

23 October 2019

Executive Director, Compliance, Industry and Key Sites
NSW Department of Planning, Industry and Environment
GPO Box 39
Sydney NSW

Dear Ms Sargent,

Explanation of Intended Effect for proposed Activation Precinct State Environmental Planning Policy (SEPP)

Thank you for the opportunity to comment on the proposed Activation Precinct SEPP.

The Central Coast Council supports the intent of the Activation Precinct SEPP and the identification of local activation precincts to increase the focus given to regional economic development and job creation across NSW. The key intent of the Activation Precinct SEPP is to improve the coordination of land use and infrastructure planning, land acquisition and investment. This will aid in the activation and ongoing investment in regional areas in NSW.

Creating a simplified planning process with a focus on reducing Development Application assessment timeframes is seen as a positive step to driving investment in employment generating development and ongoing investment in local economies. Assessment timeframes and infrastructure delivery can at times impede investment into local government areas by new or existing businesses, the proposed measures to streamline and expediate this process for Activation Precincts is considered key to the effectiveness of the SEPP.

The greater focus that the NSW Government is giving to regional economies and infrastructure is supported. Infrastructure delivery and funding are essential to the success of economic development and job creation. Aligning these measures with a place-based design approach will help the delivery of high quality, sustainable precincts.

The Central Coast Council would like to request that Compliance, Industry and Key Sites consider nominating some sites on the Central Coast LGA for future Activation Precincts as part of a future amendment to the Activation precinct SEPP. The Central Coast is a key regional area, comprising approximately 1,680 km² and is located within a significant growth corridor between Sydney and Newcastle.



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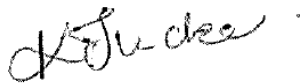
The Central Coast has significant natural, scenic and environmental values as well as extensive resources, (such as clay, gravel and sandstone) which support the housing and infrastructure delivery sectors across Greater Sydney, the Central Coast and Newcastle.

As outlined within the NSW Government 20-year Economic Vision for Regional NSW, the Central Coast LGA is identified as a Metro Satellite which will produce the highest economic output within regional NSW. The Activation Precinct SEPP will aid in economic development and job creation and will assist promoting the viability and prosperity of regional NSW.

Attached for your reference is information related to two projects which Council believes will align with the key considerations for inclusion in the Activation Precinct SEPP. Council would like to meet with you to discuss the inclusion of these two sites in the Activation Precinct SEPP in the future.

If you require any further information, please contact Mr Scott Duncan, Section Manager Local Planning and Policy on [REDACTED]

