From:

system@accelo.com on behalf of

<Adam.Hutchings@allens.com.au>

Sent:

Friday, 2 November 2018 12:41 PM

To:

Subject:

Submission Details for company

Attachments:

292007\_Submission of behalf of

Confidentiality Requested: no

Submitted by a Planner: no

Disclosable Political Donation:

Agreed to false or misleading information statements: yes

Name: Jacfin Pty Ltd Company

Organisation:

Govt. Agency: No Email:

Address:

Sydney, NSW 2000

Content:

Please see submission attached.

IP Address: - 49.255.185.235

Submission: Online Submission from company I

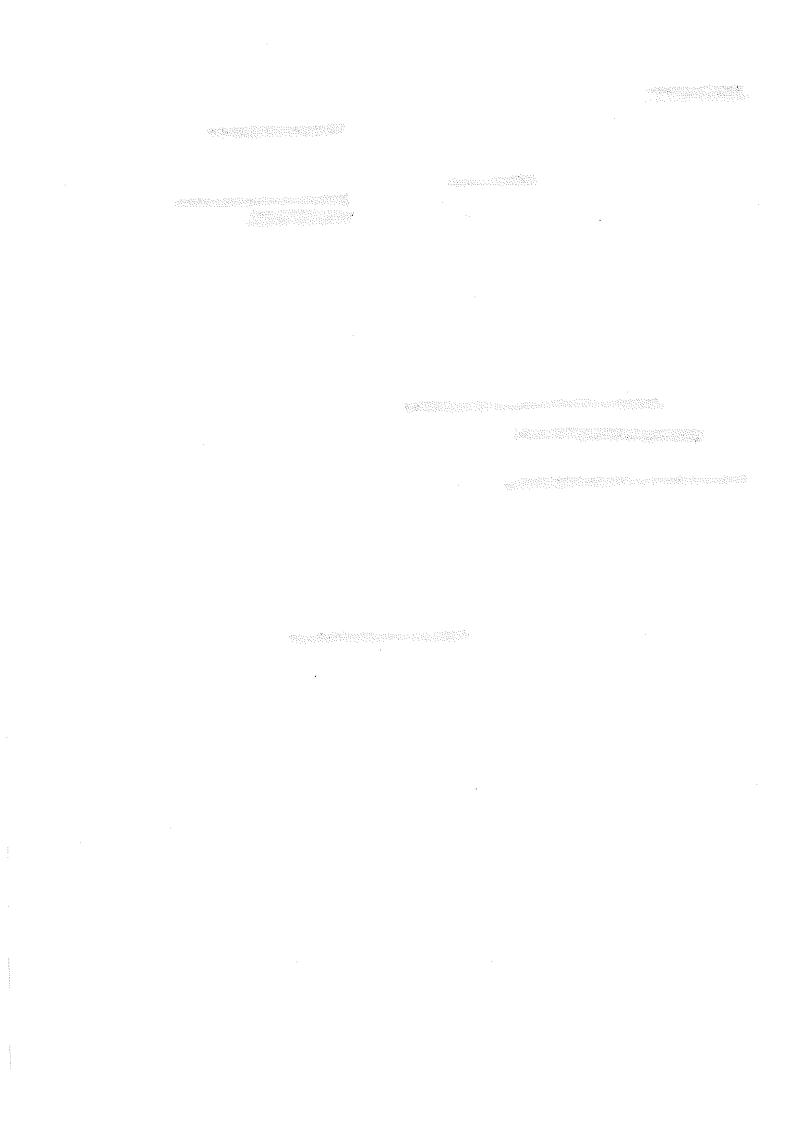
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Submission for Job: #9552

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Site: #0

https://majorprojects.accelo.com/?action=view\_site&id=0



# ETHOS URBAN

Our Ref:

218699

1 November 2018

Director, Aerotropolis Activation Department of Planning and Environment GPO Box 39 SYDNEY NSW 2001

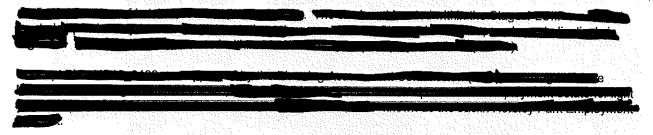
Dear Sir/Madam,

# Jacfin Submision – Western Sydney Aerotropolis Stage 1 Land Use and Infrastructure Implementation Plan

We refer to the Western Sydney Aerotropolis Land Use and Infrastructure Implementation Plan - Stage 1: Initial Precincts (Stage 1 LUIIP), which has been exhibited for consultation by the Department of Planning and Environment until 2 November 2018. This letter is a submission on the Stage 1 LUIIP prepared and submitted by Ethos Urban on behalf of Jacfin.

