

The logo for URBIS, featuring the word "URBIS" in a bold, white, sans-serif font. The text is contained within a white square frame that is partially open on the right side. A white vertical line extends upwards from the top of the frame, and a white horizontal line extends to the right from the middle of the frame, creating a crosshair effect.

URBIS

SUBMISSION ON THE WESTERN SYDNEY AEROTROPOLIS PLAN

Mamre Road Precinct
Landowner Group

Prepared for

MAMRE ROAD PRECINCT LANDOWNER GROUP

13 March 2020

URBIS STAFF RESPONSIBLE FOR THIS REPORT WERE:

Director	Bruce Colman
Consultant	Grace Macdonald
Project Code	P0018760
Report Number	Final

All information supplied to Urbis in order to conduct this research has been treated in the strictest confidence. It shall only be used in this context and shall not be made available to third parties without client authorisation. Confidential information has been stored securely and data provided by respondents, as well as their identity, has been treated in the strictest confidence and all assurance given to respondents have been and shall be fulfilled.

© Urbis Pty Ltd
50 105 256 228

All Rights Reserved. No material may be reproduced without prior permission.

You must read the important disclaimer appearing within the body of this report.

urbis.com.au

CONTENTS

1.	Introduction	1
	Key Recommendations of this Document	1
2.	Mamre Road Precinct	4
	2.1. Precinct Location and Context	4
	2.2. Planning Background.....	4
	2.2.1. Landowner Response to the Planning Background	5
3.	About the Landowner Group	7
4.	Comments and Recommendations on the Exhibition of the Western Sydney Aerotropolis Plan	9
	4.1. Relationship between Mamre Road Precinct and the Western Sydney Aerotropolis	9
	4.1.1. Application of WSEA SEPP and Western Sydney Aerotropolis SEPP	9
	4.1.2. Boundary discrepancies	10
	4.1.3. Precinct Prioritisation	10
	4.2. Infrastructure Delivery	11
	4.2.1. Intermodal Terminal.....	11
	4.2.2. Regional Road Network.....	12
	4.2.3. Infrastructure Prioritisation	12
	4.2.4. Infrastructure Contributions	13
	4.3. Environmental Considerations	13
	4.3.1. Bio-certification	13
	4.3.2. Wianamatta-South Creek and Flood Planning	14
	4.4. Airport Operations.....	15
5.	Conclusion	17
	5.1. Next Steps	17
	Disclaimer	18

FIGURES

Figure 1 Context Map	4
Figure 2 Broader WSEA Structure Plan	5
Figure 3 Landowner location map	7
Figure 4 Comparison of Structure Plans	10
Figure 5 Comparison of Pre-Development Flood Extent and Proposal Flood Planning Level for Mamre Road Precinct	14
Figure 6 ANEC/ANEF 20	15

1. INTRODUCTION

This submission has been prepared by Urbis Pty Ltd (Urbis) on behalf of the Mamre Road Precinct Landowner Group (Landowner Group) in response to the release of the draft Western Sydney Aerotropolis Plan and supporting documents, including:

- Western Sydney Aerotropolis Proposed SEPP Discussion Paper
- Draft Western Sydney Aerotropolis Development Control Plan
- Draft Western Sydney Aerotropolis SEPP Maps

The Landowner Group welcomes the opportunity to comment on the exhibition package and seeks a continued partnership with the NSW Government and Planning Partnership Office on the rezoning and delivery of Mamre Road Precinct.

The Landowner Group congratulates the Planning Partnership Office on releasing the draft Western Sydney Aerotropolis Plan (draft Plan). The recognition of critical shortage of appropriately zoned and serviced employment land is timely and appreciated by the industry and landowners. The industry, including the Landowner Group, has been overwhelmingly supportive of the initiative to fast track the rezoning of Mamre Road Precinct for employment uses. The quick response by Government on taking a decisive action in response to the critical shortage of zoned employment land is commended.

The Landowner Group is committed to be an active participant in response to the industrial land shortfall. Through this participation, the Landowner Group supports the success of Mamre Road Precinct through the delivery of a timely rezoning. This consortium has a substantial track record of developing, investing and managing high quality industrial property portfolios across Australia. Each member has a strong commitment to Western Sydney, having developed many high quality employment precincts in the Western Sydney Employment Area (WSEA) and the Sydney metropolitan area more broadly.

The Landowner Group includes seven members. The Group does not speak for the entire Precinct, rather it represents the major institutional investors who have made a strategic decision to locate in Mamre Road Precinct. The Landowner Group represents approximately 45% of Mamre Road Precinct. The track record of each individual member and the strategic location of their sites will allow a quick deliver response to the employment lands shortfall, once the land is zoned and serviced. This track record provides certainty to the Planning Partnership Office and the NSW Government that development outcomes will result from this rezoning process, contributing to the Western Parkland City's vision and will support the 24-hour operations at Western Sydney International (Nancy-Bird Walton) Airport.

This submission has been divided into the following key sections:

- **The Mamre Road Precinct:** Overview and history of the Mamre Road Precinct;
- **About the Landowner Group:** Outlining the key stakeholders supporting this submission and their sites within the Mamre Road Precinct;
- **Comments and recommendations on the exhibition package**
- **Conclusion and Next Steps:** Discussion on the appropriate next steps to get Mamre Road Precinct rezoned in a timely manner.

