happens.

***Recommendation:** The LSPS should be delivered concurrent with the Local Housing Strategy. If they are delivered separately, then the LSPS should contain an Action to review the LSPS upon the adoption of the Local Housing Strategy.*

Encourage Genuine Housing Diversity

UDIA supports the priority for increasing housing diversity into the future. We recognise that there is a strong focus on supporting a range of housing types.

The finalised LSPS should consider the changing nature of living, particularly the shift toward higher density and long-term renting. There should be greater flexibility in the planning controls to enable build-to-rent, co-living and other alternative housing models to emerge, with the flexibility to provide quality liveability outcomes that are separate to that in an ADG compliant build-to-sell apartment.

***Recommendation:** Provide flexibility in planning controls to encourage housing diversity.*

Flexibility in the Planning System

There are broader economic pressures that may result in housing and employment targets not being met. For residential developers particularly, pre-sales have been a challenge over the past twelve to eighteen months, with growing uncertainty in the marketplace. UDIA believes that there may need to be some stimulus of forward supply, as the market slows relative to the previous decade.

Across NSW, dwelling approvals have been declining. Given the mixed-picture for forward market performance UDIA recommends caution in relation to assuming supply will continue to be delivered at the same high-watermark level experienced over the last few years, and encourages a supportive approach to housing delivery.

The planning priorities outlined in the DLSPS will inform Maitland's review of its local environmental plan (LEP) and development control plan (DCP); and planning proposals must indicate whether the proposed LEP will give effect to the LSPS. Whether a planning proposal respects the LSPS will become a relevant consideration for the Minister in determining if a planning proposal has the strategic merit to proceed past the gateway process. While the LSPS does not contain detailed technical planning controls it will clarify the future character of an area and with it, compatible and incompatible uses. We recognise that the Department of Planning increased the Strategic Merit Test requiring proposals to be consistent with any endorsed local strategy.

UDIA encourages the development of principles to guide site specific proposals. We believe a contextual assessment of a proposal that also considers the economic context and ability to meet targets is required as part of the assessment of site-specific proposals.

Recommendation: UDIA supports a merit-based approach to planning proposals and recommends Council sets out a clear approach for additional sites.

Housing and Employment Growth and Infrastructure

UDIA strongly supports the Hunter Urban Development Program (UDP) as a tool in the coordinated regional delivery of land for housing and employment. We are an active member of the Hunter UDP Committee along with Maitland City Council, the other Greater Newcastle councils, DPIE, HCCDC, state agencies and utilities.

UDIA commends Council for its commitment to ongoing review and updating of the Maitland Urban Settlement Strategy (MUSS). The MUSS is a strong example of quality monitoring of a Council's land supply, demographics, development approval and economic details that underpins sound planning for future growth. We support the MUSS's broad inclusion of all land uses including residential, commercial, employment and industrial land supply. We encourage Council to include social and affordable housing in its monitoring. We also strongly encourage Council to resume publishing Annual Reports of the MUSS.

UDIA believes any local urban development program like the MUSS should:

- Coordinate and monitor detailed housing and employment land supply and targets in urban renewal areas, infill and new communities in land release areas;
- Coordinate and prioritise the delivery of the necessary supporting infrastructure;
- Signal early identification of blockages;
- Integrate social and affordable housing targets and ensure their integrated programming;
- Involve a transparent annual program including robust industry liaison/engagement enabling monitoring and input back into policy development and housing and employment land supply programs; and
- Work with and show consistency with the Hunter UDP.

The MUSS and the Hunter UDP have an important role to play in the prioritisation and coordination of infrastructure funding and delivery. Together, they identify infrastructure requirements and can ensure delivery is funded. They can also troubleshoot infrastructure bottlenecks, which would support the orderly delivery of housing and employment land supply.

UDIA strongly believes that a robust UDP requires close development sector liaison in order to validate and update annual housing and employment land supply timings and yields and accordingly there is a clear facilitation role which UDIA would be pleased to perform to assist this process.

