

18 November 2015



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Dear Ms McNally

### **SUBMISSION ON THE GREATER MACARTHUR LAND RELEASE INVESTIGATION (GMLRI)**

Walker has been assembling land in the West Appin area for 15 years with a long term vision of creating a new town as first envisioned in the Three Cities Structure Plan in 1973.

We are committed to creating a master planned community which provides a range of housing, employment, leisure and community opportunities consistent with our vision for a new urban - rural lifestyle.

This vision includes respect for the environmental and Aboriginal features of the area and for the amenity and heritage of the adjoining Appin village.

Our vision also includes the delivery of infrastructure at no additional cost to government and a practical approach to delivering affordable housing as we previously exhibited in our smaller Appin Valley project which was highly sought after by local first and second home buyers.

I attach herewith our submission to the Greater Macarthur Land Release Investigation and I hope you will forgive a few criticisms in our submission.

We are passionate about our vision and will continue to promote what we believe in despite the fact it may not always match the prevailing planning orthodoxy.

Thank you for allowing us to present our views.

Yours sincerely

LANG WALKER  
Executive Chairman  
Walker Corporation

## **Submission on the Greater Macarthur Land Release Investigation (GMLRI)**

This submission is prepared in relation to the recently-exhibited Greater Macarthur Land Release Investigation Preliminary Strategy and Action Plan (the GMLRI Strategy) and proposed amendments to the State Environmental Planning Policy (Sydney Growth Centres) 2006 (the Growth Centres SEPP).

The submission outlines Walker Corporation's view of past land releases in South West Sydney including the GMLRI and submits a solution that focuses on the release of additional land specifically at West Appin in conjunction with the staged development of new infrastructure starting with Appin Road and eventually an arterial road connecting the Hume Motorway with the Appin-Bulli Road diverting traffic away from Campbelltown and Narellan Road.

### **History**

West Appin was first identified as a possible growth area in the Sydney Region Outline Plan (1968) (the SROP).

In 1973 the government released the "Three Cities Structure Plan" which specifically identified Appin as a new town.

1991 the South Macarthur Regional Environmental Study found Appin, Mt Gilead and Wilton were suitable as future urban areas

In 2005 the government extended development north of Narellan in what was first called "South Creek" and later became known as the South West Growth Centre.

In 2009 South Macarthur was deferred by the government due to concerns about coal mining.

In 2014 coal mining was largely completed in West Appin.

In 2015 West Appin was assessed as suitable for release in the draft GMLRI but deferral has been suggested because of land supply and infrastructure reasons.

### **The South West Growth Centre**

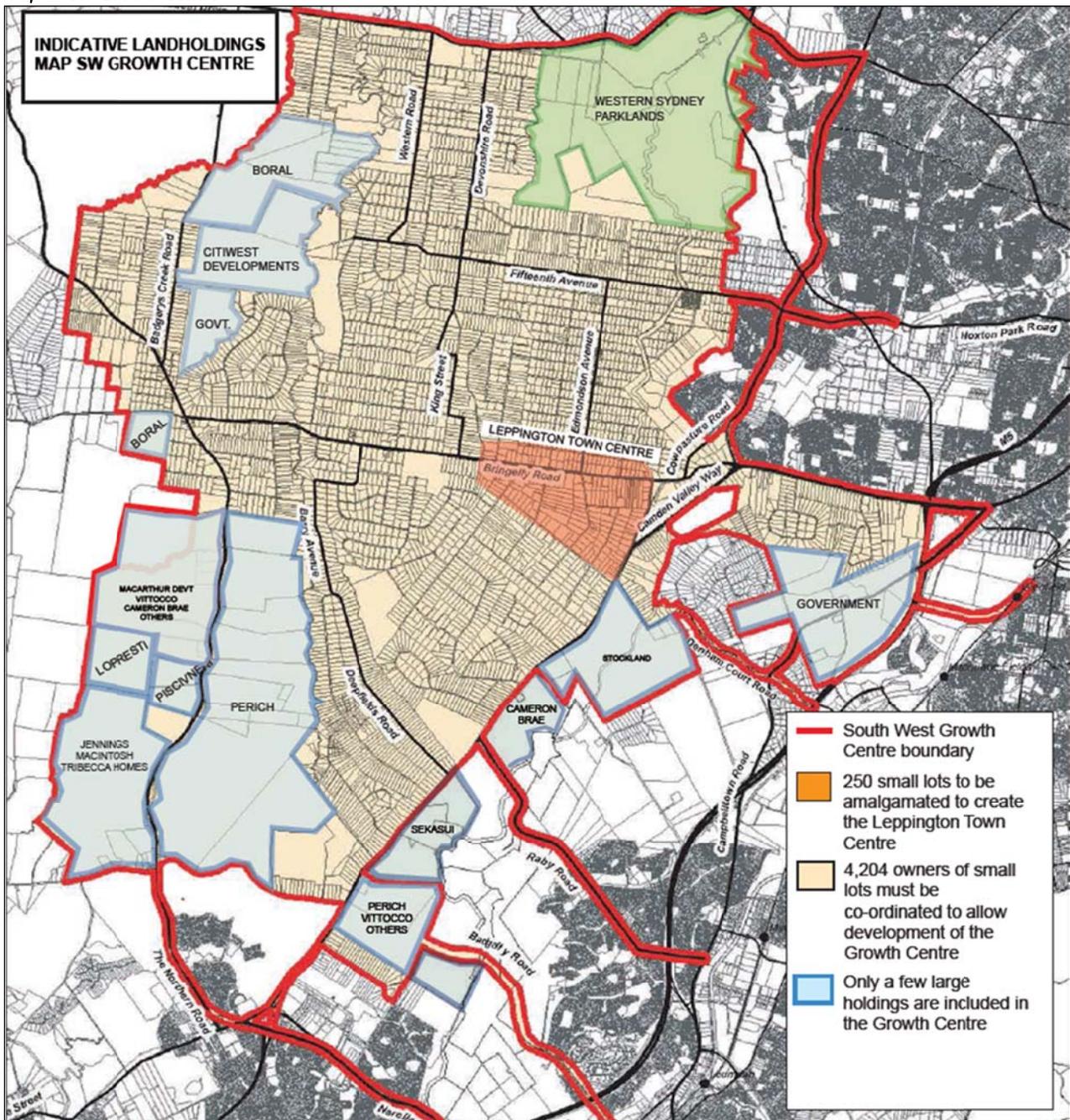
The SW Growth Centre was planned to deliver 65% of the 155,000 additional homes that the government predicted would be needed in SW Sydney to 2031 (Department of Planning: 2005; South West Subregional Draft Regional Strategy p75).

