

GREATER MACARTHUR LAND RELEASE

INVESTIGATION

MT GILEAD MDP AREA SUBMISSION

This submission is limited to the implications of the proposals in the documentation released by the Department of Planning & Environment (DPE) on the Greater Macarthur Release Investigation (GMLRI) on the Mt Gilead MDP area. The submission has been prepared on behalf of the major landowner in the MDP area, Mt Gilead Pty Ltd.

MDP land ownership and status

The MDP land has been identified for urban development in the former Metropolitan Development Program for in excess of 20 Years. The MDP land is located in the north east corner of the Menangle Park/Mt Gilead Priority Precinct as defined by DPE in the GMLRI.

The total area of the MDP land is 210ha. Mt Gilead Pty Ltd is the landowner of 176ha of the MDP land, the balance being owned by S&A Dzwonnik.

The MDP land received a positive Gateway Determination from the Minister in September 2012. The Planning Proposal (and accompanying technical studies) has been publicly exhibited and is now with Campbelltown City Council (CCC) for a resolution to forward to DPE and the Minister for rezoning of the MDP land. Offers have been made to DPE, for a Regional Voluntary Planning Agreement (VPA) and CCC for a Local VPA. Negotiations to achieve execution of these VPA's are already underway. In addition:

- documentation of the agreements for bio banks within the MDP area are currently being reviewed by our client prior to execution;
- an application for a biodiversity certification agreement is with CCC for signature and submission to OEH; and
- negotiations with the Commonwealth Department of the Environment on the EPBC Assessment Report for public exhibition are underway

The MDP land has significantly progressed through the Gateway Determination pathway and we recommend that this land continues to progress to rezoning through this process.

Submission Matters

Changes to the Greater Macarthur Land Release Investigation Area

Following submissions to the previous version of documents for the GMLRI, DPE has now expanded the boundaries of the proposed Menangle Park / Mount Gilead priority precinct to include:

- West Appin; and
- The Glenfield to Macarthur Corridor

Resulting in the GMLRI area to become the Greater Macarthur Priority Growth Area (GMPGA)

We submit two matters for consideration:

1. Whilst we support further growth of residential development opportunities, this change to the proposed Menangle Park / Mount Gilead priority precinct has further delayed the Gateway process for the current Mt Gilead MDP land (which gained a positive Gateway Determination in September 2012, some 4 years ago). This delay is despite assurances given to the Mt Gilead MDP proponents by the Department that the GMLRI process would not delay the then running Gateway process. The revision to the proposed boundaries has now allowed the Wilton Junction Area (which has not completed its technical studies and hitherto was not as advanced as the Mt Gilead MDP land) to advance (by being included in the SEPP), whilst the Mt Gilead MDP land (and the Mt Gilead greater land) is further delayed whilst the public exhibition process for the GMLRI area is underway.

DPE is requested to expedite the much delayed process to bring the Mt Gilead MDP area rezoning to completion as a separate and independent process from the GMLRI

2. The new areas in the MGPA are different in nature, both in terms of current state and infrastructure potential. *It is recommended that the GMPGA be separated into four separate sub precincts, being*
 - *Glenfield to Macarthur Corridor,*
 - *Mt Gilead / Menangle Park,*
 - *West Appin and*
 - *Wilton New Town.*

Each should have their separate technical studies, development program and SIC Levy.

Allowing for the sensible staged release and development of the area to deliver much needed housing to the region, rather than delaying the delivery of stages which are currently benefitted from existing technical studies for the completion of assessments/studies for stages which DPE have acknowledged are long term potential developments.

Statutory Planning Framework

The use of a State Environmental Planning Policy (SEPP) amendment to provide a coordinated clear pathway for the rezoning of land in the Menangle Park/ Mt Gilead Priority Precinct is supported for those lands not currently on the Gateway path.

As noted above, the Mt Gilead MDP land is at an advanced stage in the Gateway process. This process should be allowed to continue to its logical conclusion.