# 1.0 Jacfin Horsley Park Employment Precinct

#### 1.1 Concept Plan Approval



The Concept Plan Approval was limited to Stages 1, 2 and 3A of the Concept Plan. Stages 3B, 4 and 5 of the Concept Plan were deferred subject to specific conditions set out in the instrument of approval. The PAC in its assessment of the Concept Plan considered in detail the need to balance the potential impacts of the proposal on neighbouring rural residential dwellings, against the unacceptable impacts of unnecessarily sterilising land to provide for an unused buffer zone. The PAC concluded that an appropriate interface to the Jacfin Horsley Park Employment Precinct may be possible through the realignment of the land use boundaries. The PAC considered that the option of rezoning a portion of the site (i.e. the land adjoining the neighbouring houses) to enable rural residential development may have merit – subject to design and further consideration of the appropriate boundary alignment and ground levels – specifically noting that any new rural residential development in the area being considered for rezoning would be developed with full knowledge that employment uses are permitted nearby, and any dwellings constructed could be designed with this in mind (i.e. to be sited and oriented accordingly, with suitable landscaping and noise treatments installed during construction).

On the basis that the proponent and the Department agreed to further consider this option, the PAC determined to defer the approval of Stages 3B, 4 and 5 of the Concept Plan until a process of realigning the land use boundaries had been completed. The Concept Plan Approval includes a mechanism for the Department to approve the remainder of the Concept Plan once the land use boundary realignment had been finalised.

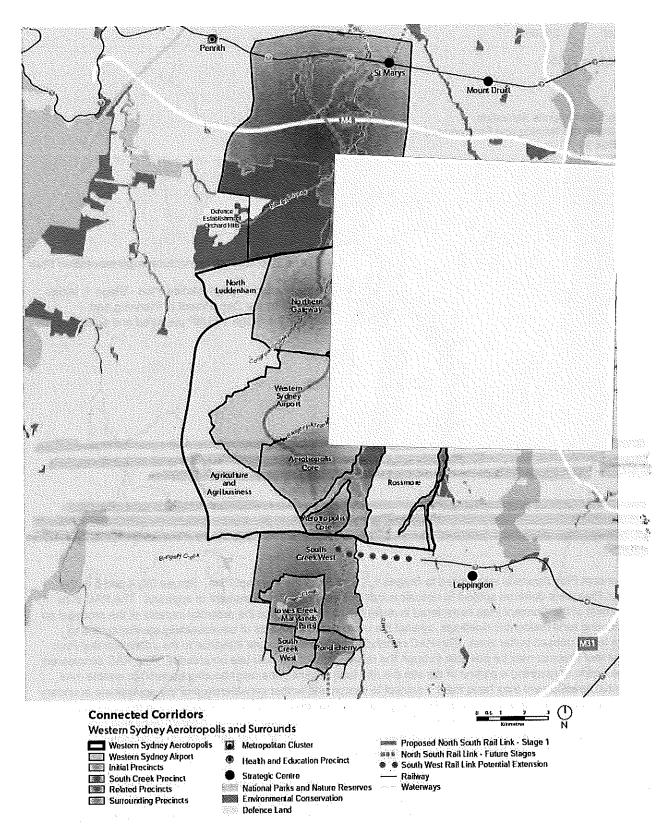


Figure 1 Indicative Site Location

#### 1.2 Rezoning

Subsequent to the issue of the Concept Plan Approval, DP&E carried out a rezoning process. The rezoning process resulted in the rezoning of part of the state of

The RU4 Primary Production Small Lots zone permits a range of rural and other uses. Importantly it also permits dwelling houses, and a range of residential-related uses including dual occupancies and secondary dwellings; home-based child care / business / industry; and tourist and visitor accommodation. The specific purpose of the rezoning was described in the Explanation of Intended Effect, which issued by the Department of Planning and Environment to support the rezoning, as being to:

provide an interface between future industrial land uses identified in the WSEA and existing rural-residential land uses by excising the land from the WSEA SEPP to establish a new buffer area, and to provide for rural residential land uses within the buffer area that are compatible with surrounding rural residential development and future industrial development."

