

Our Ref: **10400: Wilton**
Date: **13 November 2015**

The Secretary
NSW Department of Planning and Environment
Housing Land Release
GPO Box 39
Sydney NSW 2001

community@planning.nsw.gov.au

Dear Ms McNally

Submission to the Greater Macarthur Land Release Investigation - Preliminary Land Release Strategy

We refer to the public exhibition of the Greater Macarthur Land Release Investigation Preliminary Land Use Strategy and Action Plan, together with the proposed amendments to the State Environmental Planning Policy (Sydney Growth Centres) 2006 (the Growth Centres SEPP).

The study area includes land owned by Dalbar Pty Ltd at Wilton in the proposed Wilton Priority Precinct. The land comprises the Wilton Aerodrome (Sky Diving Centre) on Picton Road and is commonly known as Governors' Hill. The location and details of the land (including Lot and DP) are presented in **Attachment 1**. Governors' Hill is also part of the Wilton Junction Landowners' Group (WJLG).

Firstly, Governors' Hill fully supports the initiative of the Department and Government to embarking on planning to identify the next areas to satisfy Sydney's existing and future housing demand and to accommodate Sydney's forecast growth as we proceed through the 21st Century. The supply of readily developable land within the Growth Centres will be exhausted in 15 -20 years and it is vital for Sydney that the next phase of Sydney's growth is planned and executed.

Governors' Hill has inspected the plans and we write on its behalf and present the following comments for your consideration.

Summary

In summary, our principal comments and requests are as follows:

- 1. Governors' Hill fully supports the proposal for Wilton on exhibition;*
- 2. It requests that the draft Structure Plan be amended to reflect the master plan prepared by the Wilton Junction landowners' Group (WJLG);*
- 3. The possibility of establishing a Special Infrastructure Contribution (SIC) is supported provided it adopts the same approach to the application of the contribution rate to different land uses as contained in the Environmental Planning and Assessment (Special Infrastructure Contribution- Western Sydney Growth Areas) Determination 2011;*
- 4. Should the existing discount in the Western Sydney Growth Areas not be applied, and landowner's become reliant on the current offer that has been made to government in order to deliver a viable and competitive development (submitted on 17 July 2015), then Governors' Hill must advise that until an agreement has been reached between the landowners in the WJLG consortium it has no choice but to withdraw its support for the offer;*
- 5. The exhibited Structure Plan be amended to match the WJLG Master Plan to also facilitate an optimal plan for both long wall coal mining and the sequenced development of the Wilton Town Centre. The outcome of which will likely be an agreement between South 32 and Governors' Hill that the town centre will be able to coexist with mining;*
- 6. Government initiate and resolve biocertification of the Wilton Priority Precinct; and*
- 7. Government identify and support a pathway that enables the fast tracking of appropriately sequenced rezoning of individual or co-ordinated parcels of land where all issues can be demonstrated to be resolvable.*

Each of these points is discussed in detail below.

1. Structure Plan

The Structure Plan differs in a number of respects to the Master Plan prepared by the Wilton Junction Landowners' Group (WJLG). This includes relocation of the town centre within the site away from Picton Road to a new location adjoining the future Maldon - Dumbarton rail freight line and designation of all of the land north east of Picton Road for service industry / large format retail uses.

The differences are illustrated in **Figure 1** on the following page.

The preparation of the Master Plan has benefited from significant environmental and technical investigation that was commissioned by the WJLG over the previous two years. The investigations have been completed to a level of detail far in excess of that undertaken in the technical documents that have been exhibited as part of the Strategy proposal.



Figure 1: Differences between Exhibited Structure Plan and WJLG Master Plan as it applies to Governors' Hill

In this context we consider that the master plan is a more thorough and robust land use plan for the development of the site. In particular we provide the following observations on the Structure Plan as currently exhibited:

- a) The location of the town centre as proposed in the Structure Plan was investigated by the WJLG as one of a number of alternative options. It was discounted for the following reasons:
 - > It directly adjoined the freight railway line, the noise impacts of which would not be conducive to, or reconcilable with, a mixed use (including higher density residential) town centre use;
 - > it was distant from enabling (Stage 1) infrastructure, in particular sewer, power and water connections that all arrive at the site in the southern corner at the intersection of the Hume Highway and Picton Road;
 - > It was distant from the Stage 1 site access and thus the town centre would be deprived of convenient accessibility in the short to medium term; and
 - > Being distant from the early stages of development, and as the first stage of the centre was intended to be developed in Stage 1 due to forecast demand, a disconnected and disengaged location as shown in the exhibited Structure Plan would inhibit the implementation of the necessary character, public domain and place-making strategies that are required to establish the centre as the genuine community heart of the Precinct from day 1.