Yours faithfully



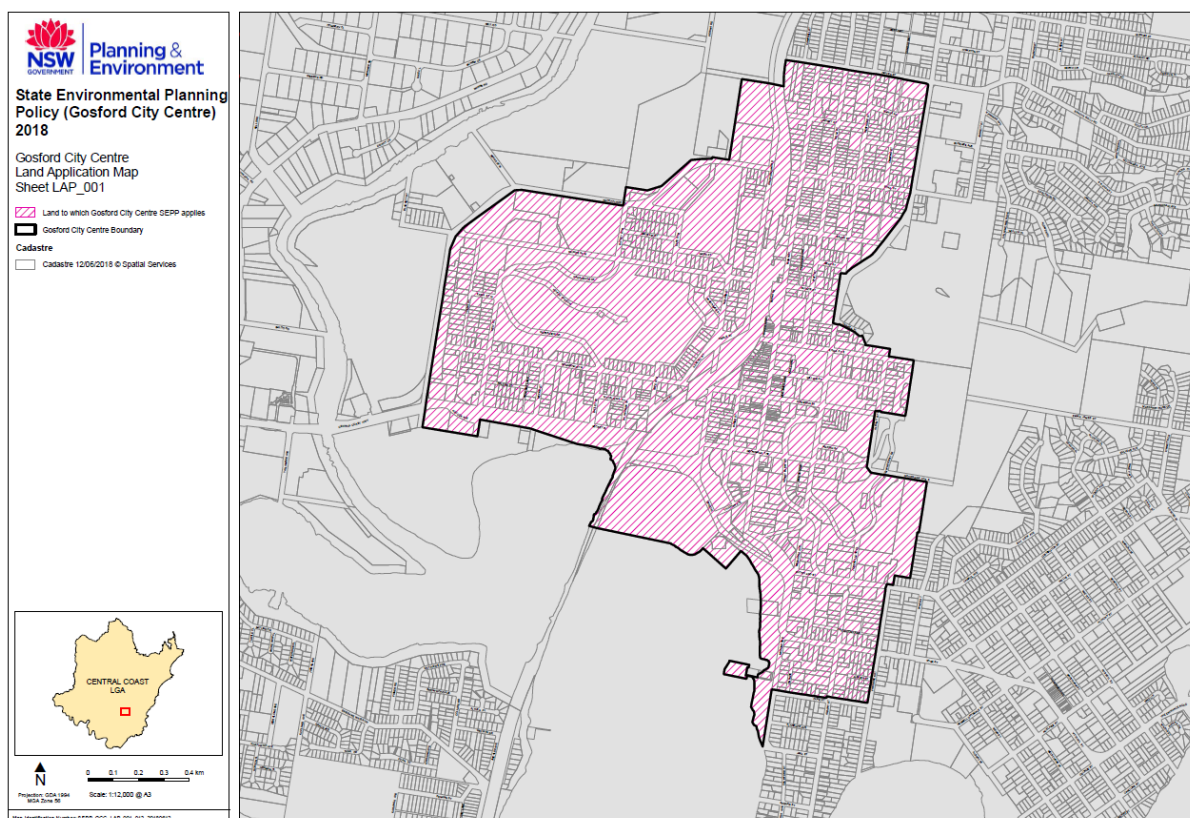
Karen Tucker
Acting Manager
STRATEGIC PLANNING

[LL] / [Lucy Larkins]

Gosford CBD (including Hospital Health, Education and Research Precinct)

Objective

Leverage the region's strengths in health care and education and recent investment and interest in the revitalisation and redevelopment of Gosford City Centre to create a health, education and research precinct.



Description

There are a number of initiatives planned for Gosford CBD.

Gosford Health Precinct – Future stages of Masterplan delivery. As a concept, the Local Health District (LHD) would like to propose the development of Health Administration Corporation (HAC) sites on Holden Street, Gosford. These sites are occupied by buildings in poor repair and provide opportunity to develop the land lots to create supporting/affiliated health services such as:

- Medical Suites/specialist rooms
- Accommodation – Inclusive of student, staff and patients' families. This would range from overnight short stay accommodation to hotel type accommodation (at an affordable rate of the Quest/Mantra type standard)

- Day only type health services
- Aged Care
- Private pharmacy, pathology, medical imaging

Development of these blocks will require inclusion of services currently functioning from the aged buildings located on the land. This includes staff accommodation for revenue, drug and alcohol, and LHD Administration as well as outpatient drug and alcohol services. There would also need to be adequate parking to service such a building.

Specific funding requirements would need to be assessed via a detailed assessment. An indicative Business Case is to be developed for the proposed Centre which will assess the costs, likely economic benefits and the appetite of the private sector to co-invest.

Further investment will also be required within Gosford CBD for traffic management, parking and digital infrastructure. Further investment will also be required for water, sewer and drainage system upgrades. Further urban improvements will also be required to improve disabled access, pedestrian access and other civic improvements as part of this project.

Readiness

The LHD has an approved Masterplan (2014) for the Gosford Hospital Precinct. The new hospital has been delivered and work is underway on the carpark and Tower A (possibly to include the construction of Tower B). With additional funding, detailed planning and design could commence promptly for further stages to be delivered.