Key Recommendations of this Document

The Landowners Group look forward in working with the Planning Partnership Office and the NSW Government in addressing the following concerns and recommendations.

1. The Planning Partnership Office must confirm there is no overlap between the two environmental planning instruments: WSEA SEPP and Western Sydney Aerotropolis SEPP in the Mamre Road Precinct. Any overlap will overcomplicate the planning framework in this precinct.
2. The Landowner Group supports removing the application of the WSEA SEPP in areas not to be rezoned under the Mamre Road Precinct.
3. The boundary treatment adjacent to the Wianamatta-South Creek Precinct must be consistent across the Aerotropolis. It is recommended for Mamre Road Precinct to reflect the structure plans within the Aerotropolis and expand employment land use to this boundary.

4. The Landowner Group supports the identification of the Mamre Road Precinct as an initial precinct and agrees it is an important contributor to industrial land supply across Greater Sydney.
5. The Planning Partnership Office and the NSW Government must adhere to the timeframes set out in the Western Sydney Aerotropolis Plan, as it has set a clear market expectation. If there is any divergence or delays to the program, these changes must be clearly communicated to the public.
6. Mamre Road Precinct must continue to be prioritised in the short term to deliver additional employment land in response to the current shortfall.
7. The NSW Government must continue collaboration with significant stakeholders in the Mamre Road Precinct on the intermodal terminal. A win-win outcome can be achieved within the Precinct which would enable the private market to respond to industrial demand and safeguard a future site for an intermodal terminal.
8. The Planning Partnership Office and the NSW Government should use this collaborative effort between public and private as a model on how to create successful outcomes for the Western Sydney Aerotropolis.
9. Mamre Road and Southern Link Road (between Mamre Road and Old Wallgrove Road) must be planned and delivered as a matter of urgency. The NSW Government needs to confirm the program and delivery of both roads, as they are important infrastructure items needed to support the delivery of Mamre Road Precinct.
10. The Planning Partnership and NSW Government must be transparent on infrastructure prioritisation across the Western Sydney Aerotropolis. Infrastructure has the potential to be a barrier to development. Any information must be made publicly available to manage landowner and developer expectations across the precinct.
11. The Planning Partnership and NSW Government must recognise the critical need to advance infrastructure delivery within Mamre Road Precinct compared to other initial precincts.
12. Any delays to the infrastructure delivery in the broader Western Sydney Aerotropolis must not delay the zoning and delivery of Mamre Road Precinct.
13. Infrastructure contribution mechanisms must be made publicly available as soon as possible. Landowners cannot make an informed decision without further detail on this matter. This is an important input into the viability of future development within the Aerotropolis.
14. Aerotropolis SIC should not be calculated on a unit based charge without proper consultation with industry groups. The implementation of a unit based charge can significantly affect the future viability of development within the growth area.
15. The NSW Government, Planning Partnership Office and local councils must consider the cumulative effect of several infrastructure levies on future development prior to implementation.
16. The NSW Government must retain the current WSEA infrastructure contribution mechanism for the Mamre Road Precinct as any changes will have significant effects to development feasibility and result in a lack of equity in contributions.
17. The Cumberland Plain Conservation Plan must be made publicly available as soon as possible. Landowners need to understand the process on identifying conservation areas and if the NSW Government has identified parts of their land for conservation.
18. The Planning Partnership and NSW Government must adopt a consistent approach with flood planning. The Planning Partnership must work with Department of Planning, Industry and Environment to ensure strategic decisions, such as flood planning levels, are addressed within the detailed planning.
19. If the NSW Government and Planning Partnership seek to update the flood planning policy, the public should be presented with the opportunity to review the technical basis of the South Creek Sector Review to understand the rationale of amending current standards. PMF is not an economically viable standard for flood planning, regardless to any change in policy. It should not be introduced without proper consultation.
20. The NSW Government should investigate the opportunity to maximise the appropriate use of land within the existing 1:100 ARI flood event, including water quality and quantity control basins. The current

permissible uses within the Wianamatta-South Creek and Mamre Road Precincts should be amended to include these opportunities.

21. The Wianamatta-South Creek Precinct boundary should be amended to reflect the 2019 Penrith City Council Draft South Creek Floodplain Risk Management Plan and Study.
22. The Landowner Group supports the 24-hour operation of the Western Sydney (Nancy-Bird Walton) Airport. It is an important contributor to Western Sydney and provides synergies to neighbouring land uses.
23. Mamre Road Precinct is best suited for employment land uses, such as industrial. These land uses are not noise sensitive and align with the ANEC/ANEF 20 and OLS controls.