Much was written by the government about the benefits of the SW Growth Centre especially the fact it would produce 110,000 lots providing the region with enough land for housing to ensure an affordable housing supply for over 20 years.

However most of the SW Growth Centre had previously been disregarded by planning authorities because it contained 4,500 SMALL RURAL LOTS that made cost effective and planned development virtually impossible (Department of Planning, 1988; Urban Development Programme 1988/1989 – 1992/1993).

Also 50% of NSW vegetable farms are in the Sydney Basin and 50% of these are in areas designated for urban expansion such as the Growth Centres (NSW Food Summit 2009).

Map 1: SW Growth Centre



The South West Growth Centre did however include some large holdings owned by a small group of developers and the NSW Government through its development arm Urban Growth NSW. These lands were subsequently released for development.

The Government then spent \$1.8 billion building a rail way line to Leppington and \$280 million to complete Camden Valley Way hoping it would result in more affordable land being developed.

Ten years on and the fragmented lands remain a problem because consolidating so many small parcels is both slow and costly. For example Stage 1 at Leppington is being rezoned because of existing or committed services but there is no commitment to service or rezone the remaining 4 stages (Source: Planning & Environment: October 2015; Leppington Stage 1 Finalisation Report).

The government through its development arm Urban Growth NSW decided to help development by funding all works in Oran Park for the first 2,700 lots with potential to play a role in the coordination of infrastructure for all of Oran Park (Source: Urban Growth website accessed 17.11.15).

In June this year after 10 years of planning and investment of public money the SW Growth Centre had produced approximately 4,500 registered lots (Source: Growth Centre website accessed June 2015) plus a further 1,000 lots under construction or registered since June.

It is argued that despite the investments in the rail line, the planning and the funding of the joint venture at Oran Park and the completion of infrastructure the greatest achievement from the SW Growth Centre is that the restricted supply and the infrastructure investment has increased the undeveloped value of land within its boundaries so much that it is arguably impossible to now develop residential land at an affordable price.

Despite the government planning and infrastructure the SW Growth Centre will never deliver 110,000 lots because of land fragmentation. The last 10 years have produced around 5-6,000 lots so if production averages 3,000 lots per year for the next 15 years it will reach only 50,000 lots but not 110,000 lots.

It is suggested the Growth Centres approach has produced some of the most expensive residential land ever developed in Australia.

For example between 2010 and 2015 the median green field lot price in SW Sydney was \$250,000.

At the same time in Melbourne the price was \$196,000.

Five years later the median price in SW Sydney is \$364,500 while in Melbourne it remains much the same at \$212,000 (Appendix 1).

The government attempted to address affordability problems in 2014 but instead of releasing more land to create competition to drive down prices it decided to allow existing growth centre developers plus Urban Growth NSW to subdivide lots as small as 200 square metres in low density zones and 125 square metres in medium density zones (Planning & Environment: Growth Centres Amending Development Control Plan No. 1, August 2014).

The result is smaller and smaller lots making increasing profits for land owners and the Government with buyers having no choice but to accept accommodation that is sub optimal for families living on Sydney's fringe.

Recently a research paper was released that found a growing deficit of accommodation suitable for families (Birrell; 2015) and this trend is going to continue unless the government releases more land and creates more opportunities for master planned communities that provide what families are wanting at a price that they can afford.

The past 10 years of Growth Centre planning should lead the public to ask the following questions:

**WAS IT NECESSARY FOR URBAN GROWTH NSW TO INVEST IN ORAN PARK IN ORDER TO SUPPORT THE ESTABLISHMENT OF THE SW GROWTH CENTRE?**

**HAS THERE BEEN ANY MEASURABLE IMPROVEMENT IN HOUSING SUPPLY OR HOUSING AFFORDABILITY AS A RESULT OF THE NSW GROWTH CENTRE AND THE GOVERNMENT INVESTMENTS THAT WERE MADE?**

**WHY DOES'NT THE GOVERNMENT OPEN UP COMPETITION BY RELEASING LAND OUTSIDE THE GROWTH CENTRES TO PUT DOWNWARD PRESSURE ON LAND PRICES?**

## **Metropolitan Strategy Submissions**

In 2010 and 2013 Walker Corporation responded to requests for submissions on the Sydney Metropolitan Strategy. These submissions were well researched reports prepared by qualified professionals. Copies of these submissions are attached at Appendix 2.

**No reply was ever received other than a pro forma acknowledgement.**

## **Walker Part 3A Application**

In 2010 Walker Corporation submitted an application under Part 3A of the Environmental Planning and Assessment Act requesting the government consider a new town proposal at Appin. The proposal presented a regional approach that was well researched and included detailed studies including a regional traffic model, a public transport study, a services strategy and various environmental assessments.

**The application was never acknowledged.**

A letter was received 18 months later advising Part 3A had been repealed and the application could no longer be considered.

## **The Potential Home Sites Program**

Due to the rising cost of land the then Minister for Planning decided in late 2011 to call for land holdings outside the SW Growth Centre greater than 100 hectares that were **“shovel ready”** to be submitted for investigation by the government. This was called the Potential Home Sites Program.

In 2011 Walker Corporation submitted an application supporting new land releases at Appin and Wilton.

**The submission was acknowledged but again the government did nothing.**

However, Wollondilly Council did take action and subsequently co-ordinated three Proposals into the Wilton Junction master plan. The Government subsequently allowed an investigation into Wilton Junction by the land owners. This has still not been determined.

## **The West Appin Strategic Infrastructure Investigation**

The government then decided in 2013 to lead an investigation into infrastructure requirements for West Appin.

This investigation was completed and submitted in March 2015 by the landowners.

**The completed investigation has never been acknowledged and no feedback has ever been provided.**

The investigation was carried out under the leadership of the Department of Planning and Environment with support from Transport for NSW and in accordance with Terms of Reference issued by the Department 20 December 2013.

The work was delayed by 6 months because Transport for NSW were unable to decide on appropriate assumptions to use for the required Transport Model.

The final submission contained the following reports:

- Preliminary Traffic and Transport Model (prepared by WSP Parsons Brinkerhoff)
- Infrastructure Servicing Strategy (prepared by civil engineering firm BG&E)
- Social Infrastructure Assessment (prepared by Elton Consulting)
- Business case (prepared by Elton Consulting)

Copies of these reports are included within this submission (Appendix 3).