Need

The Gosford Health Precinct offers proximity and access to Gosford Hospital and provides an opportunity for growth by supporting services such as private facilities within the Gosford Hospital site. Recent clearance of aged buildings within the Gosford Hospital site boundaries provide an opportunity for private medical facility development and enhancement of acute services.

Enhancements to surrounding support services will be required to complement any increase in acute services. Opportunity to integrate hospital and health related services in the commercial development zone on Holden Street whilst improving access from the railway hub and CBD to the campus will be key to supporting growth in acute services.

Large hospitals provide a significant employment and economic stimulus boost, particularly where private medical providers and specialist practitioners begin to co-locate around the hospital. Gosford Hospital is already the largest single employment site on the Central Coast. Although more analysis would be required to predict additional job growth in the Gosford Hospital Health Precinct, examples such as Westmead, Liverpool and John Hunter Hospitals evidence the significant medical related work forces.

The Gosford Health Precincts provide the scale to attract good people, funding, facilities and global partnerships:

- Support first-class facilities to support first-class research and learning;
- Provide proximity and access to people and capabilities that are task-critical, as well as to the end-users of outcomes (thus nesting problem-solving within an engaged community);
- Facilitate synergies, serendipity, focus and, most importantly, multidisciplinary and transdisciplinary capabilities (allowing unstructured conversations across disciplines and entities);
- Provide a catalyst for intergovernmental coordination and for economic development strategies (combining new facility and infrastructure development, the coordination of information technology platforms and hubs, and the expression of new business models);
- Secure better public (socioeconomic) outcomes for the investment of time, effort and money; and
- Facilitate a more creative, culturally attuned innovation ecosystem.

Strategic Alignment

Aligns with the NSW Government's Central Coast Regional Plan 2036, specifically:

- Direction 1: Grow Gosford City as the region's capital
- Direction 2: Focus economic development in the Southern and Northern Economic Corridors
- Direction 3: Support priority economic sectors
- Direction 7: Increase job containment in the region
- Direction 16: Grow investment opportunities in the region's centres
- Direction 17: Align land use and infrastructure planning

The project would also align with the Government Architect NSW' work on the Gosford City Centre Urban design and Implementation Framework and other initiatives underway to revitalise the Gosford City Centre.

Governance

The LHD operates under the supervision of a Board. Health Infrastructure NSW has established governance processes.

Cost

~\$100+ million

Timeframes

A significant portion of the land between Holden St and Showground Rd is already owned by HAC. Some additional land acquisition may be required. Securing the necessary DA

approvals could be expected to take a minimum of 12 months. Depending on the facilities to be constructed, the construction period may extend for 1-3 years.

Constraints/Risks

Connectivity at Etna Street is a critical connection for patients, staff and emergency services accessing Gosford Hospital. Any improvements to traffic congestion in this zone will assist access to the health precinct. This also applies to any improvements in public transport links. The last LHD travel survey revealed that travelling as a car driver was the top response (83.7%) followed by walking (6.6%) and car as passenger (4.5%). Currently 1.6% of staff travel to work by bicycle. A vehicle and pedestrian movement study is currently being planned for the Gosford Hospital Precinct.

Wyong Employment Zone (WEZ)

Objective

To accelerate development of the Wyong Employment Precinct.