2. MAMRE ROAD PRECINCT

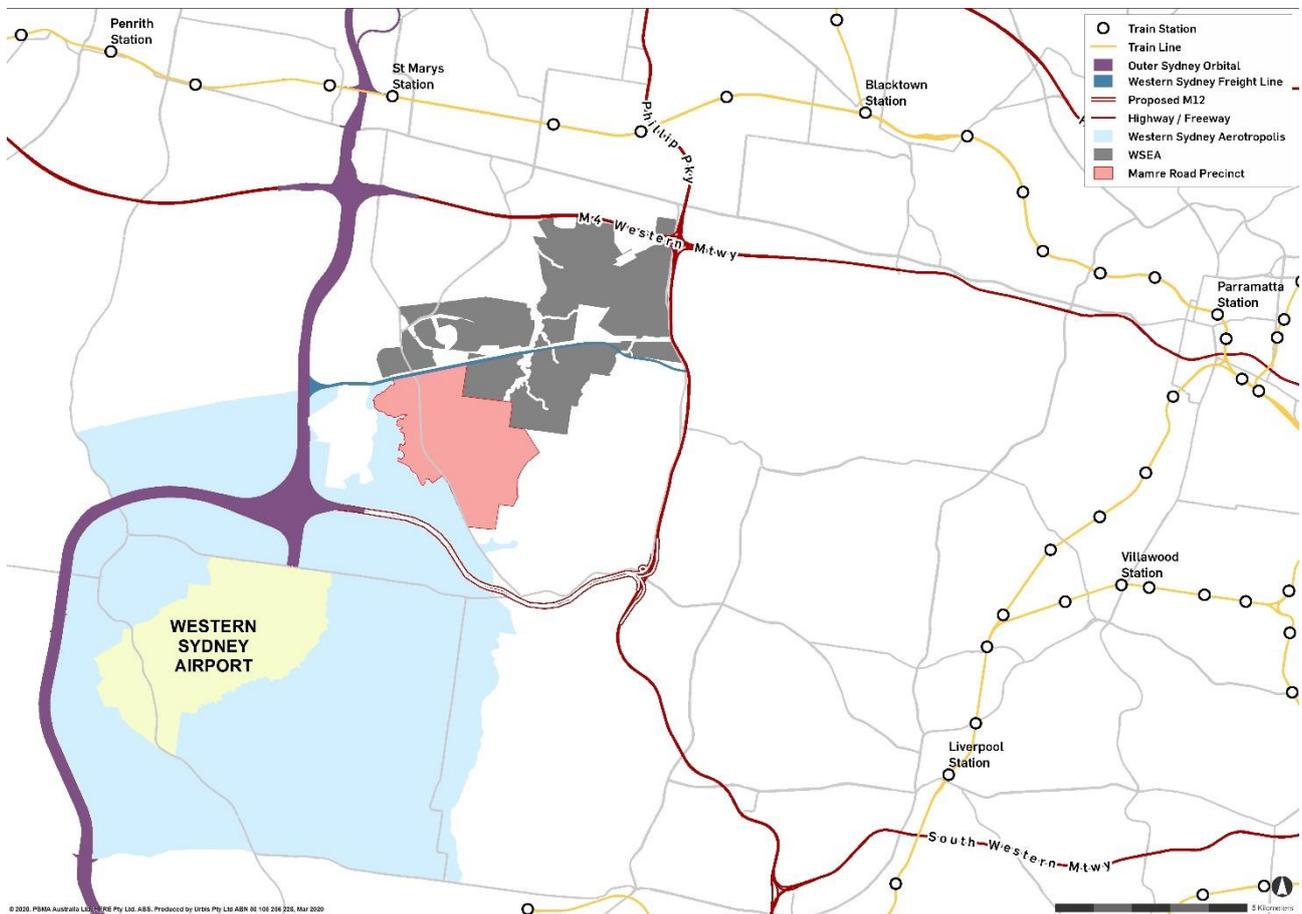
2.1. PRECINCT LOCATION AND CONTEXT

Mamre Road Precinct is located within the Western Sydney Employment Area (WSEA), approximately 40km west of the Sydney CBD and 12km south-east of the Penrith CBD. It is also located within the Western Sydney Aerotropolis, approximately 6km from the future Western Sydney International (Nancy-Bird Walton) Airport.

The precinct covers an area of approximately 972 ha. The precinct is located within the Penrith Local Government Area (LGA). It is partially located in Kemps Creek and Mount Vernon localities. The precinct is directly south of the established Erskine Park Industrial area, which forms part of the WSEA. Large lot rural residential borders the precinct to the east, South Creek forms its western boundary and Rossmore Precinct within the Western Sydney Aerotropolis sits to the south.

The precinct is currently used for rural residential purposes. It is zoned predominately *RU2 Rural Landscape* under the *Penrith Local Environmental Plan 2010*. Under the existing zoning, development for the purposes of industrial warehouses would be prohibited.

