

Date: 25 September 2017
File: 10400

NSW Department of Planning and Environment
Level 22, 320 Pitt Street
SYDNEY NSW 2000

Att: Bruce Coleman

Dear Bruce,

Exhibition of South East Wilton Precinct Rezoning (Walker Land)

I write on behalf of Governor's Hill regarding your invitation to comment on the rezoning proposal for the Wilton South East Precinct (Walker Land) for the Wilton New Town.

Thank you for the extension granted to make this submission. Governor's Hill's comments are presented below.

Background

The Governor's Hill site will play a significant role in the provision of conveniently accessible, well connected employment generating land in the Wilton New Town PGA including:

- I. 10.74 ha of mixed use land;
- II. 5.49 ha of highway services land;
- III. 26 ha of 'core' District Centre land; and
- IV. 7.18 ha of public education s for a k-12 school.

In particular, the District Centre will be Wilton New Town's focus of District scale retail, commercial, community, health, entertainment and education activities. Thus the District Centre has a strategically important role in the successful development of the Wilton New Town.

We have reviewed the exhibition material and make the following comments for the Department's consideration.

At the outset, Governor's Hill fully supports the rezoning of the Wilton South East Precinct and we make only one request to include supporting controls in the final rezoning package. The request is described below.



Support for, and Protection of, the Role of District Centre and Employment

Governor's Hill supports Government's intentions for the District Centre and its planning principles identified in Part 6.1 of the Plan and accompanying Urbis report "*Greater Macarthur and Wilton Retail Market Analysis Final*." We note that:

- the LUIP's goal that, to facilitate early and timely delivery, the centre will initially develop near the Picton Road / Hume Highway intersection (pp.34 & 35);
- the proposed village centres (x 3 excluding Bingara Gorge and described as 'Local Centres' in the draft LUIP) will be anchored by small scale supermarkets up to 2,500 sqm in size; and
- The Staging of the development of centres in the Urbis report identifies the District Centre to commence to provide retail floor space to serve the Wilton new Town in the first instance, followed by Bingara Gorge in 2036 and the additional small supermarkets in 2040 and 2046.

However, we note a somewhat potentially contradictory principle that rezoning proposals for commercial use outside the District Centre will need to be supported by a retail study that demonstrates that any retail, commercial or community uses will not impact the viability or intended role of the District Centre (p.35).

Governor's Hill is vitally concerned that the early commencement of the centre is not threatened by the development of any competing "out of centre" uses that would be most appropriately located within the town centre in the early stages of the development of the New Town.

Such an outcome directly contradicts the goals of the LUIP to support the establishment of a vibrant community and employment heart focussed on an economically viable and attractive District Centre in the Wilton New Town.

We would object to any proposal for retail and other centre type development outside the District Centre in the early establishment of the centre. We therefore support the Staging Plan in the Urbis report.

The recommendations of the Department's previous consultants, SGS, in their "Greater Macarthur Investigation Area Economic and Employment Analysis, September 2015" are also pertinent. It notes in five (5) different locations the importance of the need to support the establishment of the Centre early in order to gain critical mass and attract an agglomeration of activity. This requires the avoidance of "out of centre" activity which may undermine the objectives for the Centre. Relevant extracts of the SGS advice are appended to this submission in **Appendix A**.

Notwithstanding the best intentions of the planning process, controls need to be strong and a commitment made to their enforcement to ensure that the early establishment and role of the centre is nurtured and protected.

Governor's Hill, in its rezoning submission, has requested that robust and defensible planning controls be introduced that control the timing and size of certain land uses (e.g. retail and business premises) until certain thresholds in the development of the Wilton New Town have been met. This is reproduced in **Appendix B** of this submission and it is relevant to the current rezoning proposal for the South East Precinct.



In this submission we request that the Rezoning Package for the Wilton South East Precinct include the robust and defensible planning controls presented in **Appendix B** of this submission that will control the timing and size of certain land uses (e.g. retail and business premises) until certain thresholds in the development of the Wilton New Town have been met.

We welcome the opportunity to discuss this with you and if you have any queries please contact me.

