

# Catalyst Site Policy Review Framework and Principles

Strategic Alignment - Our Places

Public

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City Planning, Development and Business Affairs Committee

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## EXECUTIVE SUMMARY

The purpose of this report is for Council to note the steps taken in response to Council's August 2023 decision to review catalyst site policy and to seek endorsement of principles and a framework for collaborating with the State Government to review existing catalyst site policy in the State Government's Planning and Design Code (the Code).

The report provides a review of the existing catalyst site policy as requested by Council in August 2023, as follows:

*That Administration bring forward a review of catalyst site policy and seek State Government support for a Code Amendment in the 2023/24 financial year to enact Council's decision on 31 January 2023 that catalyst sites "should not be permitted within or adjacent to residential areas, including from main streets or business zones within the wider residential locality."*

Catalyst sites are sites of 1500m<sup>2</sup> with a different set of rules than other sites in the same zone. The aim of catalyst sites, when they were introduced into the Development Plan, was to achieve greater density and increase housing outcomes due to the ability to build taller buildings than the surrounding zone. The catalyst site policy is considered to be lacking in policy that addresses the interface with surrounding development.

Administration has been advocating since January 2023 for a review of catalyst site policy and had completed a review of catalyst site policy for consideration by Council in April 2024. This coincided with the release of the Expert Panel on Planning Reform recommendation that the State Planning Commission should review the size and purpose of catalyst sites and that there is the opportunity to prescribe additional criteria for the creation of catalyst sites.

The draft Greater Adelaide Regional Plan (GARP) identifies the city as an area of "State-Significant Infill" and as such is looking at ways to facilitate growth including an action to increase building heights in the CBD. The draft submission to the Greater Adelaide Regional Plan (refer to separate 5 November agenda item) reinforces the position of Council and Administration that catalyst site policy needs to be reviewed to be effective in stimulating housing growth while managing impacts on surrounding development.

Administration has actively sought to collaborate with the State Government since April 2024 and through this report is seeking direction from Council on the principles and framework to pursue a State-led Code Amendment or a Council-led Code Amendment.

City of Adelaide's City Plan and Housing Strategy identify that subject to appropriate policy to control the interface, larger or amalgamated sites provide an opportunity to achieve the planned city growth with fewer impacts on surrounding development. The principles and framework (**Attachment A**) have been developed with reference to the City of Adelaide's submission to the State Government's Planning System Implementation Review and align with the City of Adelaide's Strategic Plan, City Plan – Adelaide 2036 ([Link 1](#)), and Housing Strategy – Investing in Our Housing Future.

The proposed principles are:

- Recognise that the City of Adelaide and the State Government through its Expert Panel Review on the Planning System Implementation agree changes are required to the criteria and framework for catalyst site policy.
- Review the definition of a catalyst site in the Code to ensure that it reflects the appropriate minimum site area (and any other relevant parameters) for the policies to apply.

- Revise the policy framework for larger sites with stronger policy and design criteria that is consistent with the objects of the *Planning, Development and Infrastructure Act 2016 (SA)*, and aligns with creating an effective, efficient and enabling planning system.
- Develop replacement policy based on criteria to manage building height and interfaces, which could support development at higher intensity in appropriate locations in the city and North Adelaide.
- The replacement policy to consider site area, building height opportunities (and possible cap on height limit), stronger interface/design and local context requirements, density/site coverage, and other relevant measures such as higher standards of public realm and/or street activation.
- Recognise that larger sites provide opportunity for significant integrated development to occur which meets the growth targets in the Greater Adelaide Regional Plan and the City of Adelaide's Strategic Plan, City Plan – Adelaide 2036, and Housing Strategy – Investing in our Housing Future.

This report and ongoing activity to revise catalyst site policy form part of the City of Adelaide's Code Amendment program. In 2024/25 the Code Amendment program includes a review of Historic Area Statements, Adult Entertainment Premises and Adult Products and Services Premises, Local Heritage investigations, and Waste Management investigations being led by the City of Adelaide.