Figure 1 Context Map



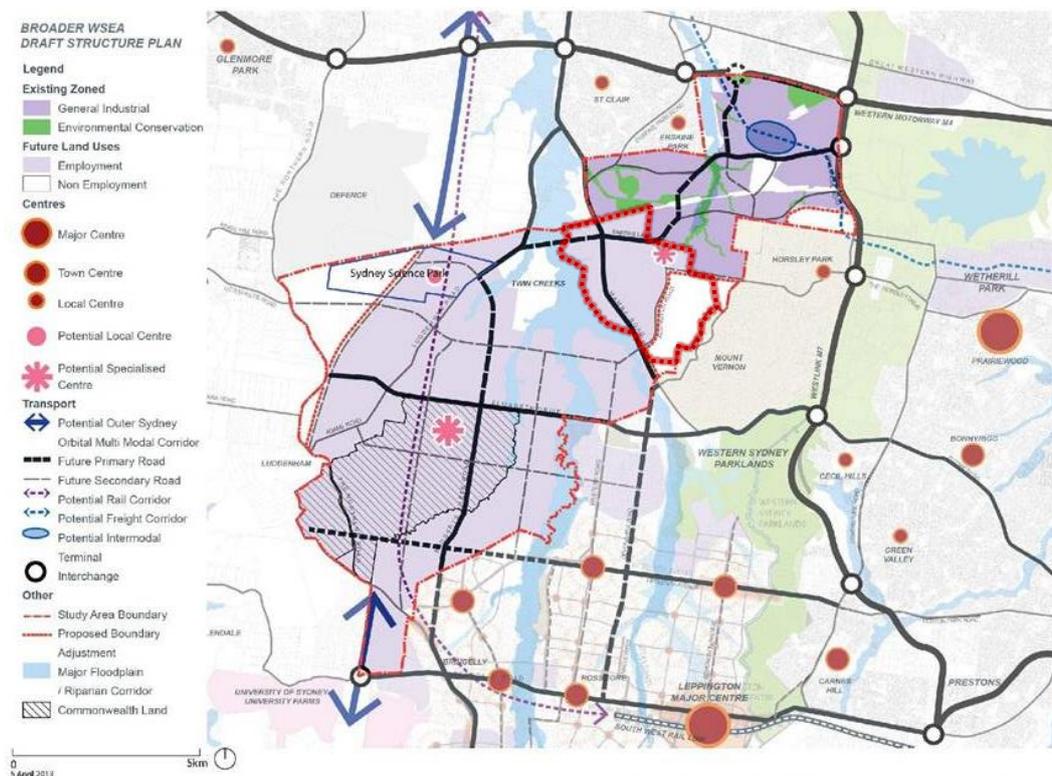
Source: Urbis

2.2. PLANNING BACKGROUND

The Mamre Road Precinct has a history of being designated as future employment land. This began in 2014 when the NSW Government announced a proposal to expand the WSEA to dedicate a further 4,574 ha of employment land. This proposal amended the *State Environmental Planning Policy (Western Sydney Employment Area) 2009* (WSEA SEPP) Land Application map to increase the boundary south to Elizabeth Drive and include land west to the planning Western Sydney Airport. The expansion of employment area was referred to as the Broader WSEA.

A draft Structure Plan divided the Broder WSEA into six precincts: Aldington Road, South Creek, Luddenham Road West, Adams Road, Commonwealth Land and the South West Growth Centre Industrial. The present Mamre Road Precinct and part South Creek Precinct was originally within the broader WSEA's Aldington Road and South Creek Precincts (refer to **Figure 2**). These precincts were adjacent to the existing WSEA zoned land and identified 493 ha for employment uses and 377 ha for non-employment. Its proximity to existing employment areas made it the next logical extension from the zoned WSEA land.

Figure 2 Broader WSEA Structure Plan



Source: Department of Planning, Industry and Environment

In 2018, the NSW Government announced the Western Sydney Aerotropolis, which included parts of the broader WSEA including Mamre Road Precinct. The release of the Stage 1 Land Use and Infrastructure Implementation Plan (Stage 1 LUIIP) provided preliminary guidance on the Aerotropolis, including the first rezoning phase: Aerotropolis Core, Northern Gateway and South Creek.

Detail on the sequence and delivery of the remaining precincts, including Mamre Road Precinct, was deferred to the Stage 2 LUIIP. Following the exhibition of the Stage 1 LUIIP, the Planning Partnership release a 'What we heard' report. This report acknowledged:

- the need identified by industry for Mamre Road Precinct to be an initial precinct to address the pipeline supply shortfall of zoned and serviceable industrial land;
- the rezoning of employment lands should be expedited; and
- the Precinct should be retained within the Western Sydney Employment Area.

In response, the NSW Government exhibited the Mamre Road Precinct from 20 November 2019 to 18 December. In this exhibition package, it confirmed the primary environmental planning instrument (EPI) for the Precinct is *State Environmental Planning Policy (Western Sydney Employment Area) 2009* (WSEA SEPP). This was further confirmed with the exhibition of the Western Sydney Aerotropolis Plan and supporting documentation which was subsequently released on the 6 December 2019.

2.2.1. Landowner Response to the Planning Background

The Landowner Group commends the Planning Partnership Office and the NSW Government for its acknowledgement of Mamre Road Precinct as an essential employment area for Western Sydney. Its identification as an initial precinct and expedited rezoning is supported. The Landowner Group agrees with the NSW Government to rezone the land under the WSEA SEPP.

