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Greenfield Housing,
GPO Box 39,
Sydney NSW 2001
community@planning.nsw.gov.au



NSW Office
Suite 3, Level 11
211 Miller Street
NORTH SYDNEY NSW 2059
(02) 8904 1011
(02) 89041133

A.B.N. 34 151 601 937

Effective planning for people and places

Submission on the Exhibition of the draft Leppington Precinct Plan

Please find attached a submission from PIA NSW to the Exhibition of the draft Leppington Precinct Plan.

We would be pleased to elaborate further on the issues raised if need be.

Yours sincerely,

A handwritten signature in black ink that reads 'Maureen Horder'. The signature is written in a cursive, flowing style.

Maureen Horder
PIA NSW Executive Officer

Introduction

The Planning Institute (PIA) NSW welcomes the opportunity to provide comments on the exhibition of the draft Leppington Precinct Plan to inform the preparation of a submission for the Planning Institute of Australia.

This submission provides background information about Leppington and the release of the precinct and a summary of key issues with comments and/or recommendations.

Background

The Leppington precinct covers 655 hectares and is currently zoned for rural land use. The precinct is located within the Camden Local Government Area in Sydney's South West Growth Centre.

The population of this precinct is forecast to grow by 100,000 people by 2031. To cater for this growth, new homes, jobs, infrastructure, services, and open space will need to be provided.

The Leppington Precinct was released by the then Minister for Planning in November 2011. The western boundary of the Precinct was reviewed immediately after the Precinct's release. On 15 August 2012 the Minister endorsed a realignment of the Precinct's western boundary, which included land partially within the Catherine Fields North Precinct (additional 198 hectares to be included in Leppington).

The release of the Precinct has been timed to coordinate with the completion of the South West Rail Link, current road upgrades and planned major centre in the Leppington Precinct. The rezoning of the Precinct will follow neighbouring Austral, Leppington North and East Leppington Precincts.

Since late 2012 the Department of Planning and Environment has been preparing technical investigations and draft planning controls. The draft Precinct Plan and supporting studies have now been finalised and released for exhibition. These documents include:

- » Precinct Planning Report including Draft Indicative Layout Plan and proposed rezoning sequence
- » Explanation of the proposed amendment to State Environmental Planning (Sydney Region Growth Centres) 2006 (including draft Maps)
- » Draft Development Control Plan
- » Technical studies including Retail, Employment, Demographics and Social Infrastructure Report and Infrastructure Delivery Plan.

In addition, minor map amendments to reflect the new Rickard Road design in the Leppington North Precinct Plan are also on exhibition.

The Department of Planning and Infrastructure is also seeking feedback on the staged rezoning of the precinct for urban development. This new approach to rezoning land within the Growth Centres means land for urban development will take place in stages to align with development demand and infrastructure availability.

Submission

Precinct planning process

The planning and delivery of infrastructure to support new development in the Growth Centres is being delivered by Precinct Planning process. The process includes the release of the Precinct initiated by the NSW Government, through to rezoning allowing development to commence.

The precinct planning process involves a detailed analysis of the development potential of each precinct, and the infrastructure and services needed to support development. The analysis includes extensive background studies to inform an Indicative Layout Plan and draft planning controls which is used to test the feasibility of development scenarios with State agencies.

Comments/Recommendations

The approval and master planning process for Leppington and the Growth Centres is generally sound. We consider that the process has been streamlined and strategic by:

- » reducing the time taken to rezone land
- » streamlining assessments for issues such as biodiversity, saving the need to revisit many issues at the Development Application stage
- » scheduling infrastructure and services when required for urban development
- » preparing local planning documents such as Development Control Plans and Section 94 contributions plans during Precinct Planning,
- » encouraging the coordination of infrastructure provision between various infrastructure providers.

We welcome release of the Indicative Layout Plan to guide future urban development. We commend the partnership between the Department of Planning and Environment and Camden Council that has produced a strong and sound "masterplan" for taking the development of this new community forward in a coherent way.