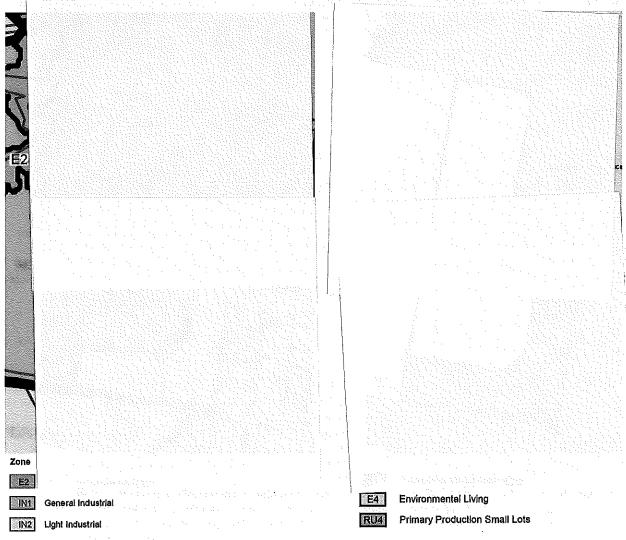


Figure 2 WSEA SEPP Zoning Map Figure 3 Penrith LEP Zoning Map

#### 2.0 Issues Raised by Stage 1 LUIIP

The Stage 1 LUIIP sets out key policy drivers which, amongst other things, include safeguarding the future operation of the airport. Given that the new airport will operate without a curfew, the Stage 1 LUIIP sets out measures that will be implemented to prevent new residences from being developed in the higher noise zone – being above the ANEC/ANEF 20 around the airport.

The Stage 1 LUIIP states at (Section 4.1.1, Page 28):

There should not be a presumption of residential development and planning will ensure a precautionary approach to the design and location of development. Above the ANEC/ANEF 20 it is not intended to remove the ability to construct a dwelling on land where a subdivision for houses has already been approved.

The intention is to ensure that there is no further intensification of sensitive uses in those areas affected by the ANEC/ANEF 20.

The Stage 1 LUIIP further explains that a new State Environmental Planning Policy (SEPP) will be prepared, which will establish the planning controls for the Western Sydney Aerotropolis. The new SEPP will include an assessment framework to consider aircraft noise around the airport. In relation to this aspect of the new SEPP, the Stage 1 LUIIP states at (Section 5.1, Page 45):

The SEPP will incorporate clauses relating to airspace to prevent encroachment of sensitive land uses into areas affected by aircraft noise and other airspace protection measures. These clauses will apply to land in the Blue Mountains, Penrith, Wollondilly, Camden, Liverpool, Campbelltown, Fairfield and Blacktown local government areas.

Section 8.2 of the Stage 1 LUIIP sets out the proposed provisions for the new SEPP, which state that:

New residences will be prevented from being developed in the higher noise zone (above ANEC/ANEF 20) around the Airport.

When considering the policy drivers set out in Section 4.1, with the proposed provisions for the new SEPP set out Section 8.2, it is clear that the Stage 1 LUIIP intends to prevent new residential development in areas above the ANEC/ANEF 20 around the new airport, including on land outside of the Western Sydney Aerotropolis area. Is located within the ANEC/ANEF 20 (as it is mapped on page 29 of the Stage 1 LUIIP), and is therefore anticipated to be impacted by the provisions of the proposed new SEPP.

However, it is unclear from the Stage 1 LUIIP whether the proposed restriction on new residences is limited to higher density residential development in urban zones, or lower density subdivision of rural zones that provides for large lot (i.e. 1ha or greater) rural residential land uses.