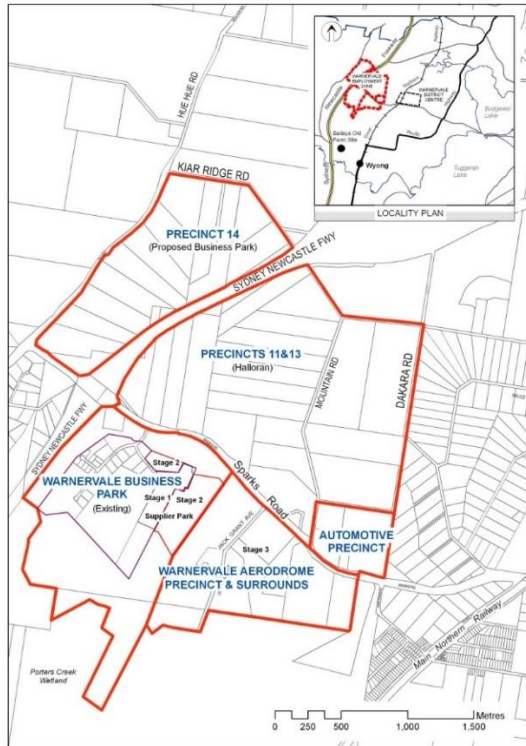


Figure1. Wyong Employment Zone

Description

This multifaceted project will allow for the acceleration of the development of the Wyong Employment Zone (WEZ) and to unlock major economic investment in the region by creating a catalyst project for the Northern Growth Corridor and the Northern Regional Gateway; developing the manufacturing industry sectors and unlocking residential precincts to increase job creation; economic development; provide a desirable location for the Central Coast to develop a precinct focused on the circular economy and cradle to cradle industries, increased skills development and regional partnerships.

The proposal includes the following key enabling infrastructure:

Stage 1

- Mardi to Warnervale Pipeline
- Servicing of the Employment Lands

Stage 2

- Completion of the Link Road from Watanobbi to Warnervale
- Servicing the Buttonderry Waste Management Facility to develop an advanced recycling centre

Mardi to Warnervale Pipeline

The Mardi to Warnervale Pipeline (M2WP) was identified as an integral piece of water supply infrastructure for the Northern Growth Corridor identified in the Central Coast Regional Plan 2016. The M2WP was identified as servicing two key functions which are to:

1. Service growth in Central Coast Councils Northern Growth Corridor which include the Wyong Employment Zone and the major growth hub Warnervale Town Centre.
2. Provide drought security via increased bulk water transfers between the Central Coast and Hunter up to 30ML/day (Hunter Central Coast Pipeline Agreement, 2006). The Mardi to Warnervale Pipeline (M2WP) is a proposed 9km long, 750mm diameter pipeline which will run from the existing Mardi Water Treatment Plant to Sparks Road at Warnervale.

The estimated cost of the construction phase (including client costs and contingencies) is \$58,057 million.

Servicing of the Employment Lands

Site	Estimated Costs
Site 1 – Precinct 14 in the Wyong Employment Zone (WEZ) – Warner Industrial Park	\$52,876,545
Site 2 – Precinct 11 & 13 in the Wyong Employment Zone (WEZ) – Industrial Land North of Sparks Road	\$37,423,069
Site 3 – Industrial Land adjacent to the Airport in the Wyong Employment Zone (WEZ) – Industrial Land on the East and West of the current runway	\$64,355,06
Site 4 – Precinct 7A known as the Education and Business Precinct – Land currently zoned B7 – Business Park and SP2 Educational Establishment	\$34,007,901
Total	\$124,307,515

Construction of the Link Road from Watanobbi to Warnervale

This component will be led by RMS with the strategic estimate for Warnervale Link Road is currently at \$360M assuming completion by 2027. The costs are significantly affected by escalation, so that number will change depending on when the works would undertaken done.

Servicing the Buttonderry Waste Management Facility to develop an advanced recycling centre

Planning would be required to develop this stage.

Initial Economic Assessment

Improved employment opportunities provided by this development is seen as a key objective of the Central Coast Council and NSW Department of Planning, Industry and Environment to deliver greater economic development along the Northern Growth Corridor and to leverage off the regionally significant employment precinct. Employment and infrastructure in this corridor and their access to local and international markets will support growth and investment.

Based on the conservative assumptions presented in this analysis, initial estimates from National Institute of Economic and Industry Research (NIEIR) indicates an economic impact during construction of 287 jobs would be created on the Central Coast from \$60M of Heavy and Civil Engineering Construction for the Mardi to Warnervale Pipeline.