Notwithstanding this the rate of development within the Growth Centres is slow and redevelopment has been ad hoc. This is due to a variety of reasons some of which are discussed below. We consider that a process which is fair, reasonable and transparent is required to speed up development.

This could include:

- » a process for acquiring land and/or bringing together landowners to consolidate land to make it more attractive for development – provide incentives
- » consider utilising a development authority to assist in achieving development outcomes
- » development of complying development controls to deliver housing
- » relocation of agricultural discussed below.

Relocation of agriculture

It is important make land available for agricultural pursuits within close proximity to Sydney to ensure a reliable supply of fresh, healthy food close to market. Currently a lot of Sydney's fresh produce is grown in the greater Leppington area. The majority of the farmers involved are often tenants, but provide an invaluable service to the wider Sydney community. Even if their farms are lost (and the merits of that issue are a separate debate) their skills should not so.

Comments/Recommendations

A mechanism should be provided that facilitates and funds the relocation of their farm business to elsewhere in the outer metropolitan agriculture areas. This may also assist in speeding up the development of land not within Leppington but also the wider Growth Centres.

Staged approach to rezoning land in the Growth Centres

The rezoning of land for urban development is proposed to take place in 4 stages. In the first stage in early 2015, land will be rezoned for around 1,900 homes (about four to five years of housing supply) within walking distance of Leppington Station and close to Ingleburn Road and Camden Valley Way. Access to essential water, sewer and electricity infrastructure will be provided in mid-2016.

The remainder of the Precinct will retain the current zoning under Council's planning controls until infrastructure commitments are made and there is evidence of development demand in these areas. When other sub-precincts need to be rezoned, the Department and Camden Council will review and update the Indicative Layout Plan for Leppington Precinct. Before rezoning the other sub-precincts, a revised Indicative Layout Plan will be exhibited.

This is a new approach in the Growth Centres. Previously, whole Precincts have been rezoned at the same time. However, this approach can lead to artificial inflation of land values, and put pressure on Council and infrastructure agencies to deliver infrastructure across a larger area that is less cost-effective. Other benefits of staged rezoning identified include:

- » giving existing land owners greater capacity to plan to develop their land
- » ensuring that land owners also won't have to pay higher rates on land that can't be developed because there is no infrastructure in place.

Comments/Recommendations

While the idea of staged rezoning to more closely align with infrastructure demand and delivery is sound, in practice however that is what the planning and development agencies in the Growth Centres have always tried to do. The staged rezoning does not mean that mismatches between infrastructure funding/delivery and development will not arise.

Moreover land owners can continue to use the land for its existing purpose provided that the use has been lawfully commenced regardless of the zoning. However it is acknowledged that there may be limitations on the continuance of existing uses.

Other issues that could potentially arise include:

- » provide certainty to tenants
- » approach may not affect inflation of land values
- » impact the ability of land owners in other sub-precincts to sell their land if land values decrease
- » create unnecessary costs and delays associated with rezoning and exhibition later
- » potentially slow down the rate of redevelopment.

Provision of infrastructure

Existing infrastructure and essential services in the Leppington Precinct are consistent with the current rural and rural residential land uses.

Given the lack of existing services available to the Precinct, an Infrastructure Delivery Plan has been prepared as a guide for landowners and developers to consult when considering the development of land in the Precinct. The plan identifies the infrastructure required to be delivered to enable the development of the Precinct, such as water mains, roads, telecommunications and social infrastructure such as schools and parks.

Comments/recommendations

The range of measures identified for the design, funding and delivery of infrastructure are welcomed. We acknowledge that there are a number of key challenges facing infrastructure delivery and Precinct development these include

- » Infrastructure delivery schedule and initial development
- » Land fragmentation and infrastructure delivery
- » Funding of local infrastructure above the Section 94 Contributions cap
- » Developing sequencing

A summary of these issues and comments are provided below.

Infrastructure delivery schedule and initial development

The rate of development of the Leppington Precinct will be dependent on market conditions, the current programs delivery assumed by the infrastructure providers are indicative only.