The Code Amendment Program also includes responding to Code Amendments that will have an impact on the CoA led by the State Government and external parties such as the Accommodation Diversity Code Amendment, Future Living Code Amendment, Ancillary Accommodation and Student Accommodation Definitions Review Code Amendment, Festival Plaza Code Amendment, Glenside Urban Corridor (Living) Code Amendment, and 107 Port Road Thebarton (Thebarton Brewery Precinct) Code Amendment.

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## RECOMMENDATION

The following recommendation will be presented to Council on 12 November 2024 for consideration

THAT THE CITY PLANNING, DEVELOPMENT AND BUSINESS AFFAIRS COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Endorses the principles and framework as contained in Attachment A to Item 7.7 on the Agenda of the City Planning, Development and Business Affairs Committee held on 5 November 2024, for the purposes of collaborating with the State Government to progress a review of catalyst site policy.
  2. Notes the outcomes of the review of catalyst site policy in the State Government's Planning and Design Code as presented in Item 7.7 on the Agenda of the City Planning, Development and Business Affairs Committee held on 5 November 2024.
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## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Places</b> Encourage bold, interesting and purposeful development that supports the changing needs of our community and city.
Policy	The review of catalyst site policies has been taken in alignment with Council’s commitments in <i>City Plan – Adelaide 2036</i> , the Housing Strategy – <i>Investing in our Housing Future</i> , as well as Council’s submissions to the Expert Panel on the Planning System Implementation Review and the State Planning Commission on the Greater Adelaide Regional Plan Discussion Paper.
Consultation	Any future changes proposed through a Code Amendment will be required to undergo public consultation.
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	To improve the planning policy contained in the State-wide Planning and Design Code relating to built form and development outcomes in the City of Adelaide, including greater certainty for residents and development proponents regarding development on larger or amalgamated sites.
24/25 Budget Allocation	The City of Adelaide Annual Business Plan and Budget includes \$240,000 for delivering the Code Amendment Program.
Proposed 25/26 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Changes to planning policy in the Planning and Design Code is through a Code Amendment.
24/25 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

# DISCUSSION

## Background

1. The City of Adelaide's submission to the Planning System Implementation Review (PSIR) in January 2023 identified that policy improvements are needed to address community concerns about catalyst site policy.
2. At its meeting on 8 August 2023 Council resolved:  
*That Administration bring forward a review of catalyst site policy and seek State Government support for a Code Amendment in the 2023/24 financial year to enact Council's decision on 31 January 2023 that catalyst sites "should not be permitted within or adjacent to residential areas, including from main streets or business zones within the wider residential locality."*
3. Since the Council decision in August 2023, the following advocacy, investigations and opportunities relevant to catalyst site policies have been undertaken:
  - 3.1. November 2023 - the City of Adelaide's submission on the Greater Adelaide Regional Plan Discussion paper reiterated the request for catalyst policy review and identified the Council's intention to progress a Code Amendment to amend catalyst site policy.
  - 3.2. February 2024 - Council endorsed its Housing Strategy – Investing in our Housing Future, that seeks to improve catalyst site policy, review building height limits and implement policies that allow for alternative housing models.
  - 3.3. March 2024 – the State Government released the Expert Panel's report and its response ([Link 2](#)). The State Government supported the Expert Panel's recommendation that the State Planning Commission should review the size and purpose of catalyst sites and that there is opportunity to prescribe additional criteria for the creation of catalyst sites. This could include, but is not limited to, considering the merits of:
    - 3.3.1. Applying additional incentive policy through both planning and non-planning mechanisms to encourage the creation of catalyst sites.
    - 3.3.2. Including additional design parameters and/or expectations to ensure catalyst sites satisfactorily transition into the urban landscape.
    - 3.3.3. Requiring the provision of a structure plan for catalyst sites to bring the community into the conversation at the policy level before approvals are sought and obtained.
    - 3.3.4. Requiring an outline consent to be obtained for catalyst sites (acknowledging the need for a Practice Direction to be prepared in accordance with section 120 of the PDI Act) to give both the applicant and community certainty.
    - 3.3.5. Preparing additional guidance material pertaining to catalyst sites and what is and is not capable of being deemed catalytic.
    - 3.3.6. Providing for appeal rights in certain circumstances.
  - 3.4. April 2024 – a Catalyst Site Policy Review Options Report was prepared for the April 2024 City Planning, Development and Business Affairs Committee Meeting. The report item was withdrawn following release of the Expert Panel Recommendations on the State Planning System Implementation Review and the State Government's response which supports working with the City of Adelaide to review catalyst site policy.
  - 3.5. May 2024 – an overview of the State Government's response to the Expert Panel's report and alignment with the City of Adelaide's submission was presented to the City Planning, Development and Business Affairs Committee in May 2024 ([Link 3](#)).
  - 3.6. June 2024 – the Administration wrote to the State Planning Commission seeking to collaborate with the State Planning Commission as a matter of priority on the commencement of the catalyst policy review. To date no response has been received.
  - 3.7. September 2024 – Council endorsed its City Plan – Adelaide 2036 which identifies a review of catalyst site policy and sets principles for height and overall city form (Strategy 7 – New Housing Models and Strategy 8 – Designing for Urban Life, Diversity and Density).
  - 3.8. September 2024 - the State Government released the implementation program for the Expert Panel's recommendations that indicates that the Greater Adelaide Regional Plan (GARP) would provide direction for the City of Adelaide on catalyst site policy review.