The business case concluded that:

- the legacy of past urban growth in south west Sydney and the growing economic importance of the Illawarra region has created a need for government investment in roads infrastructure in the region;
- the development at West Appin would add an additional \$384 million to the cost of building this new regional road network; and
- the government could cover this additional cost through the imposition of an infrastructure levy of \$30,000/lot (raising between \$450 and 540 million) to provide the infrastructure that is needed now and into the future **AT NO ADDITIONAL COST TO GOVERNMENT.**

**These reports sat with government for 6 months without comment or feedback to the landowners until the government released the GMLRI in October.**

## **The Greater Macarthur Land Release Investigation**

The GMLRI was made available for community comment in October 2015.

The GMLRI concluded West Appin was not needed for 20 years. It also concluded Mt Gilead/Menangle Park and Wilton could be released for urban expansion.

The reasons given why West Appin was not needed were:

1. There would be 35,000 lots produced in Mt Gilead/Menangle Park and Wilton so no more land was required; and
2. The delivery of infrastructure such as road upgrades for West Appin was not cost effective.

Let's examine whether these reasons can be sustained.

## **Can Mt Gilead/Menangle Park and Wilton deliver 35,000 homes in 20 years?**

Mt Gilead/Menangle Park is assessed as having capacity to deliver 18,100 homes while Wilton is assessed at 16,600 homes.

However actual capacity is below what is promised because of the following constraints:

1. High value agricultural land;
2. Coal seam gas wells;
3. Approved coal mining operations; and
4. Land fragmentation.

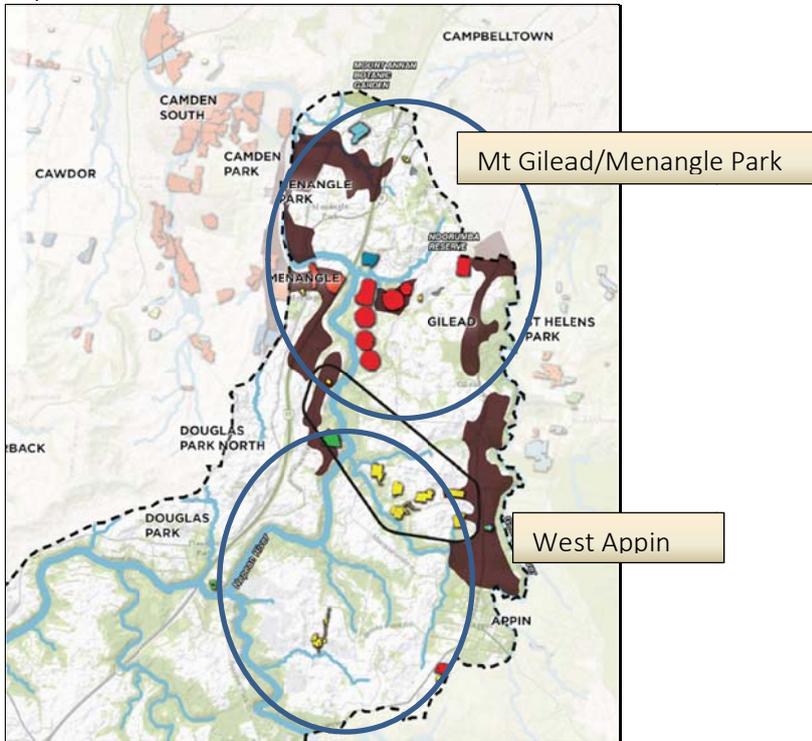
These constraints are explained below.

## 1. Agricultural land

Map 2 compares Mt Gilead/Menangle Park with West Appin.

The brown and red areas are high value agricultural lands. The yellow areas define existing poultry operations. High value agricultural land should not be developed for housing and this is identified in the GMLRI as an “encumbrance”.

**Map 2: Agricultural Constraints – Source GMLRI**



Mt Gilead/Menangle Park have a number of areas identified as high value agriculture including areas with water licenses for irrigation. These areas are of potential importance as part of Sydney’s diminishing Food Bowl and also provide historic and scenic values appreciated by the local community.

**The presence of high value agricultural land at Mt Gilead/Menangle Park will reduce the ability of this area to deliver homes.**

West Appin has no high value agricultural land. Some land east of Appin village outside the proposed land release is identified as high value. West Appin does contain a poultry operation but this will close on or before 2019 so is not a constraint.

## 2. Coal Seam Gas

Map 3 below shows approved coal seam gas (CSG) wells as yellow and orange circles.

The government has recently sold land at Menangle Park for residential development to development Company Dahua Group (Source: Urban Growth NSW website accessed 17.11.15). This land is within 2 kilometres of existing gas wells and a gas production facility.

Coal seam gas wells elicit strong community opposition and while this may have been avoided in the past a growing urban area at Menangle Park and Mt Gilead can be expected to raise concerns with these CSG operations with complaints about impacts on ground water, air quality and noise to be expected.

Placing urban areas adjacent to existing gas extraction will lead to community opposition which may delay the rezoning of the homes and or set a precedent that undermines the government’s CSG policy in other regions.

MT GILEAD AND MENANGLE PARK HAVE A LARGE NUMBER OF CSG WELLS PLUS A CSG PROCESSING PLANT. THE GOVERNMENT APPLIES A 2 KILOMETRE SETBACK BETWEEN URBAN AREAS AND CSG WELLS SO IF THIS POLICY IS VARIED WHAT IMPACT WILL THIS HAVE ON GOVERNMENT CONTROL OVER OTHER CSG OPERATIONS AROUND THE STATE?