Analysis of the proposed developments using specific employment density identified in the 'Wyong Employment Lands Study and Industrial Land Audit', preliminary project assessment has identified 3,851 jobs will be created with the development of the Warnervale Town Centre. Based on the conservative assumptions presented in this analysis, initial estimates from National Institute of Economic and Industry Research (NIEIR) indicates an economic impact of 2,636 jobs created on the Central Coast from \$377.5M of Building Constructions for 755 dwellings, for a total of 6,487 jobs created on the Central Coast post construction.

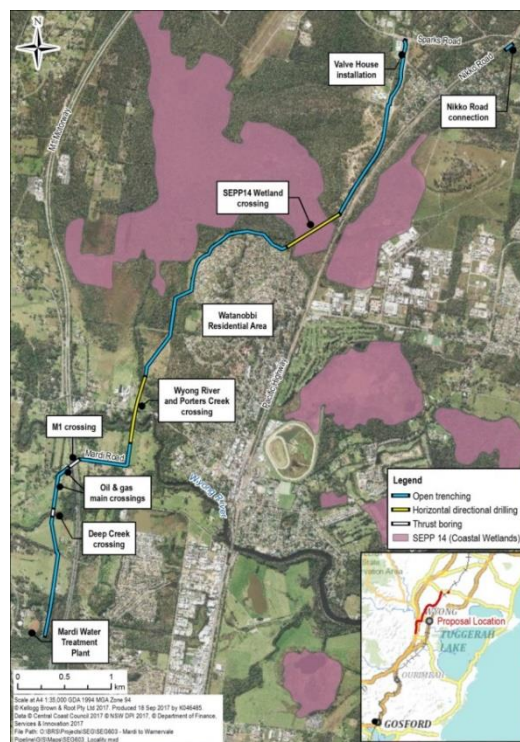


Figure 2. Mardi to Warnervale Pipeline

Readiness

The development of the Mardi to Warnervale Pipeline scope and budget follows a number of previous planning studies which identified the need for the pipeline and confirmed required sizing prior to Council undertaking full detailed design and environmental assessment.

Need

Improved employment opportunities provided by this development will assist in addressing regional challenges and is a key objective of the NSW Department of Planning, Industry and Environment and Central Coast Council and to deliver greater economic development throughout the Central Coast region.

These precincts are ideally located to capitalise on regional strengths including its location between Sydney and Newcastle, to increase employment self-containment, reduce the need for out-commuting, support economic development, the creation of new jobs, skills development and business investment:

- Food Manufacturing - The Central Coast is home to global food processors including Sanitarium, Mars and McCain with easy access to producers and large domestic and international markets and fully aligned with the Central Coast Food Innovation Region Initiative. This project seeks to secure the regions water supply to provide transformational growth in existing sectors and capitalise on this regional strength as the area is adjacent to the food manufacturing hub and will provide additional serviced employment lands.
- Access to Markets – 5.5 million people live within a two-hour drive providing excellent access to markets and will capitalise on its strategic location halfway between Melbourne and Brisbane to provide great access to major metropolitan areas at a fraction of the cost particularly when the \$2.9 billion North Connex tunnel is complete.
- Transport and logistics – The Warnervale Employment Precinct is located less than 2 minutes from the M1 Motorway, this location will increase the economic development potential of the project by capitalising on the excellent location.
- The Central Coast has up to 30 percent lower establishment costs per hectare than comparable areas to the west and south of Sydney and the development of new employment lands will attract new businesses to the area.

The Central Coast has attracted a strong, innovative manufacturing sector that has grown in the past 12 months against the national trend primarily due to the location, access to markets and the skilled workforce. More than 7,000 people work in the manufacturing industry on the Central Coast. This project will seek to leverage off this already strong base to attract many national and international housing components and food manufacturing companies due to its skilled local workforce, low-cost environment, access to markets and the advantages of agglomeration.