The protection of the future operations of the Western Sydney Airport has been subject of Local Planning Directions issued by the NSW Minister for Planning under the *Environmental Planning and Assessment Act 1979* since at least 2007. These Local Planning Directions have not been applied to rural rezonings within the ANEF 20-25, and specifically were not a matter of concern for the Department itself when undertaking the rezoning of part of the Department purposefully sought to allow rural residential land uses within this area, in the knowledge of the Western Sydney Airport ANEF/ANEC contours that had been released in 2015 as part of the Draft EIS. The Department went further by establishing a preferred density outcome of 2ha lots, based on the character of the area and to ensure that residential amenity is protected without significantly impacting on the existing local community and the operations of adjoining industrial sites. There is no doubt that as part of this rezoning process the Department intended for the rezoned land to be subdivided to provide for rural residential housing. In determining this position the Department undertook extensive consultation with Penrith Council, Fairfield Council and the local community, all of whom supported the rezoning outcome.

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If the new SEPP intends to apply a new restriction to large lot rural subdivision it would have the result of sterilising the newly zoned RU4 buffer land, an outcome directly opposite to the Department's intended effect of the 2016 rezoning. Further, based on our analysis of broad land use pattern to the south-east of **Attachment 1**), which is also affected by the ANEC/ANEF 20-25, rural residential occupation on lots sized 1ha or greater is the prevalent land use, and cannot be considered to be of significant concern in relation to restricting the future operation of the Western Sydney Airport.

#### 3.0 Recommendations

With consideration of the above, it is requested that the Department clarify as a matter of urgency the intended effect of the new SEPP in relation to distinguishing between urban and rural subdivision, and in particular to what degree it is intended to apply restrictions on residential development to subdivisions that provide for large lot (i.e. 1ha or greater) rural residential land uses.

Consistent with the Local Planning Directions only denser forms of residential development could be considered to result in a meaningful intensification of sensitive uses that might impact on the operations of the airport. The rural residential occupation of RU4-zoned land, on lots sized 1ha or greater, has not previously been considered to be a concern in restricting the future operation of the Western Sydney Airport, and does not represent the same level of risk compared to denser forms of residential development. Given this, it is not reasonable to effectively sterilise this RU4-zoned land by preventing its orderly and efficient development for rural residential land uses. As such, in order to ensure the ongoing protection of the future operations of the airport without unreasonably preventing the efficient use of RU4-zoned land, the new Western Sydney Aerotropolis SEPP should:

- only include provisions that prevent new residences from being developed in the ANEC/ANEF 20-25, where that
  new residential development is associated with urban zones (being land zoned R1, R2, R3, R4 or R5) and/or on
  lots less than 1ha in size; and
- provide appropriate provisions that protect the existing and prevailing rural residential occupation of lots 1ha or larger within the ANEC/ANEF 20-25.

Notwithstanding the general principle above, it is highlighted that a rezoning process has already occurred for Lot A DP 392643 and the conclusion reached by the Department of Planning and Environment, the Councils and the local community, based on detailed assessment of local amenity and character issues in the full knowledge of the operation of the Western Sydney Airport, is that the 'buffer land' should appropriately be used for low density rural residential land uses. As such, in order to ensure this intended outcome is achieved, Lot A DP 392643 should be specifically excluded from any restrictions on residential development that may be applied under the new SEPP.