### 3. Coal Mining

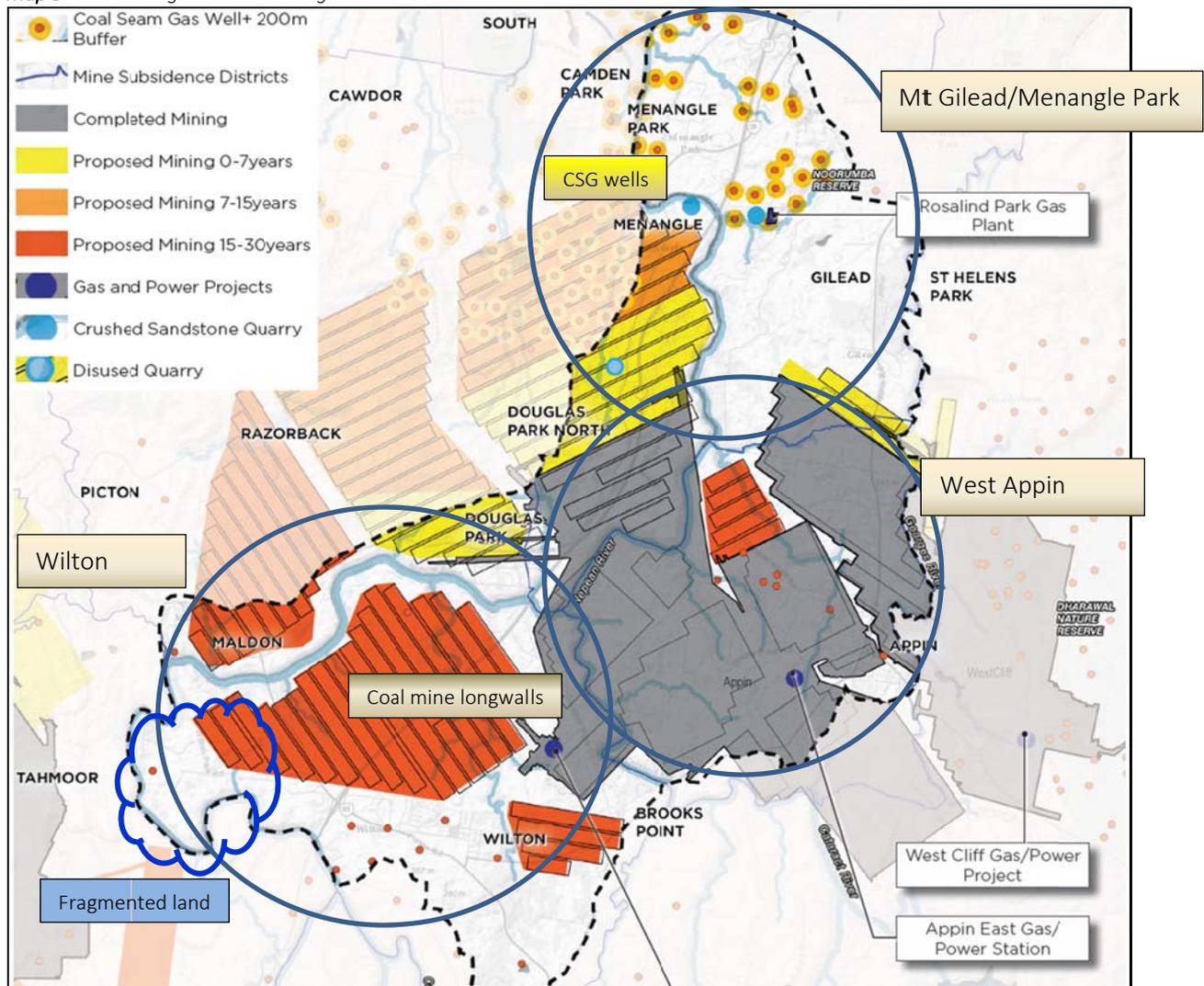
Map 3 shows approved coal mining in Wilton and completed mining at West Appin.

Future mining is identified in yellow, red and orange and completed mining in grey.

The government previously deferred development in South Macarthur to allow for mining to occur ahead of urban development. This avoids impacts such as drilling for exploration and gas drainage and then subsidence as long walls collapse following the completion of mining. As a result mining has largely been completed at West Appin.

Wilton has approximately 6000 homes located above approved future long wall mining operations.

**Map 3: Coal mining and coal seam gas wells – Source GMLRI**



Mining of the Bulli seam can produce subsidence of about 1 metre (Pell Consulting: 2012).

Development can be designed to reduce impacts from subsidence but it cannot be eliminated and homes will be damaged as long walls collapse. As a result government warnings will be needed to ensure future owners are aware of the potential for damage from subsidence.

These difficulties mean the development of significant areas in Wilton may be delayed until either mining is completed or a satisfactory planning framework is imposed. It is therefore unlikely 16,000 homes will be developed in Wilton by 2036.

#### 4. Land Fragmentation

West Wilton contains approximately 50 small rural allotments. The GMLRI assumes these lots can be developed producing approximately 4,000 additional lots. These lots are remote from existing and proposed services and are highly valued because of their amenity and improvements. While subdivision into smaller rural allotments may be feasible normal urban development is unlikely because it will be unviable because of the cost to consolidate lots and the expense of delivering full urban services.

THE GMLRI APPEARS TO BE FOLLOWING A COMMON THEME OBSERVED IN THE GROWTH CENTRES:

- MAJOR CONSTRAINTS ARE IGNORED INCLUDING FRAGMENTED LAND OWNERSHIP,
- POLICIES PROCLAIMED TO DELIVER LARGE VOLUMES OF AFFORDABLE HOUSING ACTUALLY END UP RESTRICTING LAND SUPPLY BECAUSE RELEASE AREAS OUTSIDE THE POLICY AREA ARE PROHIBITED.

It is no surprise that Melbourne growth areas sold 15,650 lots in 2014 while Sydney struggled to sell 7,860 lots in the biggest boom in decades (Appendix 1).

BECAUSE OF CSG, MINING, LAND FRAGMENTATION AND AGRICULTURAL LAND CONSTRAINTS MT GILEAD/MENANGLE PARK AND WILTON CANNOT DELIVER 35,000 HOMES BY 2036. AS A RESULT WEST APPIN NEEDS TO BE INCLUDED WITHIN THE GROWTH CENTRE SEPP.

### **Why did the GMLRI decide the cost of delivering infrastructure at West Appin was not cost effective?**

#### *Roads*

The GMLRI concludes for West Appin *that large scale land releases would trigger the need for a new east west connection to the Hume Highway and the cost of these works would be significant and not currently cost effective.* However there is no evidence within the work provided to show how this conclusion was reached. There are no costings of the east west link and no traffic modelling to show when it is needed.

The Strategic Transport Plan provided for the GMLRI was written without first considering the benefits and costs of different development strategies. Instead it was required to focus on a pre-determined land release scenario given to it by NSW Planning and Environment.

“The particular focus of this report is to identify the trunk transport infrastructure proposed to support the land use scenario identified in DP&E’s *Preliminary Strategy and Action Plan* for Greater Macarthur” (AECOM: 2015; Strategic Transport Investigation: Page 1).