This would allow rezoning to be achieved by early 2017 with subdivision registrations and housing construction commencing in 2018. This would be significantly earlier than the SEPP amendment pathway for the Mt Gilead MDP land. This will shall satisfy the Minister's objectives of achieving housing by early 2018 in the Menangle Park/Mt Gilead Priority Precinct.

We understand the MDP land is within the precinct boundary of the GMLRI and we support this on the basis it assists in future coordination of future land release precincts and coordination and apportionment of Infrastructure.

Special Infrastructure Contributions (State Infrastructure)

The implementation of a Special Infrastructure Contribution (SIC) for GMLRI is supported.

However as noted above, the Mt Gilead MDP landowners have made a revised offer for a Regional VPA to DPE, to deliver critically required road infrastructure to support the Mt Gilead MDP planning proposal. The offer made included:

- Jointly funded construction of the upgrades of Appin Rd, as identified in the traffic study (supporting the Planning Proposal) as works in kind;
- Provision of land for the road widening of Appin Rd along the full frontage of the MDP land at no cost to government; as works in kind; and
- A reconciliation of the funding of the works against the contribution required under the SIC with a credit/ additional payment adjustment when the SIC Levy is resolved

As this amended offer is capable of being negotiated and agreed within months independently of the resolution of the SIC, it is recommended that the Regional VPA be finalised and executed and its particulars retrospectively incorporated into the SIC scheme, when it is finalised.

We support the MDP land to be included in the GMLRI precinct to assist in future funding of the Appin Rd upgrade as the upgrade provided for by the MDP VPA offer is enabling works and a nexus for future housing in the GMLRI.

However as noted above the areas within the GMPGA have different:

- Programs for development
- Infrastructure requirements
- Constraints and opportunities in terms of landform/topography, existing development, ecology and infrastructure

A one size fits all SIC Levy for the whole area is inappropriate and will discourage the use of voluntary planning agreements to expedite the delivery of infrastructure to the benefit of the wider community. It will hold back current development opportunities whilst and overall levy is determined. It will also unfairly burden areas with lesser constraints in carrying those areas with costly constraints. This means that some areas are subsidising others. This situation has already occurred with new developments in Appin ignoring their traffic loads on road infrastructure on Appin Rd in the Mt Gilead area and to the north, making no contribution to funding infrastructure upgrades generated by their development.

It is recommend that there be separate SIC Levy schemes for the separate precincts of Glenfield Macarthur Corridor, Mt Gilead/Menangle Park, Appin and Wilton New Town

Local Infrastructure Contributions (Local Infrastructure)

As noted above, the landowners of the Mt Gilead MDP land have made an offer for a Local VPA to CCC.

The negotiation process with CCC and the landowners has been progressing since the offer was made in September 2015.

It is expected that negotiations should be concluded in principle by the end of 2016 and that the document will be put on public exhibition in early 2017 (following despatch of the Planning Proposal and LEP amendments to DPE).

It is recommended that the current process for the conclusion of an executed Local VPA be allowed to continue for the MDP lands and that the MDP lands be excluded from the GMLRI area arrangements.

Delivery of Utility Infrastructure

The landowners of the MDP land, with Lend Lease, have made considerable progress for the servicing of the MDP lands with electricity supply and potable water supply and wastewater services.

The MDP land is able to connect to existing services or provide for service upgrades within the MDP Land and is not reliant on any infrastructure upgrades relating to the GMLRI.

Thus the MDP land can be suitably serviced independently of the servicing requirements of the wider GMLRI area further supporting the progression of the MDP Lands ahead of the resolution for provision of services to support the GMLRI and in turn the future release of land developments within the GMLRI.

Roads & Public Transport

The proposed route of the north-south arterial/sub-arterial road with bus priority, extending from Menangle Rd to Picton Rd, is supported, but not on the line shown in the GMLRI documents.

Whilst it is understood that the path of the road as shown in the documents is approximate, what is shown is impractical. The terrain traversed from Kilbride/ south Rosemeadow to the northern end of the MDP area would be an economically inferior solution. It would require overcoming a natural gradients of approximately 1 in 10 and would have to cross a significant gully (see attached interpreted route and cross section prepared by Cardno).