### 4.0 Conclusion

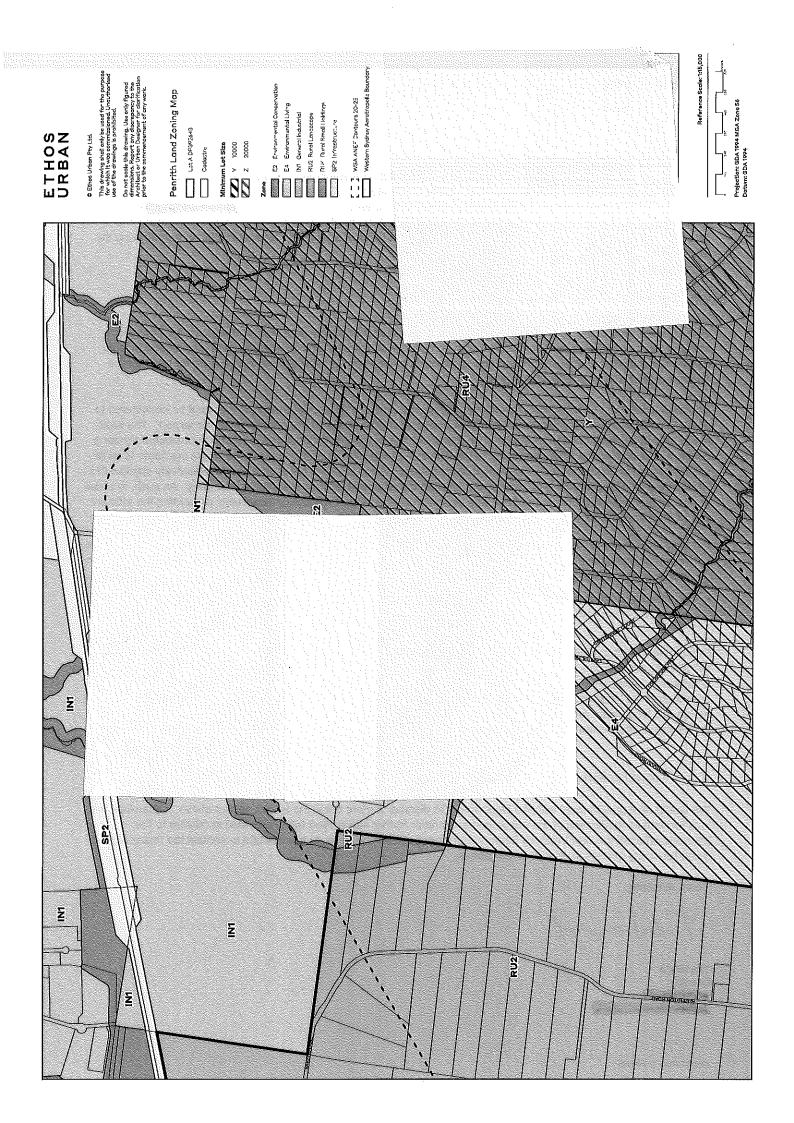
We would be happy to meet with the Department to discuss in more detail the issues set out above. Otherwise, we look forward to clarification of the above matters, and/or further information being provided in relation to the intended effect of the new Western Sydney Aerotropolis SEPP. Please do not hesitate to contact the under-signed if you have any queries in relation to the above.

Yours sincerely,

TWard

Tim Ward Director

Ethos Urban | 218699



Allens

Deutsche Bank Place Corner Hunter and Phillip Streets Sydney NSW 2000 Australia

T +61 2 9230 4000 F +61 2 9230 5333 www.allens.com.au GPO Box 50 Sydney NSW 2001 Australia

ABN 47 702 595 758

Allens > < Linklaters

2 November 2018

Director, Aerotropolis Activation Department of Planning and Environment GPO Box 39 Sydney NSW 2000 By Website Upload

Dear Director

Stage 1 Plan for the Western Sydney Aerotropolis Submission on behalf of

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We refer to the Western Sydney Aerotropolis Land Use and Infrastructure Implementation Plan - Stage 1: Initial Precincts (Stage 1 LUIIP), which is being exhibited by the Department of Planning and Environment (Department) until 2 November 2018. This submission is made on behalf of Jacfin in relation to the Stage 1 LUIIP and its impact on the Site.

Jacfin is generally supportive of the objectives and vision outlined by the Stage 1 LUIIP and its proposed measures relating to the future operations of the new airport. Jacfin is, however, concerned about the restraints on development rights that are foreshadowed under the Stage 1 LUIIP in relation to land within the ANEC/ANEF 20-25 contour, including the Site.

Jacfin submits that any restriction on new residential development on land within the ANEC/ANEF 20-25 contour or higher should not apply to the RU4 zoned land at the Site since this land that has already been assessed by the Department as being suitable for future rural residential style development and has been recently rezoned for the express purpose of enabling this form of development to occur.

In support of this submission, Jacfin has commissioned an independent planning review of the Stage 1 LUIPP by Ethos Urban. A copy of the report prepared by Ethos Urban is **attached** to this submission (**Ethos Urban Report**).