Historically, the NSW Government has prepared and delivered strategic planning pathways for employment land in Western Sydney. The NSW Government's long held intention that the land contained within the Western Sydney Aerotropolis, including Mamre Road Precinct, for employment purposes has set expectations and informed investment decisions for landowners and developers. Significant land purchases have been made on the basis that long term and consistent strategic planning policy pointed towards land in Mamre Road Precinct being zoned for employment purposes.

In order to see Mamre Road Precinct delivered in a timely manner, there needs to be a continued commitment by the NSW Government, and services delivery authorities, to continue cooperative, productive discussions with landowners to ensure that the intended industrial and employment uses within the Precinct can be delivered in a practical and timely manner. The Landowner Group asks that the Planning Partnership Office and the NSW Government work with landowners and developers to ensure Mamre Road Precinct is delivered in a timely manner responding to market needs and contributing to the overall Western Parkland City vision.

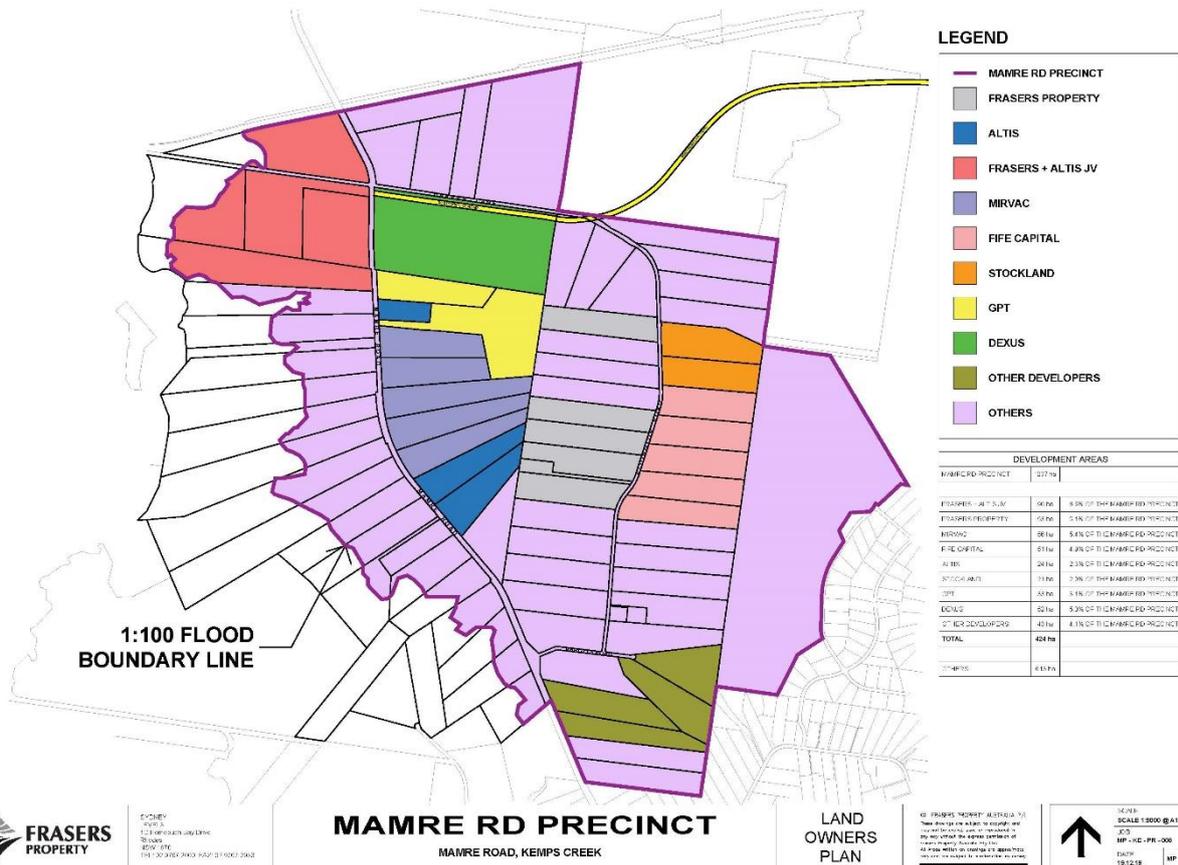
3. ABOUT THE LANDOWNER GROUP

The Mamre Road Precinct Landowner Group is a collective of landowners within the precinct, including:

- Altis Property Partners;
- Dexus;
- Fife Capital;
- Frasers Property;
- GPT;
- Mirvac;
- Stockland.

Each landowner has a highly regarded track record in delivery of and investment into high quality developments. This Landowner Group represents Australia’s leading property development and investment institutions. Their individual track records demonstrate practical responses to the employment market and a continued commitment to growing the NSW economy including the creation of new jobs. **Figure 3** identifies the location of each landowner in the context of the Mamre Road Precinct.

Figure 3 Landowner location map



Source: Frasers Property

The Landowner Group was formed with the collective interest to unlock Mamre Road Precinct for future employment. This collective interest results from the significant shortage of zoned, serviced industrial land. This shortage is recognised in *A Metropolis of Three Cities: Greater Sydney Region Plan* and *Western City District Plan*, which identified an objective to preserve existing and identify new industrial lands to service the growing Greater Sydney region. Mamre Road Precinct covers an area of approximately 972ha, with the Landowner Group representing approximately 45%. This significant investment by the Landowner Group presents an opportunity for an immediate and significant response to the industrial land shortfall, with a

resultant direct and tangible contribution to the NSW economy. This rapid response was clearly demonstrated by the First Estate at Mamre West, with 45 ha of zoned WSEA industrial land fully committed within three years of gazettal.