Recommendation: *Commit to publishing Annual Reports of the MUSS and work with the Hunter Urban Development Program to monitor and support growth of housing and employment land, with clear accountabilities in partnership with industry.*

Regional Infrastructure

There are significant current and future transit oriented-development opportunities across the Greater Newcastle Metropolitan Area, including in the Maitland LGA, to provide new medium density housing and employment floorspace. UDIA is developing its *Urban AI* capacity, a digital 3D future city modelling tool which could help highlight the long-term city-shaping opportunities for Maitland, and which could help government consider growth for projects beyond the short-term challenges.

The expected increased connectivity from Sydney, including a potential Very Fast Train, and throughout the Hunter means that there are associated opportunities for increases in density around transit nodes and transit corridors. We commend Council for its focus on decreasing car dependency by providing more walkable neighbourhoods and active transport and increasing density around transport nodes such as Maitland's nine rail stations. We recommend that the final LSPS expand on those opportunities.

Recommendation: *More expansively consider the existing train line as well as the influence of the nearby Hunter Expressway including freight opportunities and access for residents into Sydney and vice versa, and take a regional view on infrastructure planning.*

Cultural Heritage

UDIA has supported the *State Environmental Planning Policy (Aboriginal Land) 2019* (SEPP) which supports the Darkinjung Local Aboriginal Land Council (LALC) in its efforts to best utilise its land on the Central Coast. The Aboriginal Land SEPP may be useful in supporting the economic development of the Mindaribba LALC and its communities.

Recommendation: *Investigate the utilisation of the Aboriginal Land SEPP 2019 to support economic development of the Mindaribba LALC.*

‘Better Placed’ Policy

UDIA NSW is strongly supportive of the ‘Better Placed’ policy that seeks to define good design in a principles-based manner. Integrating the DCP provisions to implement the objectives of ‘Better Placed’ must recognise the focus on process and contextual evaluation, instead of prescription that exists within the policy.

***Recommendation:** Implement ‘Better Placed’ as a principle and design framework.*

ECONOMY

UDIA commends Council for committing to the preparation of an Economic Development Strategy in the Immediate term, and for utilising a clearly defined centres hierarchy to structure the economic activity of the area through a new Centres Strategy.

We also support the Short-Term commitment to undertake an Industrial Land Audit which will inform the preparation of an Industrial and Employment Lands Strategy.

As above, we commend Council for incorporating commercial, employment and industrial lands in the MUSS and encourage a return to the publication of its Annual Reports. The industrial land audit will be an important update and the Industrial and Employment Lands Strategy is critical to realising the economic opportunities for Maitland and its residents.

UDIA would be pleased to engage with Council in its work in this area.

***Recommendation:** Engage with the development industry in the preparation of the Economic Development Strategy, Centres Strategy, Industrial Land Audit and Industrial and Employment Lands Strategy.*

ENVIRONMENT

UDIA recognises that Maitland’s natural assets, including its rivers and waterways, are a defining feature and that climate change and development have changed Maitland’s natural environment. We

share Council's goals to protect its valued natural environment and protect the community from natural hazards. UDIA believes that the principles of Ecologically Sustainable Development (ESD) – which balances environmental, social and economic factors – should be adopted in all considerations of environmental land use planning.

Environmental Strategy and Sustainability

UDIA notes that Council intends to develop an Environmental Strategy in the Short Term. We support this Action and would like to engage with Council as it develops its Strategy.

UDIA believes that ecology and biodiversity protection are important, and we support sustainable development practices. We support the core principles of ecologically sustainable development (ESD) which maintains that environmental, social and economic factors are equally important considerations and must be balanced.

The implementation of the Biodiversity Conservation Act (BCA) has increased costs of development and added confusion and complexity to the development assessment process. UDIA urges Council to proceed with caution as it considers how best to balance its goals for economic growth, development and environmental protection, conservation and enhancement.

Environmental conservation is an arena that must be carefully considered within the existing and evolving complex layers of legislation and regulation. The Federal Environment Protection and Biodiversity Conservation (EPBC) Act is currently under its 10 year review, and changes are likely; credit pricing under the NSW Biodiversity Conservation Act has not yet stabilised; and the NSW Government is actively working on strategic conservation planning (bio-certification) for the Hunter region including Maitland urban release areas which would have far-reaching impacts, including on available local credits.