Yours sincerely,

MACARTHUR DEVELOPMENTS PTY LTD

Stephen McMahon
General Manager



APPENDIX A:

Comment and Advice from SGS in its “Greater Macarthur Investigation Area Economic and Employment Analysis, September 2015”

Comment and Advice from SGS in its “Greater Macarthur Investigation Area Economic and Employment Analysis, September 2015” remain relevant. SGS notes:

On page 46:

“There is a tension between:

- a centres based approach to planning, which seeks to concentrate higher order employment related activity in particular to realise the strategic benefits of clustering and trip minimisation, with some restrictions on out-of-centre commercial and retail development, and
- a more laissez faire approach allowing new forms of enterprise and commercial development in non-centre locations, often taking advantage on lower land values, to encourage employment growth.

While the changing needs of industry need to be recognised, a centres based approach to planning is crucial to future sustainability and planning authorities need to ‘hold the line’ in relation to this approach. Planning needs to effectively balance competing pressures to achieve multiple objectives - for sustainability, social cohesion and economic development.

...

Reactive planning decisions – for example, in approving ‘out of centre’ development can bring short term investment gains but close off future opportunities for compelling agglomeration economies.”

On Page 49:

“It is important that early centre development should be directed to those centres higher in the hierarchy identified as town or strategic centres at Menangle Park, Gilead and Wilton Junction ensure they are able to gain momentum, achieve critical mass and reach maturity. Once employment development is established at these higher order centres, then lower order village centres should be allowed to occur.”

On Page 50:

“While the changing needs of industry need to be recognised, a centres based approach to planning is crucial to future sustainability and planning authorities need to ‘hold the line’ in relation to this approach.”

On Page .59

“One of the easiest ways to stimulate job growth in outer suburban areas is to implement large catalyst developments such as schools, hospitals and tertiary education facilities. Catalytic development can assist in establishing centres and attract other industries that collocate.”



APPENDIX B:

Governor's Hill Suggested Planning Controls to Protect the Early Establishment and Role of the new Wilton District Centre (reproduced from Rezoning Submission)

The Economic Viability of the Strategic Centre

The SGS Economics & Planning Economic Analysis, (*"Greater Macarthur Investigation Area Economic and Employment Analysis September 2015"*), prepared for the NSW Department of Planning and Environment, notes the need to ensure that the economic viability of the Strategic Centre is supported. It is important that early investment and development should be directed to the centre so it can establish a foothold in the market, gain momentum, achieve critical mass and can reach maturity. This environment creates positive clustering and the associated beneficial agglomeration economy effects.

Once employment development is established at the higher order centre, then lower order centres should be allowed to occur. Reactive planning decisions – for example, in approving 'out of centre' development that seek to circumvent the cost of investment in a new centre can bring short term investment gains but exclude future opportunities for compelling agglomeration economies in the Centre.

In light of these concerns the following new clause is proposed for the LEP that can support the economic viability of the Centre:

4.1D Maximum gross floor area for, and provision of, commercial premises and other non-residential uses at Wilton New Town

(1) The objectives of this clause are:

- (a) To support, maintain and reinforce the centre hierarchy in the Wilton New Town Priority Growth Area; and
- (b) To ensure that the scale and timing of commercial premises and other non-residential development at Wilton New Town on land within Zone B2 Local Centre, Zone B4 Mixed Use and Zone B5 Business Development at Wilton New Town do not conflict with the viability of establishing commercial premises and other non-residential development on land zoned B3 Commercial Core at Wilton New Town; and
- (c) To control the timing and size of the Gross Floor Area of retail premises development in Zone B2 Local Centre and B4 Mixed Use at Wilton New Town.

(2) This clause applies to the land zoned B2, B4 and B5 identified on the Map (*a map showing the boundaries of the Wilton New Town Priority Growth Area*)

(3) Despite any other provision of this plan development consent must not be granted for development on land to which this clause applies for the purpose of shops, business or office premises, entertainment facilities; function centres; tourist and visitor accommodation, registered clubs and health services facilities prior to the Registration by the Registrar-General of the 4,000th lot;

(4) In this clause "the 4,000th lot" means the 4,000th lot created for development for residential purposes within the Map pursuant to development consents granted for subdivision since the date that this clause was first inserted in the plan.

(5) Notwithstanding subclause (3) development consent may be granted for shops, business or office premises, entertainment facilities; function centres; tourist and visitor accommodation, registered clubs and health services facilities on land identified in the Map if the total amount of Gross Floor Area does not exceed 400m²;

(6) In this clause, the provisions of Clause 4.6 are excluded.