- 3.9. October 2024 – the State Government released the draft GARP which is silent on a review of catalyst site policy. The City of Adelaide’s submission to the draft GARP is a separate report item in the City Planning, Development and Business Affairs Committee Agenda for 5 November 2024.

**Existing Catalyst Site Policy**

4. The State Government definition of catalyst sites in the Planning and Design Code (the Code) is as below:  
*Catalyst site: Means a site greater than 1500m<sup>2</sup>, which may include one or more allotments.*
5. Development applications on sites that meet this definition (within the subzones identified in Figure 1 below) are exempt from the building height limits that would otherwise be applicable.
6. Within the affected subzones, some policies seek proposed developments on catalyst sites to be designed to manage the interface with existing lower rise residential amenity, however these policies are very limited.
7. Catalyst site policies only apply in the following locations within the City of Adelaide, as shown in Figure 1:
  - 7.1. Melbourne Street West Subzone (Business Neighbourhood Zone)
  - 7.2. East Terrace Subzone (City Living Zone)
  - 7.3. City High Street Subzone (City Main Street Zone)
  - 7.4. Community Facilities Zone (St Andrews Hospital Precinct Subzone).
8. Other than parts of the City High Street Subzone in Sturt Street and Wright Street, catalyst site policy mainly applies in Subzones within or adjacent to residential areas in the City Living Zone, as shown in Figure 1.
9. Catalyst site policies do not prescribe limits to building heights, other than in the Melbourne Street West Subzone which has a building height limit of 6 storeys for catalyst sites (development is limited to 14 metres [approximately 4 storeys] for the balance of the Subzone).



Note - Areas are informed by spatial boundaries of the Planning and Design Code

*Figure 1: Subzones in the City of Adelaide with catalyst site policies*

10. Across the Subzones, there are approximately 44 allotments that are greater than 1,500m<sup>2</sup> including seven sites with State Heritage Places and one with a Local Heritage Place. This number does not account for the potential amalgamation of allotments to facilitate the use of the catalyst site policy.