UDIA recommends the following approach on environmental conservation within the Maitland LGA:

1. Any local biodiversity offset policy should consider conservation measures applied during the rezoning process and should be limited to development requiring offset under the Biodiversity Conservation Act 2016.
2. The LGA should not be utilised as an impact boundary; instead, Council should utilise the Interim Biogeographic Regionalisation for Australia (IBRA) Subregion, and offset requirements should be equally applied notwithstanding their geographic source.
3. Council should provide indicative mapping to help inform investment decisions, but as ecology maps often prove to be unreliable, maps should not be used to exclude specific sites from development.

***Recommendation:** Proceed cautiously and collaborate closely with industry in the development of the Environmental Strategy and take a regional approach to biodiversity conservation.*

UDIA supports Council's goals to plan for a resilient city that can adapt to natural hazards and changing climate. We note in the Central Maitland Precinct indicative mapping that a High-level Flood Evacuation Route is being considered to improve evacuation for larger floods and support an increased residential density in Central Maitland. We encourage Council to finalise this route and make it publicly available.

INFRASTRUCTURE

UDIA advocates for the development of liveable, affordable and connected cities and regions. The provision of enabling infrastructure is critical to all aspects of the successful delivery of housing and employment land. UDIA supports the clear nexus between growth and infrastructure. We recognise that infrastructure requires coordination between local government, state government, and other infrastructure providers.

We are therefore enthusiastic supporters of the MUSS and the Hunter UDP Committee as essential tools to identify infrastructure blockages for development as well as ensure appropriate funding mechanisms for infrastructure delivery. Please refer to our comments above on that topic.

We commend Council for prioritising the timely delivery of enabling infrastructure and services. Critical roads such as the intersection at Government Road and Raymond Terrace Road, and enabling infrastructure at Lochinvar and Anambah, will unlock the delivery of thousands of dwellings. Many items can be supported through the MUSS and the Hunter UDP Committee.

We are encouraged that Council has identified the need for Place Plans in the precincts and by the commitment to work with Transport for NSW (TfNSW) and other stakeholders to develop them. UDIA would be pleased to participate in that process.

Infrastructure and Services to Support Planned Growth

UDIA supports proactive, regular and transparent reviews of local infrastructure contributions regimes. This helps keep the contributions regime up to date and focused on the infrastructure that is required by the development that is likely to take place in each local government area. We therefore congratulate Council for identifying the Medium-Term Action to review and update its development contribution plans.

The DLSPS also includes Actions to continue ongoing efforts to work collaboratively with NSW Government agencies, developers and other stakeholders to deliver infrastructure and services to support planned growth. UDIA welcomes this acknowledgement that engagement with industry is vital to ensuring that residents' needs are met through appropriate levels of infrastructure and services.

UDIA will be pleased to continue to work with Council on these important initiatives.

Last month, the Planning Minister announced proposed reforms for infrastructure contributions including s7.11, s7.12 and SIC plans, as well as a review by the Productivity Commission of the overall infrastructure contributions system. UDIA continues to lead advocacy for reform of the infrastructure funding regime and will be closely engaged as these unfold.

We have established a UDIA Hunter Infrastructure Funding Working Group. The Working Group has two immediate objectives:

- Regional-Appropriate Reform: Ensure that reforms will provide a positive change for the Hunter region.
- Delivery of s7.11 Infrastructure Items: Work with councils to identify how to unlock the Hunter Region's \$256 million unspent local developer contribution funds and start building infrastructure now.

The Hunter Infrastructure Funding Working Group is open to all UDIA members, and we would be pleased to welcome Maitland City Council in this work. We will follow up with the appropriate staff.

***Recommendation:** Collaborate with industry through the UDIA Hunter Infrastructure Funding Working Group to address current infrastructure needs.*

CONCLUSION

UDIA applauds Council on the delivery of its DLSPS and for articulating a strong vision for the future of Maitland. We look forward to working collaboratively with Maitland City Council to progress the DLSPS to the next stage and implement appropriate planning controls. Please contact Elizabeth York, Hunter Regional Manager at eyork@udiansw.com.au or 0434 914 901 to arrange follow up.

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