In addition the path of the road as shown would destroy two bio bank areas being established in the MDP land as vegetation offsets for development (see attached figure). These two bio banks are to be established on some of the remaining native vegetation communities in the MDP lands.

An alternate route to the west the Mt Gilead homestead that follows the line of Menangle Rd (as shown on the attached figure) is recommended. This route:

- Affects less existing native vegetation
- Involves less terrain challenges and would hence be more economic
- Provides a better alignment for longer term extension south to the more southern sections of the GMLRI lands

This submission and alternative proposition was included in our previous submission of late 2015.

Ecology & Biodiversity Certification

As noted above, the landowners of the MDP land, have completed a study of the flora and fauna of the land, to assess the status of native flora and fauna and effects of development. The Concept Plan for development has been guided by the study and:

- Two bio bank areas and an area of managed lands have been identified to provide full offsetting of vegetation effects within the MDP lands. Agreement

documents for the two bio banks are now being finalised for execution and the Managed Land is incorporated into the Local VPA to be transferred to CCC, with in principle agreement from CCC

- An application for a biodiversity certification agreement has been prepared for submission by CCC to OEH for the MDP lands
- An EPBC referral has been submitted to the Commonwealth Department of the Environment and negotiations to complete the Assessment Report for public exhibition are now underway

It is recommended that the MDP land proceeds with the current strategy of securing bio bank registration and a biodiversity certification agreement to allow development to proceed and that the MDP land be excluded from any SIC allowance arrangement for biodiversity certification in the balance of the GMLRI lands.

This submission was included in our previous submission of late 2015.

Agricultural Land

It is understood that DPE has relied on a broad desktop study for its assessment of agricultural land in the GMLRI. This study had identified portions of land within the MDP land meeting the criteria of Land & Soil Capability Class 2, resulting in an encumbrance. This encumbrance is still shown on the latest GMLRI documentation.

As required by the Minister as part of the Gateway Determination, the landowners commissioned AgEconPlus to undertake an agricultural land study. The study concluded that at best the MDP land is suited to cattle grazing. The study determined that the loss of land for this use was unlikely to have a significant impact on food production, being able to support only 0.002% of the total head of cattle in NSW.

In addition the two areas of encumbered lands are quite small and not contiguous with any larger parcel of land with the same soil characteristics.

It is recommended that the encumbrance be removed.

This submission was included in our previous submission of late 2015.

Centres

The GMRLI documents show a Village Centre on the MDP land. Although the location is understood to be indicative only, it is proposed that the location of the centre be shown on the structure plan in a location outside the MDP area..

As required by the Minister as part of the Gateway Determination, the landowners commissioned MacroPlan to undertake a social and economic impact assessment for the MDP land. The study determined that there was no need for a retail centre but that a community hub with a small amount of retail could be supported.

The development of the MDP land cannot support any development interest for the village centre on its own.

It is understood that the requirements for retail within GMLRI land needs to consider the social and economic impact of a broader area, however such studies should not in any way delay the assessment of the current MDP planning proposal.

In conjunction with Lendlease optimum locations for the Town centre and Village centres for the wider Gilead lands will be considered as part of the land use planning of the broader Mt Gilead lands.

The land use planning of the broader Mt Gilead Lands should have no bearing on ability for Council and DPE to finalise the rezoning of the current planning proposal.

It is recommended that, until these studies are completed, that the Structure Plan be amended to show the village centre located to the west where it would be more central and would be aligned with the recommended location for the north-south bus priority route (see above).

This submission was included in our previous submission of late 2015.

Summary

In reviewing the amendment GMLR documentation and the original documentation there is no practical reasons for the MDP Planning Proposal not to be considered as a separate process to GMLR.

The MDP Planning Proposal is significantly progressed through the Gateway Process and any delays resulting from regional planning considerations from GMLR are not warranted or acceptable.