### **Catalyst Site Policy Review**

11. Owing to their large site area, catalyst sites provide opportunity for significant integrated development to occur. The intent of catalyst sites is to ensure land available in appropriate locations is not underutilised and underdeveloped, allow for residential development in concert with small scale commercial development and incentivise amalgamation and master planning of larger development sites.
  - 11.1. The above objectives for development of larger sites are consistent with the objectives in the City of Adelaide's Strategic Plan, City Plan – Adelaide 2036 and Housing Strategy – Investing in our Housing Future.
12. The premise of catalyst site policy was that the building design, setback and interface of higher scale development allowed by the dispensation to maximum height could be appropriately managed using the large area of the site.
  - 12.1. In practice, this approach needs a suite of supporting policies to guide building design and interface management to ensure that development on larger or amalgamated sites delivers the desired growth outcomes without adverse impacts on existing streetscape character.
13. Whilst catalyst site policy is unique in the City of Adelaide, there is a similar mechanism for 'significant development sites' in inner metropolitan local government areas.
  - 13.1. Compared with catalyst site policy, policy in inner metropolitan Adelaide includes additional prescribed criteria, such as site area, adaptive reuse, design quality, private open space provision, provision of community services, affordable housing or sustainability measures, that are assessed in determining additional building height allowance (and include a cap on additional height).
14. Across Australian cities there are varied policy mechanisms that provide flexibility to facilitate appropriate development outcomes on larger sites. Consideration of the local context is given to ensure interface management, building design, housing and land use outcomes, and community benefit is assessed.
15. The key findings of the review are:
  - 15.1. Effective policy for large and/or amalgamated sites requires appropriate supporting policies to guide urban design and interface management issues such as local character, overlooking and overshadowing.
  - 15.2. Removing the mechanism to incentivise larger sites within or adjacent to residential areas in the Code altogether, may limit opportunities for additional housing supply and innovative design outcomes that align with the City of Adelaide's Strategic Plan, City Plan, and Housing Strategy.
  - 15.3. Amendment of the Code is warranted to give effect to policy for larger sites in a manner that protects the interface with existing built form and is cognisant of the local context.

### **Catalyst Site Policy Review Framework and Principles**

16. Attachment A contains a framework and principles for collaborating with the State Government to review existing catalyst site policy. The principles are:
  - 16.1. Recognise that the City of Adelaide and the State Government through its Expert Panel Review on the Planning System Implementation agree changes are required to the criteria and framework for catalyst site policy.
  - 16.2. Review the definition of a catalyst site in the Code to ensure that it reflects the appropriate minimum site area (and any other relevant parameters) for the policies to apply.
  - 16.3. Revise the policy framework for larger sites with stronger policy and design criteria that is consistent with the objects of the *Planning, Development and Infrastructure Act 2016* (SA), and aligns with creating an effective, efficient and enabling planning system.
  - 16.4. Develop replacement policy based on criteria to manage building height and interfaces, which could support development at higher intensity in appropriate locations in the city and North Adelaide.
  - 16.5. The replacement policy to consider site area, building height opportunities (and possible cap on height limit), stronger interface/design and local context requirements, density/site coverage, and other relevant measures such as higher standards of public realm and/or street activation.

- 16.6. Recognise that larger sites provide opportunity for significant integrated development to occur which meets the growth targets in the Greater Adelaide Regional Plan and the City of Adelaide's Strategic Plan, City Plan – Adelaide 2036, and Housing Strategy – Investing in our Housing Future.
17. The replacement policy framework aligns with the City Plan – Adelaide 2036
  - 17.1. Strategy 7 of the City Plan highlights Council's ambition to facilitate growth of housing supply in the city through methods including development of large, underutilised sites which are suitable for potential amalgamation and master planning and advocating for development in strategic locations.
    - 17.1.1. A policy framework guiding development on large sites directly aligns with this strategy and will assist in achieving the objectives of the City Plan.
  - 17.2. Strategy 8 of the City Plan articulates the built form principles for enabling growth outcomes in the city while considering local context and place.
    - 17.2.1. A replacement policy framework will assist in strengthening the consideration of built form and interface while achieving desired growth outcomes.

### Next Steps

18. Administration will continue discussions with the State Planning Commission and Planning and Land Use Services on progressing the implementation of the Expert Panel recommendation to review catalyst sites.
19. Discussion will be based around the policy framework and principles identified in City Plan – Adelaide 2036, as outlined in **Attachment A**.
20. Pending discussions with the State Government, the City of Adelaide is seeking to initiate a proposal to amend the Code in 2025 to commence within the current 2024/25 financial year.

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## DATA AND SUPPORTING INFORMATION

**Link 1** – [City Plan – Adelaide 2036](#)

**Link 2** – [Response of the South Australian Government to the Expert Panel Recommendations](#)

**Link 3** – [Agenda - City Planning, Development and Business Affairs Committee - Tuesday, 7 May 2024](#)

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## ATTACHMENTS

**Attachment A** – Framework and principles for discussion with State Planning Commission and Planning and Land Use Services.

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- END OF REPORT -