### 1 Background

#### 1.1 The Site

The Site is not located within the Western Sydney Aerotropolis (*Aerotropolis*) as defined under the Stage 1 LUIIP, however is situated in close proximity to the Aerotropolis, approximately 690m immediately east of the north-eastern corner of the proposed 'Mamre Road Precinct'. An indicative site location map is provided at Figure 1 of the Ethos Urban Report illustrating the location of the Site in relation to the Aerotropolis.

Our Ref QNMS:NJSS:120791768 dtns A0144495423v3 120791768 2.11.2018

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Although the Site is not within the Aerotropolis, notably it falls within the 'ANEC/ANEF 20-25 contour' for the proposed Western Sydney Airport which is depicted in the map on page 29 of the Stage 1 LUIIP. The Stage 1 LUIIP foreshadows the creation of a new State Environmental Planning Policy (*SEPP*) which will impose restrictions on development within certain ANEC/ANEF contours both within and outside the Aerotropolis.

Relevant to Jacfin and the Site, the Stage 1 LUIIP envisages that the SEPP will contain provisions that will prevent new residential development on land that falls within zones identified as being 'ANEC/ANEF 20' and higher. At section 4.1.1, page 28 the Stage 1 LUIIP states the following:

New residences will be prevented from being developed in the higher noise zone (above ANEC/ANEF 20) around the airport.

The intention is to ensure that there is no further intensification of sensitive uses in those areas affected by the ANEC/ANEF 20.

The proposed restriction on new residential development on land above the ANEC/ANEF 20 contour would affect Jacfin's ability to develop a portion of the Site which is zoned RU4 Primary Production for rural residential uses.

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#### 1.2 Concept Plan Approval

The Site is subject to a Concept Plan approval (MP10\_0129) granted by the Planning and Assessment Commission (*PAC*), as delegate of the Minister for Planning and Infrastructure on 28 October 2013 (*Concept Plan Approval*). The Concept Plan Approval granted approval to three stages (Stages 1, 2 and 3A) of a proposed employment estate of warehouses and distribution centres and deferred three further proposed stages (Stages 3B, 4 and 5) subject to issues relating to impact on neighbouring rural residential dwellings being addressed.

The PAC determined that approval of Stages 3B, 4 and 5 of the Concept Plan should be deferred on the basis that any potential future developments that could be carried out in accordance with the current 'IN1 – General Industrial' zoning within those stages may have an unreasonable impact on neighbouring rural residential properties to the east of the Site. As a result of this, the PAC recognised that this portion of the Site may be unnecessarily sterilised due to the inability to obtain approvals for any development permissible under the IN1 – General Industrial zoning. On this issue, the PAC specifically provided the following comments in its Determination Report dated 28 October 2013:

The Commission was not satisfied that the recommendation provided sufficient certainty regarding the impacts to neighbouring dwellings, with a real risk of unacceptable impacts or sterilisation of the land (with individual employment uses unable to gain necessary approvals). In light of the local topography..., the Commission considered that a better interface to the employment land area may be possible through the realignment of the land use boundaries.

The PAC considered that the rezoning of part of the Site to enable new rural residential development adjoining the existing residential properties and create a better interface between these properties and the new employment land area may have merit. The PAC therefore deferred the approval of Stages 3B, 4 and 5 to enable a rezoning process to take place in relation to part of the land within those stages.

#### 1.3 Rezoning

Following the Concept Plan Approval and the comments made by the PAC in its Determination Report, the Department carried out a rezoning process in relation to part of the Site. The result of the rezoning was the excision of a portion of the Site of approximately 35 hectares in size from the Western Sydney Employment Area and the rezoning of this part of the Site as 'RU4 Primary

Production Small Lots' (*RU4 Zoned Land*). The rezoning was finalised and came into force on 24 June 2016 and specifically did the following:

- (a) Amended State Environmental Planning Policy (Western Sydney Employment Area) 2009 (WSEA SEPP) to remove a portion of industrially zoned land from the WSEA SEPP and amended all associated maps in the WSEA SEPP; and
- (b) Amended the Land Zoning Map and Minimum Lot Size Map under the Penrith Local Environmental Plan 2010 (Penrith LEP) to include the excised land and rezone the land from IN1 General Industrial to RU4 Primary Production Small Lots.

The amended zoning maps under the WSEA SEPP and Penrith LEP are provided at Figures 2 and 3 of the Ethos Urban Report.