Strategic Alignment

Sparks Road Interchange

The Warnervale Employment Precinct is adjacent to the regionally significant Sparks Road Interchange and will provide the infrastructure component to support the upgrade of this interchange.

Premiers Priorities

The development of the Warnervale Employment Precinct will assist the NSW government and Central Coast Council to meet the Premiers Priorities to create 150,000 new jobs by 2019.

The Warnervale Employment Precinct is ideally located to capitalise on regional strengths including its location between Sydney and Newcastle, to increase employment self-containment, reduce the need for out-commuting, support economic development, the creation of new jobs, skills development and business investment:

Central Coast Regional Plan 2036

The proposed development is fully aligned to the Central Coast Regional Plan 2036 and seeks address the challenge of 23% of employed residents who travel outside the region for work by activating additional jobs along the northern regional growth corridor which is a priority location for service, business and visitor economy growth.

The Central Coast Regional Plan 2036 states that the region is a key NSW growth area with population anticipated to grow by 75,500 to 415,050 people by 2036, and indicates that additional commercial, industrial and retail space will be required to provide approximately 24,674 additional jobs by 2036. The majority of this population growth is expected to be in the northern part of the Central Coast LGA adjacent to the Warnervale Employment Precinct.

Warnervale Employment Precinct is located in the Northern regional gateway and seeks to address the challenge of 23% of employed residents who travel outside the region for work by activating additional jobs along the Northern Regional Growth Corridor. The CCAH is fully aligned with the Central Coast Regional Plan 2036 which states:

- "The Sparks Road and Pacific Highway corridors will continue to be important for new development areas. A coordinated review will prioritise delivery; infrastructure and biodiversity offset actions for the Wyong Employment Zone and Warnervale Town Centre. This will include consideration of recent development proposals in this area."
- Priority action 1 - "Establish the Northern and Southern Growth Corridors as key locations for economic development, residential growth, and investment in health, education, research, knowledge-based industries, professional services, sport and leisure, agribusiness, food manufacturing, high-tech manufacturing and clean technologies."
- Priority action 3 - Review development contributions in the North Wyong Shire Structure Plan area, incorporating Special Infrastructure Contributions Plans for the Wyong Employment Zone and Warnervale Town Centre.

Central Coast and Lake Macquarie Regional Economic Development Strategy 2018 – 2022

Upgrades to the Wyong, Somersby and Tuggerah Employment Zones are listed as a high priority in the Central Coast and Lake Macquarie Regional Economic Development Strategy 2018 – 2022. This project includes activation of the Wyong Employment Zone. Investment will provide opportunity for growth to support businesses and manufacturing sectors.

Specifically, the project supports the implementation of the following strategies and actions:

- Facilitate commercial, manufacturing and mining development
- Develop policy to address the barrier to business and residential establishment on greenfield sites caused by the NSW biodiversity offset scheme
- Upgrade the Wyong, Somersby and Tuggerah Employment Zones
- To be a highly liveable region that is attractive to both commuters and visitors
- Encourage the relocation of businesses, industry and government agencies to the region

Governance

Central Coast Council will manage the Mardi to Warnervale Pipeline and the servicing of the employment lands.

RMS will manage the Link Road component.

Cost

~\$125 million

Timeframes

The next steps to take the project through the construction and commissioning phases are summarised below. The Project Program document shows provisional timing and sequencing for the required activities.

- Business case preparation and approval
- Expressions of Interest (EOI) for construction
- Request for Tender for approved shortlist
- Award construction contract
- Construction phase including trenchless crossings
- Pipeline testing, commissioning and control integration
- Asset handover and project closure activities

Constraints/Risks

Need to ensure that threatened species and biodiversity issues are resolved through biodiversity certification process to promote investment certainty.