The Landowner Group sees the Mamre Road Precinct as an opportunity to satisfy short and medium term demand for industrial land supply. The failure to address zoned and serviced land supply places at risk private sector investment which will otherwise be attracted to other more accessible markets outside of Sydney, particularly north Melbourne and Brisbane.

The Landowner Group seeks to work with the Planning Partnership Office and NSW Government on the timely delivery of Mamre Road Precinct. The timing is, however, dependent on the Planning Partnership and NSW Government appropriately responding and working with the Landowner Group on the comments and recommendations outlined in **Section 4** of this report.

4. COMMENTS AND RECOMMENDATIONS ON THE EXHIBITION OF THE WESTERN SYDNEY AEROTROPOLIS PLAN

The Landowner Group has a number of significant concerns and recommendations with the proposed Western Sydney Aerotropolis Plan and supporting documentation that require clarification or reconsideration prior to finalisation of the draft Plan. These issues are critical to the timely delivery and resulting success of Mamre Road Precinct.

4.1. RELATIONSHIP BETWEEN MAMRE ROAD PRECINCT AND THE WESTERN SYDNEY AEROTROPOLIS

The release of the Western Sydney Aerotropolis Plan recognises the value of Mamre Road Precinct and its ability to provide essential employment key to supporting the vision of the Western Parkland City and future 24-hour Airport operations. The Landowner Group agrees with the Planning Partnership Office and the NSW Government on the importance of this precinct and the need to supply additional zoned, service industrial land to accommodate the shortfall and demand in Greater Sydney. The confirmation of Mamre Road being an initial precinct is supported.

While the progression of planning for Mamre Road Precinct is positive, there are some issues which need to be addressed prior to the implementation of the Western Sydney Aerotropolis Plan and the rezoning of Mamre Road Precinct.

4.1.1. Application of WSEA SEPP and Western Sydney Aerotropolis SEPP

The draft Western Sydney Aerotropolis Plan confirms the WSEA SEPP as the primary environmental planning instrument for the Mamre Road Precinct. The remaining precincts, including Wianamatta-South Creek Precinct, will be zoned under a new Western Sydney Aerotropolis SEPP.

The Western Sydney Aerotropolis (WSA) SEPP Discussion Paper identifies amendments to the WSEA SEPP to remove overlap between the two SEPPs in the Aerotropolis. This amendment is supported as it removes complexity and confusion on which instrument prevails.

In addition, the WSA SEPP Discussion Paper outlines the proposed WSA SEPP *'will ensure arrangements to deliver State infrastructure are made before development occurs. If a special infrastructure contribution has not been finalised satisfactory arrangements must be in place prior to determination of any development application'*. It is understood that the Planning Partnership Office and the NSW Government is considering a growth area-wide infrastructure contribution, which will include Mamre Road Precinct. When drafting this WSA SEPP, the Planning Partnership Office needs to ensure there will be no clauses, such as the one outlined above, to apply to Mamre Road Precinct. The Mamre Road Precinct exhibition package has provisions to assist with infrastructure delivery in the Precinct.

The application and implementation of two SEPPs in the Western Sydney Aerotropolis should be carefully considered. There should be no overlap between the two environmental planning instruments as it overcomplicates the planning system. Any amendments to support the delivery of the Western Sydney Aerotropolis and how Mamre Road Precinct contributes to this vision need to be executed through the WSEA SEPP. Any amendments to the WSEA SEPP need to be consulted with landowners prior to gazettal to ensure it will provide a positive outcome and mitigate any negative impacts.

RECOMMENDATIONS:

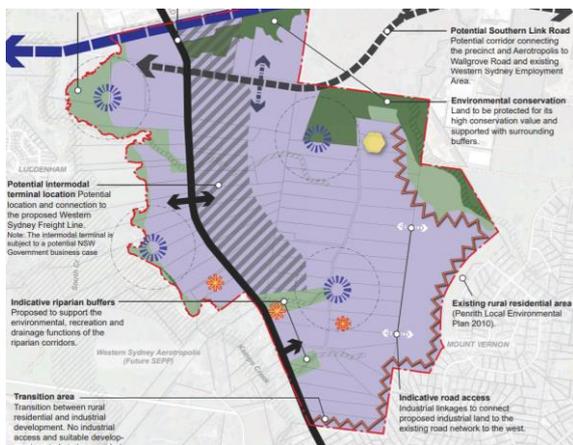
1. The Planning Partnership Office must confirm there is no overlap between the two environmental planning instruments: WSEA SEPP and Western Sydney Aerotropolis SEPP in the Mamre Road Precinct. Any overlap will overcomplicate the planning framework in this precinct.
2. The Landowner Group supports removing the application of the WSEA SEPP in areas not to be rezoned under the Mamre Road Precinct.