Interestingly THE GMLRI report on infrastructure did report that West Appin should be developed before Wilton:

*“Overall it makes sense that the northern precincts of GMLRI (Stages 1 and 3) [Menangle Park and Mt Gilead] are developed first followed by Stages 4 and 5 [West Appin, Menangle and Douglas Park]. Stage 2 [Wilton] would require significant regional infrastructure upgrades and therefore significant cost is expected to be associated with the development of this precinct before the development of most of the other precincts in GMLRI”. (AECOM in a memorandum to Planning & Environment dated 10 June 2015 at Appendix I of the GMLRI High Level Services Infrastructure Strategy).*

It is assumed the transport investigations for the GMLRI never investigated the impacts of including or excluding West Appin because the GMLRI does not provide evidence into the potential advantages or disadvantages of West Appin in terms of the cost effective delivery of infrastructure.

However the West Appin landowners did submit this work in March this year and further work on both traffic impacts and the costs of including or excluding West Appin is provided at Appendices 4 and 5.

This work began with traffic modelling by WSP Parsons Brinkerhoff using previous research undertaken in the preparation of the *Wilton Junction TMap (2014)*, the *West Appin Preliminary Transport and Traffic Assessment (2015)* using the Sydney Strategic Transport Model (STM) in collaboration with TfNSW (BTS), and earlier work undertaken by Gabittes Porter using the Roads and Maritime’s Illawarra Transport Model.

Results from the transport modelling were then costed by Civil Engineers BG&E adopting standard industry estimating practice.

These studies are provided for review at Appendix 4 and 5 and support various conclusions including:

1. The GMLRI Strategic Transport Plan is based upon an incorrect assumption that minimal traffic flow occurs between Macarthur and the Illawarra. In previous studies endorsed by Transport for NSW 15% of total traffic generated by developments in the GMLRI were assigned to travel to and from the Illawarra region. The 2011 BTS Journey to Work Survey found 37% of workers in the GMIA reside in, and travel to and from the Illawarra;
2. Appin Road has a significant road safety problem with the government commissioning a Safety Review in 2014 after years of vocal representations from local residents especially those living in Appin Village (TfNSW: 2014). The Review found there had been 5 fatalities in the last five years and 119 casualty accidents;
3. The Appin - Hume east west connector is not required until AFTER 2040 provided the internal Mt Gilead / West Appin road network is designed with a new north south arterial and bus corridor;
4. Appin Road will need to be fully upgraded past Appin Village after 800 lots in Mt Gilead resulting in a considerable cost burden either to government or the developers in this precinct;
5. A sequenced land release that includes releases along the entire length of Appin Road including the proposed By Pass would ensure Appin Road was delivered in a timely and cost effective way (see Map 5);
6. The total cost of road upgrades (including upgrades to the Hume Motorway - potentially a Federal responsibility) to service Mt Gilead/Menangle Park and Wilton amounts to \$863 million equating to an equivalent Special Infrastructure Contribution of **\$25,384 / lot**; and
7. The total cost of road upgrades (including Hume Motorway) to service Mt Gilead/Menangle Park, Wilton PLUS West Appin amounts to \$1,346 million equating to an equivalent Special Infrastructure Contribution of **\$25,887 / lot**.

The investigation reveals the cost to deliver road infrastructure is only marginally higher if West Appin were included. Moreover minor cost variations at this level are meaningless as final costs will be influenced by staging, rates of growth, cost apportionment (backlog costs vs growth costs) and opportunities for leveraging funding from Federal and State programs.

These conclusions give rise to the following questions:

WHY DID'NT THE GMLRI EXAMINE THE IMPACT OF WEST APPIN IN ITS STRATEGIC TRANSPORT STUDY?  
 WHY DID'NT THE GMLRI INVESTIGATE TRAFFIC FLOW BETWEEN MACARTHUR AND THE ILLAWARA?  
 WHY DIDN'T THE GMLRI TRANSPORT STRATEGY RECOGNISE THE SAFETY ISSUES ALONG APPIN ROAD?  
 WHERE WAS THE EVIDENCE BASE TO JUSTIFY THE EXCLUSION OF WEST APPIN ON GROUNDS THAT INFRASTRUCTURE WAS NOT "COST EFFECTIIVE"?

## Why did the GMLRI decide West Appin was not needed to provide adequate land supply for SW Sydney out to 2036?

The GMLRI states the Priority Precincts in Mt Gilead / Menangle Park and Wilton can deliver 35,000 new homes through to 2036 and concludes this is sufficient to meet unmet demand from within the NW and SW Growth Centres.

This is misleading because Mt Gilead / Menangle Park and Wilton are not physically able to produce anywhere near 35,000 new homes by 2036 for various reasons as described below:

### Production

Over the lifecycle of a residential estates production will average around 250 lots per year (Appendix 1). This is caused by a number of factors including the capacity of council's to assess proposals, constraints caused by access and fragmentation/site consolidation, delays with completion of trunk sewer, water and power, delays caused by state authorities not granting approvals, market fluctuations, availability of financing, and so on. Some estates will produce at higher levels for a short time during market peaks and or because of owner ability to manage high rates of production. However a survey of sale rates per estate from a sample of over 80 estates in Sydney between 2008 and 2015 found that:

1. Sale rates are directly proportional to project size; and
2. Large estates (1000+ lots) had a median of 21 lots sold per calendar month or 250 lots per year.

If this production rate is applied to Mt Gilead, Menangle Park and Wilton with potential development fronts based upon current developer holdings and starting dates based upon reasonable assumptions around rezonings and availability of services you will get the following results:

Development Estates	Commencing	Dwellings/year (years of production)	Dwellings by 2036	Potential	Constraint
Mt Gilead 1	2018	250 (18)	4500	9000	CSG
Mt Gilead 2	2022	250 (14)	3500	9000	
M' Park	2018	250 (18)	4500	3400	CSG
Wilton 1	2018	250 (18)	4500	5400	Coal
Wilton 2	2018	250 (18)	4500	2750	
Wilton 3	2018	250 (5)	1000	1000	Coal
Wilton 4	2016	120 (10)	1200	1800	Coal
Wilton	2022	50 (14)	700	4000	Fragmentation
<b>TOTAL</b>			<b>24400</b>	<b>36350</b>	

The estimate reveals Mt Gilead/Menangle Park and Wilton may deliver 25,000 homes over the life of the Plan. This is 10,000 homes short of the 35,000 homes the GMLRI suggests are "immediate opportunities".

If production is reduced due to delays caused by mining, agricultural land and coal seam gas disputes plus market cycles, THAN EVEN 25,000 HOMES IS UNACHIEVABLE.

