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Mr. John Borg
Department of Planning & Environment
GPO Box 39
SYDNEY NSW 2300

Submission to draft Hunter Region Special Infrastructure Contribution Kings Hill Urban Release Area

JW Planning Pty Ltd has completed a review of the draft Hunter Region Special Infrastructure Contributions (SIC) plan for the Lower Hunter Region on behalf of Kings Hill Developments Pty Ltd (KHD), lead proponents of the Kings Hill urban release area.

KHD support the State government's preparation of a SIC for the Hunter Region.

As you will be aware, the Kings Hill URA has featured as the primary urban release area in successive Urban Settlement Strategies of the Port Stephens Council since the early 1990s. That is for reason that the area is the closest, least constrained land to the administrative centre of Port Stephens LGA, providing Raymond Terrace with a critical mass of population to sustain existing public and private investment in social services and economic activity.

The URA was also identified as 1 of 4 priority urban release areas by the NSW Department of Planning's Lower Hunter Urban Regional Strategy of 2007. That is for reason that the URA will place housing for some 10,000+ people within 20 minutes of the Hunter Regions existing and emerging employment centres.

A rezoning process to deliver the outcomes of these studies was concluded by with the State government rezoning the land in late 2010, and the primary land holding changed ownership with the acquisition by KHD in mid-2012.

An independent community survey of some 600 persons across 3 different LGA catchments in 2015 established greater than 70% community support for the project. This is consistent with the level of community support for the above-mentioned strategies and during the subsequent rezoning of the land.

In 2014 KHD formally offered to enter into a VPA with the State government to fund the delivery of a significant interchange with the Pacific Highway (\$36M), and to dedicate land for a school site. Applications for approval for the interchange (and associated infrastructure) were lodged in 2015 (and remain under assessment).

The NSW Department of Planning and Environment (DPE) subsequently wrote to KHD in 2015 to advise that the delivery of the interchange and a school site would together constitute an offset to any State Infrastructure Contribution, and negotiations with the state government have since progressed to a point where a VPA ought to be finalised during the first part of 2018.

On KHD's review of the SIC discussion paper however, KHD is unclear why, in view of the above, the Kings Hill URA does not form part of the proposed SIC, and moreover, why the interchange and school lands are not mentioned or listed as SIC items for which KHD (and other landowners) would be entitled to offset with full public transparency.

KHD recognise that their VPA negotiations with the State (the RMS and the DPE) are yet to be concluded, but it is unclear what legal mechanism is otherwise intended to apply to any landowners that are not party to that VPA.

KHD are also concerned that other VPAs may be progressing with other landowners within the URA, ahead of the RMS and DPE negotiations being concluded which, fundamentally, involves determining the cost of the infrastructure for which a contribution will be required.

KHD continues to invest significant funds in progressing all other tasks in their attempt to obtain approvals to deliver housing lots to the market at the earliest possible time. It is therefore critical that the intentions of the DPE and the implications of the approach to the SIC are clear and understood.

We look forward to the DPE's clarification in response to this concern as soon as possible.

Should you have any further questions please do not hesitate to contact me on 02 4948 4322.

Yours faithfully

JW PLANNING PTY LTD

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