4.1.2. Boundary discrepancies

The Western Sydney Aerotropolis Plan confirms the boundary for Wianamatta-South Creek Precinct has been amended to reflect the 1:100 ARI Flood Event. The alignment of this boundary to the 1:100 ARI extent is supported.

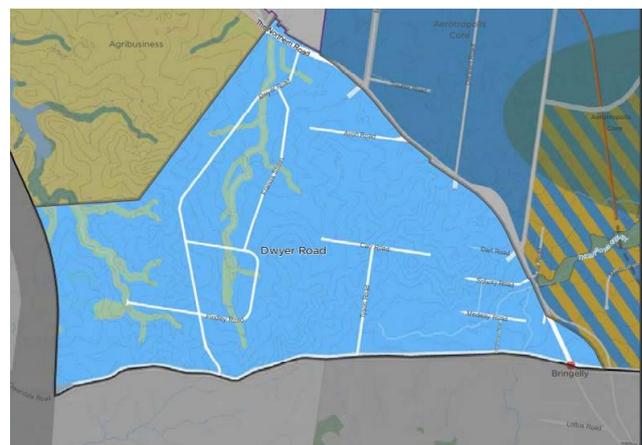
The application on the treatment of adjacent precincts differentiates between Mamre Road Precinct and the remaining Aerotropolis Precincts. The western boundary of the Mamre Road Precinct Structure Plan identifies land for drainage/open space. In contrast, the majority of Dwyer Road Precinct is identified for flexible employment (refer to **Figure 4** below).

Figure 4 Comparison of Structure Plans



Picture 1 Mamre Road Precinct

Source: Department of Planning, Industry and Environment



Picture 2 Dwyer Road Precinct

Source: Planning Partnership Office

The boundary treatment along Wianamatta-South Creek Precinct needs to be treated the same across the Aerotropolis regardless of which environmental planning instrument will apply to a site. As the Planning Partnership Office is driving the planning for the Wianamatta-South Creek Precinct, they need to lead discussions with the Department of Planning, Industry and Environment to ensure this boundary is consistent within the Mamre Road Precinct. It is supported to amend the western boundary to apply a blanket employment land use designation on the Mamre Road Precinct Structure Plan.

In addition, the Planning Partnership Office should recognise the complexities of lots which cross boundary between Mamre Road Precinct and Wianamatta-South Creek Precinct. While this is not ideal for delivery and complexities of two environmental planning instruments apply to the site, the planning and delivery of the lots should not be delayed if rezoning of Mamre Road Precinct precedes the planning for Wianamatta-South Creek Precinct.

RECOMMENDATIONS:

- 3. The boundary treatment adjacent to the Wianamatta-South Creek Precinct must be consistent across the Aerotropolis. It is recommended for Mamre Road Precinct to reflect the structure plans within the Aerotropolis and expand employment land use to this boundary.**

4.1.3. Precinct Prioritisation

The Aerotropolis comprises of ten precincts, six of which identified as initial precincts including the Mamre Road Precinct. The planning and delivery of this precinct is important as the exhibition package has 'recognised the high level of industry demand for employment and industrial land in Western Sydney'.

The Landowner Group strongly supports the Planning Partnership Office's identification of the Mamre Road Precinct as an initial precinct. However, there is concern on how the Planning Partnership Office and the NSW Government will deliver all six precincts within the specific timeframe outlined in the Western Sydney Aerotropolis Plan:

- Rezone initial precincts by mid-2020

- Exhibit precinct plans by mid-2020 and finalised by late 2020

It is imperative for the Planning Partnership Office and the NSW Government to uphold to these timeframes as they set expectations to the market, landowners and developers.

The Planning Partnership Office and the NSW Government must continue to recognise that planning and delivery of Mamre Road Precinct is on a separate path to the other Aerotropolis Precincts. The Mamre Road Precinct must continue to be prioritised in the short term to deliver additional employment lands in response to the current shortfall.

RECOMMEDATIONS:

- 4. The Landowner Group supports the identification of the Mamre Road Precinct as an initial precinct and agrees it is an important contributor to industrial land supply across Greater Sydney.**
- 5. The Planning Partnership Office and the NSW Government must adhere to the timeframes set out in the Western Sydney Aerotropolis Plan, as it has set a clear market expectation. If there is any divergence or delays to the program, these changes must be clearly communicated to the public.**
- 6. Mamre Road Precinct must continue to be prioritised in the short term to deliver additional employment land in response to the current shortfall.**

4.2. INFRASTRUCTURE DELIVERY

Infrastructure delivery and prioritisation is critical to the success of the Western Parkland City vision and delivery of precincts within the Western Sydney Aerotropolis. In greenfield planning, the level of infrastructure required to support new employment areas and communities is significant. The Landowner Group appreciates that the Planning Partnership Office recognises the importance of infrastructure in contributing to the delivery of the Western Sydney Aerotropolis. There are some matters which are important to the success of Mamre Road Precinct which are outlined below.