- b) Furthermore, the location of the centre as proposed by the WJLG has the following added benefits:
- > It provides direct convenient linkages between the proposed bus transit interchange within the centre and the Hume Highway and Picton Road for local and trunk bus routes to local and more distant destinations;
 - > It reduces the need for patrons accessing the centre by car to cross the Governors' Hill site (thus minimising traffic movements within the site);
 - > It has been proved via comprehensive traffic modelling undertaken by the WJLG (which has been provided to the Department of Planning and Environment) that the traffic generated by the Centre can be accommodated on local (intra-site) and regional road network (with appropriate upgrades) without any unreasonable impact on the traffic function of Picton Road and the adjoining Hume Highway / Picton Road intersection. This has been demonstrated to the RMS' satisfaction and accepted.
 - > In the event that the Maldon Dumbarton Rail freight line is ever used for passenger traffic, due to topography the optimal location for a grade separated railway station interchange is the southern end of the rail corridor immediately before its crossing under the Hume Highway. The location of the centre as proposed in the WJLG master plan would enable a walkable connection to the station (700 metres) together with space for the public transport interchange and kiss-n-ride areas that would be required as part of the station development;
 - > It enjoys better visual exposure to passing traffic, which is vital if the services and facilities in the Centre are to capture the existing escape expenditure and reduce trip generation out the Wollondilly LGA; and
 - > It is more conducive to supporting higher density residential use, being more distant from the freight rail line.
- c) The designation of all of the land east of Picton Road for large format retail and service uses is problematic for a number of reasons:
- > It is not the highest and best use for the land given its attributes and amenity adjoining woodland, Riley's Creek and the future town centre, which are more attractive for residential use. The WJLG Master Plan identifies more appropriate locations for non-residential uses in areas in the broader WJLG Wilton Junction project area where impact from noise (Maldon Dumbarton Railway and Hume Highway), odour (The Bingara Gorge STP) and heavy vehicle movement is less significant;
 - > Due to the large footprint buildings, it hinders the sequenced release of the land as part of any potential ultimate mining coexistence strategy. The scale of structure required for large format retail and service industry is not supported by South 32 until mining has been completed. This essentially sterilises the land around the Centre (as the Centre, due to strategic significance, will still have to proceed via an agreement with South 32 (if mining coexistence is not resolved by Government). This is discussed below;
 - > The use is not compatible with the intention to locate district playing fields and a public K-12 school in close proximity, and with convenient access, to both the town centre and Picton Road;

- > The use fails to maximise the social opportunities and town planning objectives of locating residential uses (in a mix of densities) in close proximity to a master planned town centre. Large format retail and service industrial uses have a minimal, if any, relationship with a mixed use town centre, preferring, instead, locations with direct regional road exposure and high vehicle volume access.

Designation of this area for residential use, as proposed in the WJLG Master plan is optimum for the reasons identified above.

We have prepared an amended Structure Plan for the Governors' Hill land that responds to, and accommodates, the Master Plan for consideration. This is presented in **Figure 2** below and we request that the final Structure Plan be amended accordingly.