The purpose of the rezoning was described in the 'Explanation of Intended Effect' issued by the Department as follows:

The objectives of the proposed SEPP are to:

- Provide an interface between future industrial land uses identified in the Broader WSEA and existing rural-residential land uses by excising land from the WSEA SEPP to establish a new buffer area.
- Provide for rural residential land uses within the buffer area that are compatible with surrounding rural residential development and future industrial development.

It is clear from the above statements made by the Department that the purpose of the rezoning was to give effect to the solution identified by the PAC when assessing the Concept Plan for the Site to address the interface issues between the employment zoned land and existing residential properties. While a range of land uses are permissible in the RU4 zone, it is evident that the <u>express</u> purpose of the rezoning was to enable rural residential land uses within the interface area.

#### 2 Issues of Concern

#### 2.1 Inconsistency with objectives of rezoning

The restrictions on residential development that are proposed to be imposed by the new SEPP for the Aerotropolis will prevent the development of rural residential land uses on the RU4 Zoned Land, effectively defeating the objectives of the rezoning process only recently undertaken by the Department. This outcome is not desirable or appropriate in circumstances where the RU4 Zoned Land has already been assessed by the Department as part of the rezoning process as being suitable for rural residential development.

Any constraint on new rural residential development being carried out on the RU4 Zoned Land is directly inconsistent with the purposes of the rezoning process expressed by the Department as set out above. The express purpose of the rezoning was to enable rural residential land uses within the buffer area that are compatible with surrounding rural residential development. Restricting residential development on the RU4 Zoned Land as a result of this land falling within the ANEC/ANEF 20-25 contour would prevent this objective from being realised.

Significantly, at the time the rezoning of the RU4 Zoned Land was being considered by the Department in the first half of 2016, planning for the Western Sydney Airport was well advanced, with the draft Environmental Impact Statement having been released in December 2015. The Department was therefore aware of the proposed airport development and the forecast noise impacts on surrounding lands at the time it assessed the rezoning proposal for the RU4 Zoned Land.

In approving the rezoning, the Department made a determination that the RU4 Zoned Land was suitable for rural residential development. There have been no significant changes in relation to the

proposals for the Western Sydney Airport since that determination was made in June 2016. Accordingly, Jacfin submits that there is no basis for the Department to effectively reverse its determination that the RU4 Zoned Land is suitable for rural residential development, less than two and a half years after making that determination, by now imposing restrictions on residential development on that land.

#### 2.2 Unreasonable restriction on development

The imposition of restrictions on the development of rural residential uses on the RU4 Zoned Land would be fundamentally unjust in circumstances where Jacfin agreed not to press for approval of industrial uses in Stages 3B, 4 and 5 of its Concept Plan and agreed to the downzoning of its land on the basis that this would enable rural residential development to be carried out.

The downzoning of the land was agreed to and supported by Jacfin in good faith with a view to achieving a better outcome for existing neighbouring residences. While the previous industrial zoning was of greater value to our client, our client was willing to support the rezoning process on the basis that it would result in a better overall planning outcome.

If Jacfin was now to be restricted in developing the RU4 Zoned Land for the very purposes it was rezoned for, this would be unfairly prejudicial to Jacfin given the history of the Site and the rezoning process that has been undertaken. As a result of the rezoning, Jacfin no longer has the ability to seek development consent for industrial and employment related uses on the RU4 Zoned Land. To further restrict Jacfin from developing rural residential lots on the land would effectively result in the sterilisation of the RU4 Zoned Land from valuable forms of development, with most likely outcome being the continuation of the existing agricultural land use. This would be directly contrary to State government priorities in terms of job creation and housing supply.

# 2.3 Failure to differentiate between rural residential and higher density housing

The proposed restriction on residential development on land within the ANEC/ANEF 20-25 contour or above foreshadowed in the Stage 1 LUIIP does not appear to differentiate between higher density residential development in urban zones and large lot residential development in rural zones. While the policy rationale for limiting higher density residential development in certain areas surrounding the airport, in terms of avoiding large numbers of residents being affected by aircraft noise, is easy to comprehend, it is less clear that there is a need to restrict large lot rural residential development in these areas.