Should the actual rate of development differ from those assumed in the service infrastructure planning there will be potential risks of underutilised infrastructure or constraints in available service infrastructure capacity. Some of the key service infrastructure delivery program risks have been identified. In contrast higher than anticipated demand may require earlier provision of infrastructure.

Comments/recommendations

We support the Department of Planning and Environment continuing to work with key service authorities and other parts of Government to coordinate the timely delivery of infrastructure in response to service the precinct in response to market demands.

It is noted that delivery of infrastructure will require significant and ongoing commitment from the State government. Bipartisan support will be required.

Furthermore it is important that the delivery of both physical and social infrastructure is matched to support new communities.

Fragmented Land ownership

The current pattern of land ownership in the Leppington Precinct is relatively fragmented with 266 land owners with the majority owning between one and two hectares of land.

Fragmentation of land ownership in greenfield sites like Leppington constrains orderly development of urban development and the delivery of necessary infrastructure to support new urban development. High levels of land ownership fragmentation can prove difficult for Council or other government authorities to acquire land for infrastructure or public benefit purposes.

These areas of fragmented land ownership can significantly delay the provision of lead-in infrastructure for the both the public sector (service mains and treatment/generation facilities) and the private sector (reticulation services). It also makes it extremely difficult to determine the likely development fronts for the Precinct.

Comments/Recommendations

- » We support the Department of Planning and Environment continuing to work with key service authorities and other parts of Government to develop appropriate funding and delivery models that allows the timely delivery of infrastructure.
- » We acknowledge and support the Department of Planning and Environment's efforts in working with landowners and developers interested in developing their land to help coordinate the future discussions and planning with servicing authorities.
- » We recommend that:
 - > a clear practical pathway to facilitate a co-ordinated approach to consolidation of land ownership or the creation of effective consortia be developed
 - > Consideration be given to utilising a development authority (such as Urban Growth (previously Landco) to assist in facilitating a co-ordinated approach to consolidation of land and achieving development outcomes
 - > a process for compulsory acquisition which is fair, reasonable and transparent, be established to acquire land for public benefit.

Funding of local infrastructure above the Section 94 Contributions cap

A Section 94 Contributions Plan is being prepared with Camden Council. The Section 94 Plan will enable Council to levy contributions on development within the Precinct. Funding sourced from these contributions will be used by Council to deliver essential infrastructure required by the Precinct. This will typically include major local road infrastructure, drainage infrastructure and land for open space and community centres. This funding will not cover on-essential community facilities and councils need to find alternative funding for these.

Currently the funding for this type of infrastructure that can be collected by councils from Section 94 Contributions is limited to \$30,000 per residential lot. However it has been acknowledged that it is likely that the average contribution will exceed the cap and would need to be compensated by other means. This is due to the significant amount of infrastructure required and amount of constrained land.

A number of mechanisms have been proposed to compensate the local infrastructure gap funding. These include special rate variation rate income and contributions gap funding under the NSW Local Infrastructure Growth Fund.

Comments/recommendations

- » Support State Government and Camden Council working in collaboration to develop strategies to meet the cost of infrastructure that cannot be wholly funded by section 94 contributions.
- » Councillors and voters tend to dislike Special Rate Variations.
- » Recommend that State Government and Camden Council investigate the likely support of increase in rates for a certain period to support specific projects such as construction of community facility and look at innovative ways to engage the future residents in this process.
- » Notes that the Section 94 Plan will be reviewed by Independent Pricing and Regulatory Tribunal prior to being adopted by Council in order to qualify for funding under the Local Infrastructure Growth Fund.

Developing sequencing

The timely provision of primary utilities in line with the rezoning and development of land is often a significant factor that prevents development from occurring in new release areas. The Infrastructure Delivery Plan has identified where services are likely to be available first, and on this basis identifies a potential development front in the north of the Precinct.

Comments/recommendations

Proposed rezoning sequence is considered reasonable given it is matched with infrastructure commitments. Furthermore it represents a logical progression because of its proximity to transport, current road upgrades, and the planned Major Centre at Leppington.

Planning Institute of Australia
NSW Division
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