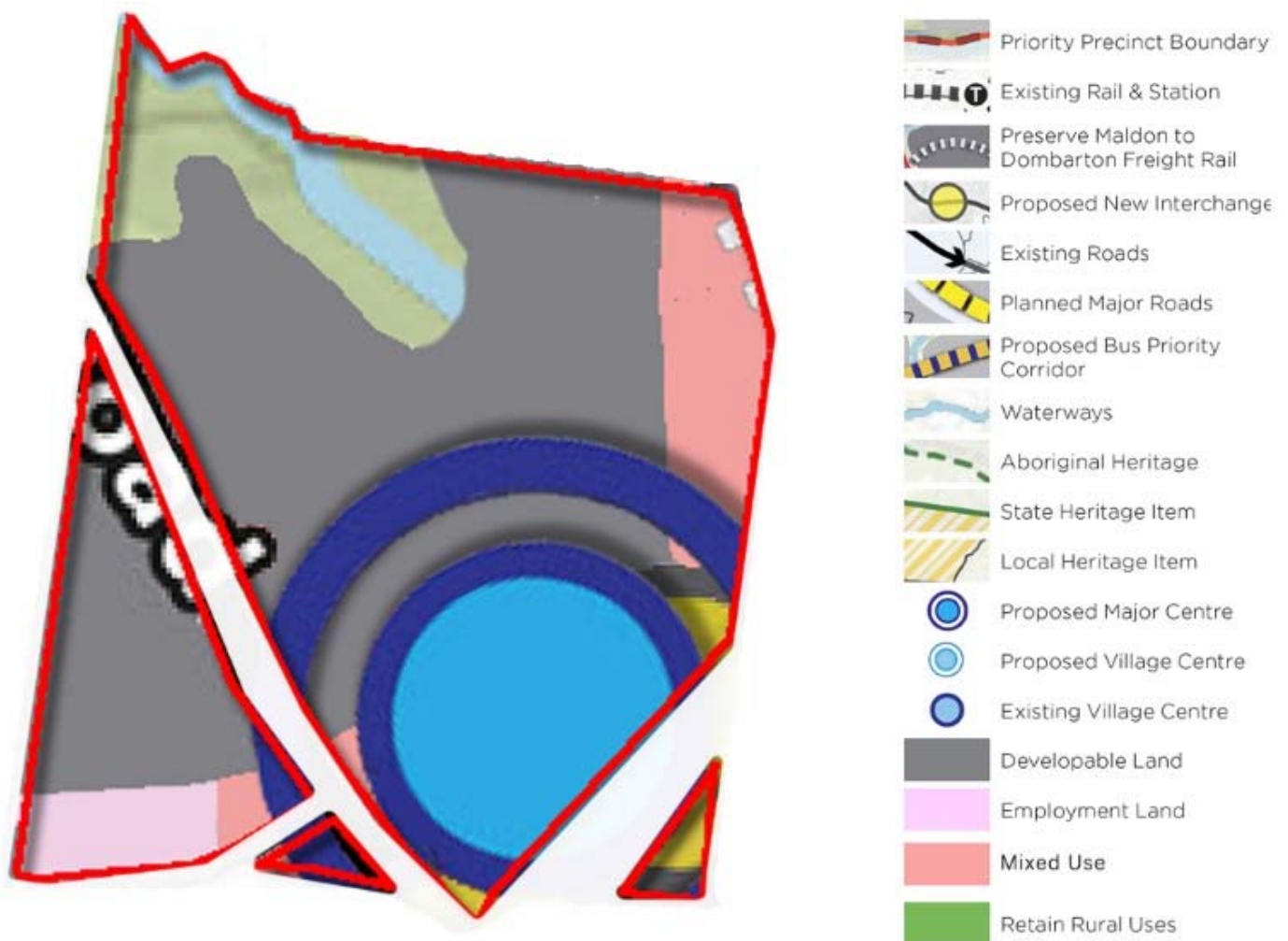


Figure 2: Requested Amendment to the Exhibited Structure Plan as It Affects the Governors' Hill land

2. Special Infrastructure Contribution and Infrastructure Funding Offer

We note that a Special infrastructure Contribution is contemplated across the Wilton Precinct. While little detail is provided, broadly this is supported.

We request that, to be equitable and provide genuine competition to incentivise housing supply, it should adopt the same approach to the application of the contribution rate to different land uses (that is, a different rate should apply to industrial and residential, with no contribution from B1, B2 and B3 zoned land). This approach would be consistent with current approach implemented via the Environmental Planning and Assessment (Special Infrastructure Contribution- Western Sydney Growth Areas) Determination 2011.

Furthermore, we understand that the proposed “no additional cost to Government” principal may translate into a different approach to the application of the SIC whereby the current 50% discount in the Western Sydney Growth Areas is not adopted.