The land to the south and east of the Site, which is also affected by the ANEC/ANEF 20-25 contour, has predominantly been developed for residential lots sized 1 hectare or greater. In the planning of the Aerotropolis to date, noise impacts on these existing residences has not been considered to be a concern in restricting the future operation of the Western Sydney Airport.

The RU4 Zoned Land is subject to a 2 hectare minimum lot size under the Penrith LEP. Accordingly, the form of development likely to occur on this land is vastly different from the form of residential development that could be expected to occur on residential zoned land. Jacfin submits that the same concerns that apply to the development of higher density residential developments on residential zoned land do not apply to the RU4 Zoned Land and that this land should therefore be excluded from any restrictions on residential development that may be applied under the new SEPP.

# 2.4 Inconsistency with State Government objective to increase housing supply

Addressing the affordability of housing by increasing housing supply is one of the current Premier's Priorities for New South Wales and a key objective of the Greater Sydney Commission's 'A Metropolis of Three Cities'.

While the development of the RU4 Zoned Land for residential uses will make only a small contribution to housing supply, the complete sterilisation of this land from residential development is directly contrary to the Premier's Priorities and broader State government policy. Jacfin submits that restricting residential development on land that has been specifically rezoned to enable that form of development, in circumstances where New South Wales is facing a housing supply and affordability crisis, does not reflect orderly and proper planning.

The Stage 1 LUIIP contemplates that any restrictions on future residential development will not apply where land has already been approved for residential subdivision. Jacfin submits that this exemption should be extended to the RU4 Zoned Land in circumstances where this land has been recently assessed by the Department as being suitable for rural residential development and rezoned to achieve that outcome.

## 2.5 Inconsistency with ANEF standard

While the need to limit sensitive land uses in areas that will be affected by aircraft noise is well appreciated and not disputed, in view of the above comments regarding the imperative of increasing housing supply in Sydney, any restrictions on residential development around the airport should be imposed only where absolutely necessary to ensure the amenity of future residents and avoid future restrictions being placed on the operation of the airport.

It is therefore difficult to understand why the Department is proposing to impose more stringent restrictions on residential development under the new SEPP than provided for under the ANEF standard. As noted in the 'Frequently Asked Questions' document for the Aerotropolis provided on the Department's website, the ANEF (being the accepted standard used to address aircraft noise in land use planning throughout Australia) allows residential development in contours up to ANEF 25. Accordingly, residential development on the RU4 Zoned Land would be permitted if the ANEF standard was to be applied in the ordinary course.

However, the Stage 1 LUIIP proposes a 'much stricter' limit for residential development in contours up to ANEF 20. Jacfin submits that the adoption of this stricter limit is not adequately justified in the Stage 1 LUIIP. In circumstances where housing supply is limited and is a key State government priority, Jacfin submits that the imposition of restrictions on residential development that go over and above the ANEF standard is unreasonable and unwarranted.

#### 3 Submission

For the reasons set out above, Jacfin submits that it would be unjust and unreasonable for the restrictions on new residential development proposed in the Stage 1 LUIIP to apply to the RU4 Zoned Land.

Jacfin submits that the RU4 Zoned Land should be excluded from any such restrictions by either:

- including an exemption in the SEPP that specifically applies to the RU4 Zoned Land and provides that any restrictions on residential development with the ANEC/ANEF 20-25 contour do not apply to that land;
- (b) including a general exemption from the restrictions under the SEPP for any land that has been rezoned for the express purpose of enabling residential development since 1 January 2016, on the basis that any such rezonings would have been undertaken with full knowledge of the proposed Western Sydney Airport and associated noise impacts and the proposed residential land use has already been assessed in that context and determined to be appropriate; or

(c) including a general exemption from the restrictions under the SEPP for new residences in non-residential zones or on land with a minimum lot size of 1 hectare or greater i.e. where the development will be in the nature of rural residential development on large lots.

Jacfin submits that the intention to include one of these exemptions in the SEPP should be noted in any final version of the Stage 1 LUIIP and in the Stage 2 LUIIP.

Should you require any clarification of our client's concerns identified above, please contact us on the numbers below.

Yours sincerely



Partner Allens

Attach.

Naomi Bergman Managing Associate Allens