WHY IS THE GOVERNMENT REPEATING THE MISTAKES OF THE SW GROWTH CENTRE BY OVER ESTIMATING THE NUMBER OF HOMES THAT CAN BE PRODUCED?

WHY DID GMLRI CONCLUDE THERE WOULD BE IMMEDIATE OPPORTUNITIES FOR 35,000 HOMES WHEN IN FACT THE GMLRI WILL STRUGGLE TO PRODUCE 25,000 HOMES?

### *Housing demand*

2015 draft UDIA lot production statistics for SW Sydney green field projects suggest average production will increase to over 7,000 new green field lots per year over the next 5 years in Liverpool, Camden, Campbelltown and Wollondilly.

Assuming a long term average of 5,000 lots / year there would be demand for 100,000 green field housing lots over 20 years. This is similar to what the Department of Planning predicted in its draft SW Sub-Regional Strategy in 2007 (Department of Planning: 2007; p75).

The West Appin landowners investigated each planned and proposed land release within the SW Growth Centre in 2014 (See Table at Appendix 6).

The West Appin landowners concluded current and planned SW Growth Centre green field projects will only deliver around 48,000 – 50,000 lots over the next 20 years so there could be a shortfall of 50,000 lots.

The GMLRI found there is current unmet demand of between 11,056 and 25,666 dwellings and this may increase ALSO to 55,684 dwellings if a high growth scenario occurs (AEC Group: GMLRI: Housing Market Needs Analysis; September 2015, page 48).

The GMLRI should be addressing a shortfall of 50,000 new green field lots over the life of the Plan.

This is not to disregard the significance of in - fill housing (such as the Glenfield to Macarthur corridor). However the long term projection is for 100,000 green field lots plus 55,000 homes in existing areas (Department of Planning: 2007; p75).

The GMLRI proposes to deliver 35,000 lots leaving a short fall of 15,000. BUT if the GMLRI only delivers 25,000 lots due to production constraints there will be a shortfall of 25,000 lots.

If the GMLRI delivers fewer lots again due to land constraints such as mining, coal seam gas, agricultural land and fragmentation, **the shortfall in SW Sydney over the next 20 years could easily be 35,000 lots.** This will put continuing upward pressure on prices and affordability.

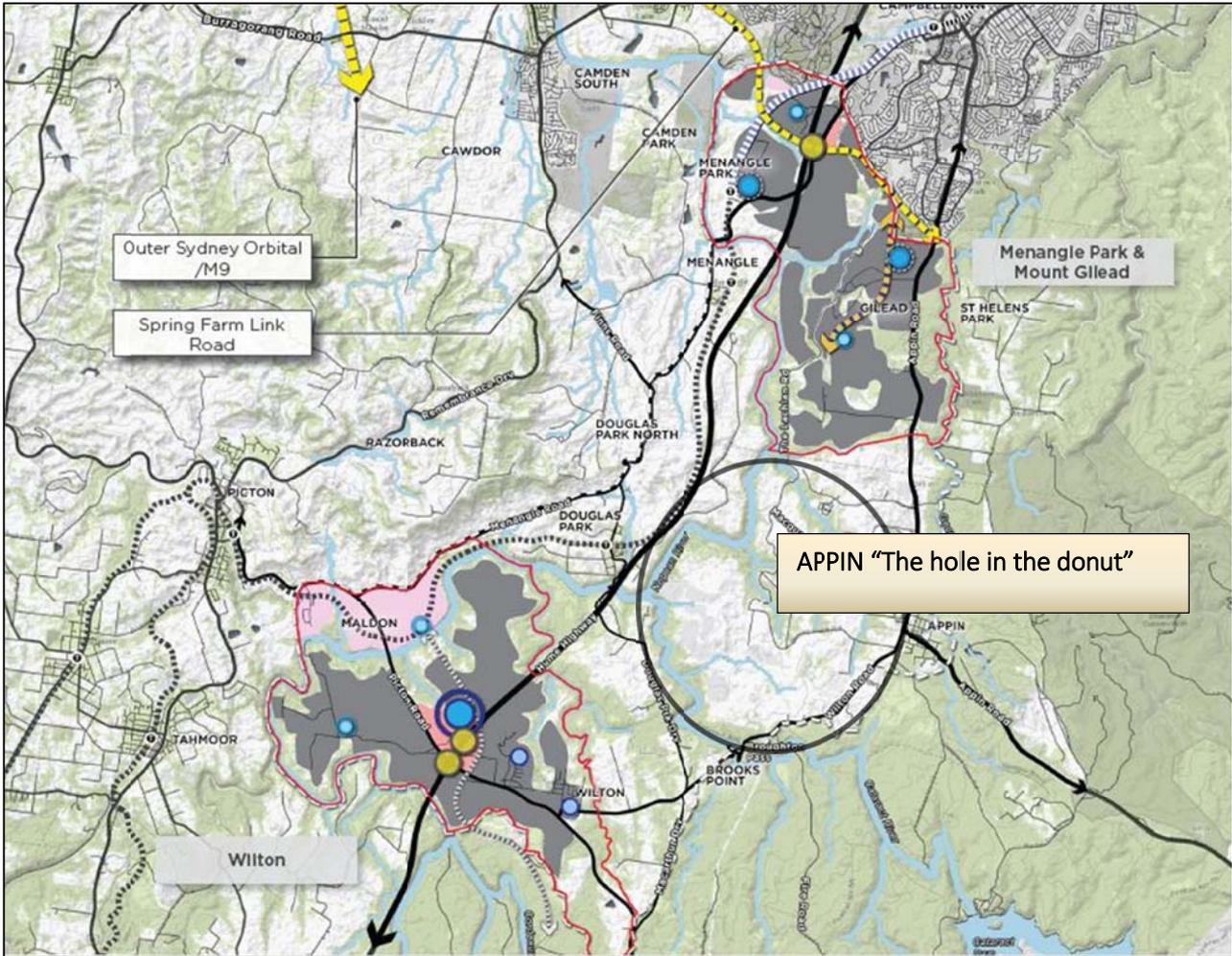
WHY IS THE GOVERNMENT PROPOSING A LAND RELEASE POLICY THAT ENSURES GREEN FIELD HOUSING REMAINS OUT OF REACH TO MANY BUYERS IN SW SYDNEY FORCING FAMILIES TO ACCEPT A LIFE TIME OF LIVING IN FLATS ON SYDNEY'S FRINGE?