We request that the policy of the SIC be consistently applied to all Growth Centres and Priority Precincts (recognising that the final sum may be higher or lower due to the characteristics of the area)

That said, should the discount not be applied, this will place a greater importance on Government’s acceptance of the infrastructure offer made by the WJLG (most recently on 17 July 2015) in lieu of payment of a contribution. The offer is underwritten by (and its viability has been tested by) comprehensive financial modelling and feasibility analysis. This work confirms that the nexus between development and increased demand on facilities can be established and is robust. The work confirms that the financial offer that has been put to Government is within the capacity of the development to make it (i.e. The WJLG is comfortable that its offer will enable a viable and competitive development to proceed). We do not have this certainty or assurance outside the boundaries of the current offer we have made.

Furthermore, should the discount not be applied and landowner’s become reliant on the offer that has been made to government in order to deliver a viable development, it stresses the importance of the landowners working in a constructive and collaborative manner with each other to arrive at an agreement between themselves to deliver the infrastructure in the offer.

Unfortunately, however, Governors’ Hill, has to report that such an agreement has not been reached between the landowners in the WJLG consortium at this time. Therefore Governors’ Hill has no choice but to withdraw its support for the infrastructure offer submitted by the WJLG on 17 July 2015, as the offer cannot be effected by the WJLG. Until an agreement is reached between the landowners, Governors’ Hill cannot be signatory to the infrastructure Funding offer, and unfortunately Government is in no position to accept the offer.

3. Mining coexistence

I am able to advise that Governors’ Hill has met with South 32 on a number of occasions now and a genuine willingness to work together to identify a solution that accommodates South 32’s requirements for the town centre part of the Governors’ Hill site is emerging.

We are confident that an agreement will be reached whereby the town centre can proceed prior to, or without the exclusion of, mining with the support of South 32 (being the incumbent lease holder).

However, to facilitate the solution it is vital that the town centre be located to minimise impact on long wall mining. The location of the town centre as indicated in the WJLG master plan, together with the residential land uses surrounding the town centre, best facilitates the reaching of an agreement between South 32 and Governors' Hill as it enables South 32 to continue with its operation uninterrupted (with the only impact being the curtailing of the footprint of two longwalls in the vicinity of the Hume / Picton intersection (which Longwall mining must avoid in any event)).

The location of the town centre, together with the surrounding larger format retail and service industry, as shown in the exhibited Structure Plan are antipathetic to co-existence, as the uses have greater impact on the footprint of long wall mining operations and the potential for greater sterilisation of access to the coal resource compared to the WJLG Master Plan.

The alternatively solution would require development to be delayed until the resource is extracted.

Thus, the exhibited Structure Plan does not represent an optimal plan for either coal mining or the sequenced development of the Wilton Town Centre with accompanying retail, community and higher order employment opportunities. This is illustrated in **Figure 3**.



Figure 3: The Impact on Longwall Mining Footprints by the Exhibited Structure Plan

We request that the Structure Plan be amended as discussed in Point 1 above whereby the town centre and its complimentary residential use are located as indicated in the WJLG master plan.

4. Biodiversity Certification

We note that the exhibited material is not clear on Government's intentions in terms of whether it will lead the Biodiversity Certification process, or instead, leave this to rezoning proponents.

Experience has shown elsewhere in NSW that the complexity, duration and cost of the process outside the NW & SW Growth Centres present significant obstacles to timely supply of housing.

This will only be exacerbated as the source of biodiversity offset credits becomes naturally exhausted unless the criteria for the definition and application of credits is amended to introduce greater flexibility (i.e. broader conservation goals are included and species definition creep is curtailed).

It is our experience that this can be beyond the capacity of Local government with developers as proponents. Government is best suited to lead the process with the costs being incorporated into the Special Infrastructure Contribution.

We request that Government take on this role.

5. Planning Pathway Moving Forward

Notwithstanding, and in addition to, the comment regarding the constraints of biocertification above, different lands exhibit different characteristics and will be impacted to varying degrees, or not, by the environmental and infrastructure constraints identified in the exhibition material. Where parcels of land are relatively unconstrained and there is no, or there is a manageable and resolvable, constraint to development, there should be no reason why such land cannot proceed to rezoning independently, particularly if the constraints experienced by other parcels of land cannot be resolved in a timely manner.

We ask that a pathway be identified and supported that enables the fast tracking of appropriately sequenced rezoning of individual or co-ordinated parcels of land where all issues can be demonstrated to be resolvable.

If you require any further details or have any queries please contact me.

Yours faithfully

INSPIRE URBAN DESIGN & PLANNING PTY LTD



Stephen McMahon
Director