## PLANNING

The GMLRI exhibits the worst kind of planning with development leap frogging over West Appin and Menangle, with development occurring on constrained land, and with no clear vision for a regional road network or a plan to deliver infrastructure.

Despite the historical connections between the villages and towns of Macarthur and the Illawarra there is no clear vision in the plan that would ensure the planning of this region is co-ordinated and that the interrelationships between the precincts are used to best advantage for the local community.

Map 4: Proposed Priority Precincts – Source GMLRI



For example the Wilton Priority Precinct will have impacts on traffic flow via Broughton Pass and up Appin Road – yet this cannot be planned for unless you have a vision for the future road network that includes West Appin.

There are considerable linkages between Macarthur and the Illawarra beaches and universities; yet no visible plan to upgrade road connections such as Appin - Bulli.

The development of Mt Gilead will generate traffic on Appin Road causing decreased levels of service that cannot be resolved without a plan for a future road network through West Appin.

A long term plan to connect the Illawarra through to western Sydney and the second airport via an Outer Sydney Orbital cannot be resolved without a plan for West Appin.

The GMLRI envisages a sewer network including a Waste Water Treatment Plant on land identified in West Appin yet West Appin is not included in the Growth Centre so the plant is unlikely to be delivered because the land around it is not going to be developed.

If the proposed release precincts of Mt Gilead/Menangle Park and Wilton are required to fund everything development is unlikely to occur or will occur in such a way as to avoid dealing with these infrastructure costs in a way that meets community expectations.

## CONCLUSION

It is concluded that West Appin was not identified for release in the GMLRI because of an incomplete understanding of:

1. The associated infrastructure costs;
2. The offer by West Appin landowners to guarantee no additional cost to government;
3. The likely slow rate of production and sale from the proposed Priority Precincts;
4. The high overall demand for more housing in SW Sydney; and
5. The lack of potential supply over the next 20 years from the SW Growth Centre.

It is submitted there is much to gain from including West Appin into the draft Growth Centre SEPP particularly the opportunity to increase land supply for affordable housing and fast tracking the delivery of needed infrastructure such as the upgrade of Appin Road.

**RELEASING LAND AND EVEN REZONING LAND DOES NOT AUTOMATICALLY LEAD TO LAND PRODUCTION. WHERE “NO ADDITIONAL COST TO GOVERNMENT” RULES APPLY THE RISKS OF RELEASING ADDITIONAL LAND ARE MINIMISED AND OPPORTUNITIES FOR INVESTMENT AND AFFORDABILITY ARE MAXIMISED. THIS ALLOWS PLANNING TO FOCUS ON WHAT IT DOES BEST - ASSESSING IMPACTS AND MANAGING CHANGE.**

In order to specify how West Appin might be included the following steps are suggested.

### PROCESS STEPS

#### STEP 1

The Map associated with the draft Growth Centre State Environmental Planning Policy amendment is modified to include West Appin (Appendix 7).

#### STEP 2

The existing planned releases at both Menangle Park and Mt Gilead proceed to gazettal as “Priority Precincts” as quickly as possible.

#### STEP 3

The existing planned release at Wilton Junction (within the Wilton Priority Precinct) advance to exhibition as quickly as possible.

#### STEP 4

NSW Planning & Environment prepare and exhibit a Special Infrastructure Contribution (SIC) framework using the work provided by the West Appin landowners and the other developers in the region.

The SIC provides infrastructure that matches growth plus the outcomes required for a sustainable new town including jobs, community and recreation facilities and environmental sustainability in a way that is practical for land developers, Government, Council and community.

#### STEP 5

New projects from Mt Gilead, Wilton and West Appin proceed to submit Voluntary Planning Agreements prepared under the SIC framework. These VPA’s are exhibited along with the planning assessment work prepared by the land owners at their cost.

**STEP 6**

These new projects are allowed to proceed to gazettal where a “No additional cost to government” and overall beneficial infrastructure test is met including the early delivery of a dual lane divided carriageway along Appin Road from Rosemeadow to the Appin Bulli Road.

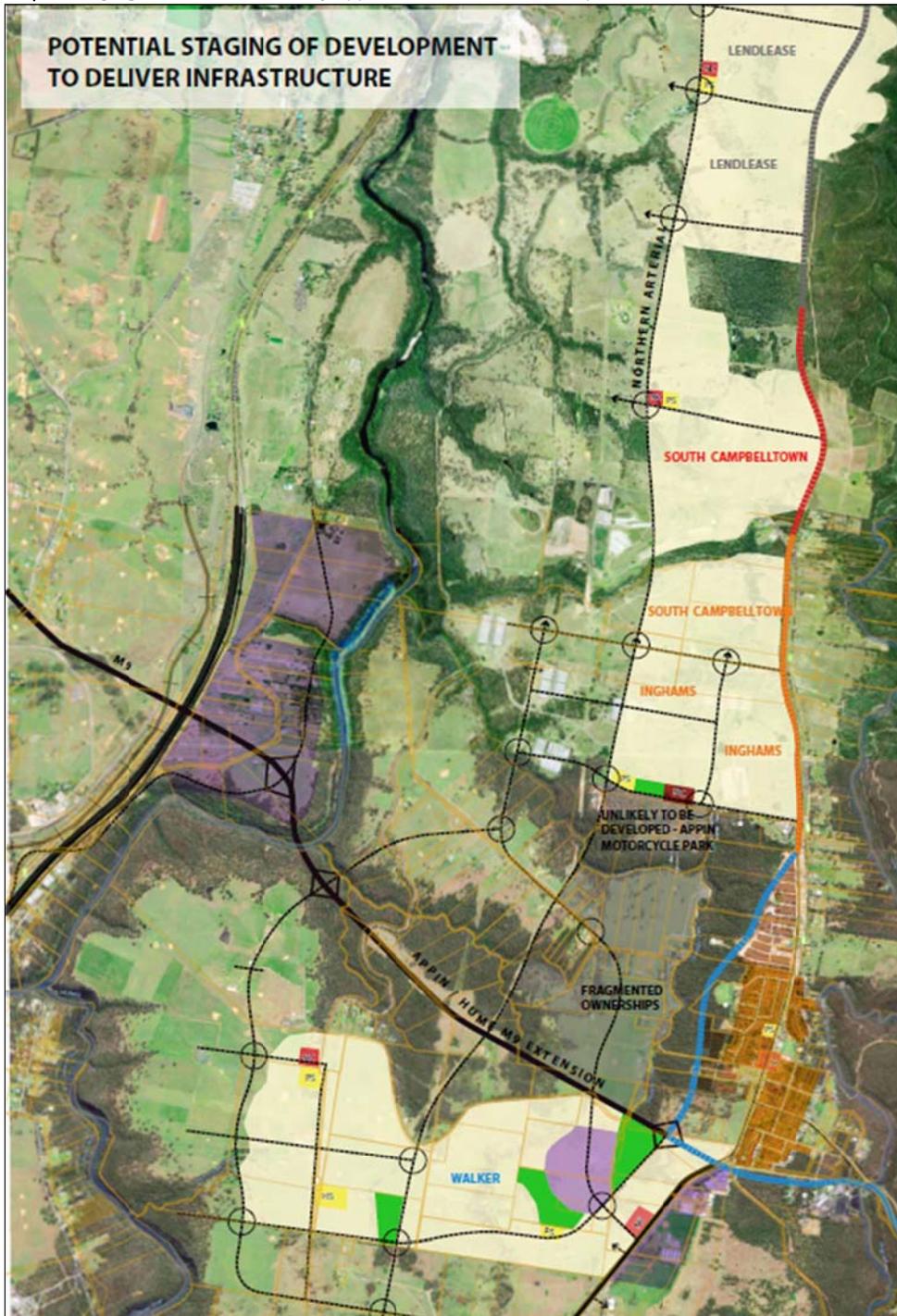
**DELIVERY STEPS**

**STEP 1**

Identify and size release areas along Appin Road so each release area is sufficiently large enough to fund the reconstruction of a portion of Appin Road as a dual carriageway divided road.

An example of what this might look like is provided in the plan below and at Appendix 8.

*Map 5: Staging the reconstruction of Appin Road to match development*

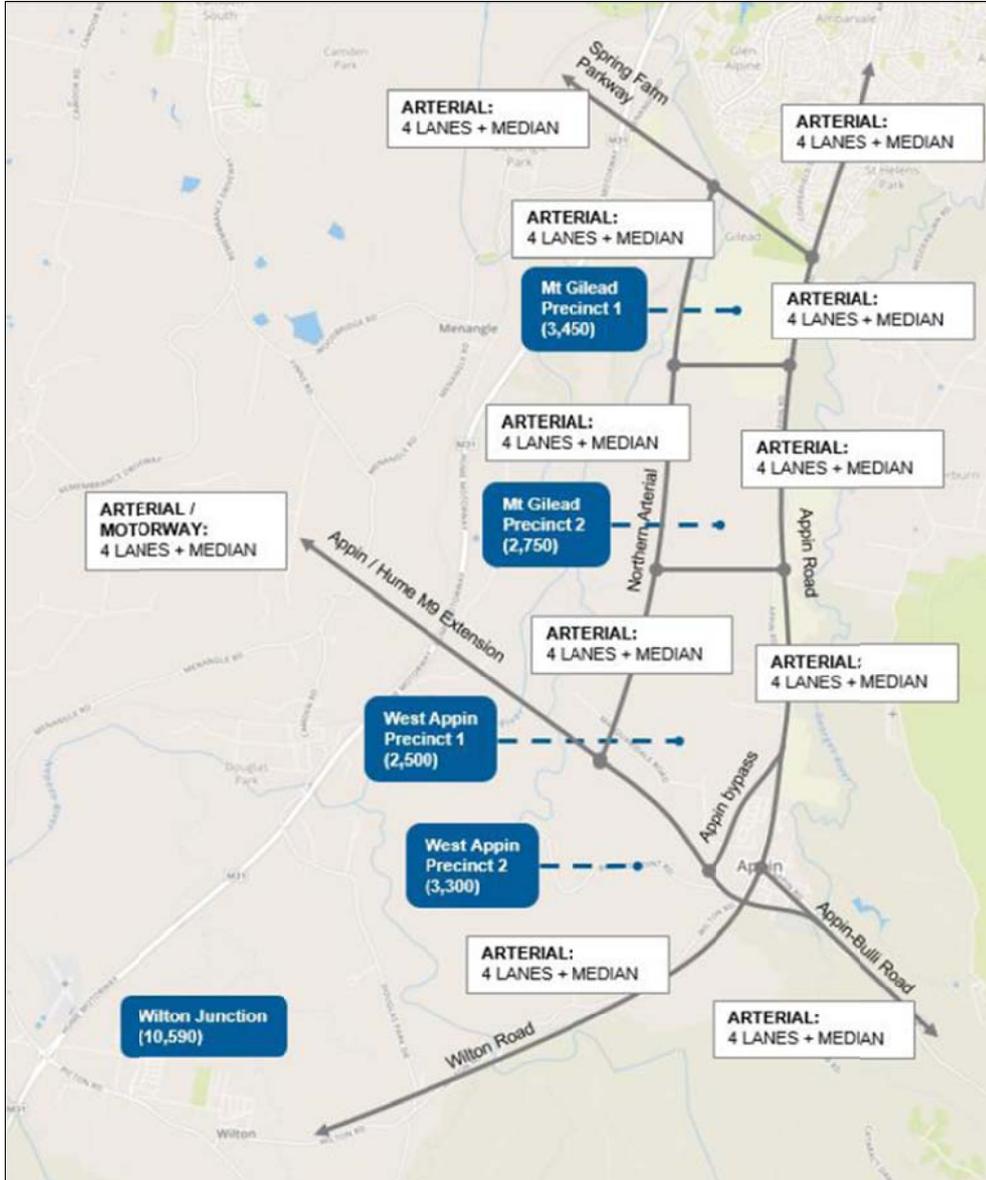


## STEP 2

Determine the impact of these release areas on traffic and safety conditions along Appin Road to determine whether there is a need to “sequence” release areas or whether they can be developed independently.

This sequencing will require an understanding of the timing and layout of the arterial road network as outlined in the work by WSP Parsons Brinkerhoff at Appendix 4 and shown below:

**Map 6: Conceptual arterial Road network**



## STEP 3

Accept Planning Proposals from land holders along Appin Road and assess them against the SIC Framework, any sequencing requirements, environmental impacts and ability to deliver infrastructure at “no cost to government”.

## STEP 4

Where satisfactory to government proceed to exhibit, finalise assessment and ultimately gazette rezonings.

## STEP 5

**HOUSING DELIVERY COMMENCES.**

**INFRASTRUCTURE WORKS COMMENCE UNDER VOLUNTARY PLANNING AGREEMENTS (SIMILAR TO UPGRADES ALONG WINDSOR ROAD)**

## REFERENCES

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