4.2.1. Intermodal Terminal

The draft Western Sydney Aerotropolis Plan identifies the need for an intermodal terminal to compliment the delivery of the Western Sydney Freight Line and serve freight, logistics and related industries. While a need for an intermodal terminal is identified with a possibility to locate in Mamre Road Precinct, it is appreciated the Planning Partnership Office did not map it until investigations were concluded.

In contrast, the Mamre Road Precinct exhibition identified an intermodal terminal running parallel to Mamre Road. The exhibited location of the intermodal terminal significantly reduces the Precinct's effect in addressing the shortage of industrial land supply in the WSEA and the Western Parkland City. This alignment is not supported by the Landowner Group.

Since the exhibition of Mamre Road Precinct, the Landowner Group has been working extensively with the Department of Planning, Industry and Environment and Transport for NSW to resolve a solution which permits facilitation of employment generating development whilst still protecting longer term potential of a potential intermodal terminal in this precinct. It is integral for discussions on the intermodal terminal to continue with significant landowners in the Mamre Road Precinct and the respective agencies. This collaborative effort should be used as a model on how State and local government collaborate with external stakeholders to ensure Western Sydney Aerotropolis meets the expectations of government, landowners, developers and investors.

RECOMMEDATIONS:

- 7. The NSW Government must continue collaboration with significant stakeholders in the Mamre Road Precinct on the intermodal terminal. A win-win outcome can be achieved within the Precinct which would enable the private market to respond to industrial demand and safeguard a future site for an intermodal terminal.**
- 8. The Planning Partnership Office and the NSW Government should use this collaborative effort between public and private as a model on how to create successful outcomes for the Western Sydney Aerotropolis.**

4.2.2. Regional Road Network

The Western Sydney Aerotropolis Plan identifies a high level regional network which may partially exist or needs to be planned and delivered. This regional road network is critical for future movements in and around the Aerotropolis. Within the Mamre Road Precinct, there are two regional roads identified to support this employment precinct: Mamre Road and Southern Link Road.

Mamre Road forms the central access corridor to the precinct. Planning has commenced for the future upgrade of Mamre Road. This upgrade extends for 10 kilometres connecting the M4 Motorway to Kerrs Road. With Transport for NSW, formerly known as Roads and Maritime Services, identified as the acquisition authority, an update regarding the timing of acquisition and delivery of Mamre Road upgrade is requested. This road upgrade is critical for the delivery of future employment in Mamre Road Precinct in the short term.

In contrast, the development of Southern Link Road is still in strategic planning phase. Transport for NSW is undertaking a concept design for this road which includes an environmental and constraints analysis. It is understood the inputs used to inform the road levels and crossings has needed to be amended several times in response to other infrastructure announcements, such as an intermodal terminal. It is important for all agencies to work together and collaboratively to settle on the final design of this road. The Southern Link Road is an important east-west connection within Mamre Road Precinct. The Planning Partnership Office and NSW Government should recognise the importance of this road in fully delivering Mamre Road Precinct. The final design and update to the SEPP maps to remove concurrence and zone it to SP2 Infrastructure should be expedited as a matter of urgency.

RECOMMENDATIONS:

- 9. Mamre Road and Southern Link Road (between Mamre Road and Old Wallgrove Road) must be planned and delivered as a matter of urgency. The NSW Government needs to confirm the program and delivery of both roads, as they are important infrastructure items needed to support the delivery of Mamre Road Precinct.**

4.2.3. Infrastructure Prioritisation

There is a significant amount of infrastructure needed to support the delivery of the Western Sydney Aerotropolis. While it is appreciated to identify each infrastructure item, the Planning Partnership Office and the NSW Government needs to be transparent on their delivery timeframes. It is unrealistic to expect all infrastructure will be delivered to support the initial precincts.

Infrastructure prioritisation is extremely important input to understand timing and delivery of precincts. The Planning Partnership Office needs to release any information available on this matter to set realistic expectations to landowners and developers on when they will be able to develop their subject sites.

The Planning Partnership Office and the NSW Government must recognise the critical need to advance infrastructure delivery within the Mamre Road Precinct. Critical path for successful delivery of jobs within the Mamre Road Precinct will be via the delivery of key infrastructure including roads, electricity, water, wastewater and telecommunications. The Planning Partnership must not detract from the infrastructure prioritisation of the Mamre Road Precinct. Mamre Road has a progressed design and organised developers to work collaboratively with Transport for NSW to deliver this item. Additional road networks and upgrades will be delivered as development within this precinct progresses.

Any delays to the infrastructure delivery in the broader Western Sydney Aerotropolis should not delay the zoning and delivery of Mamre Road Precinct. The Landowner Group is committed and has demonstrated its ability to work collaboratively with NSW Government to unblock potential development barriers within the precinct.

RECOMMENDATIONS:

- 10. The Planning Partnership and NSW Government must be transparent on infrastructure prioritisation across the Western Sydney Aerotropolis. Infrastructure has the potential to be a barrier to development. Any information must be made publicly available to manage landowner and developer expectations across the precinct.**
- 11. The Planning Partnership and NSW Government must recognise the critical need to advance infrastructure delivery within Mamre Road Precinct compared to other initial precincts.**

12. Any delays to the infrastructure delivery in the broader Western Sydney Aerotropolis must not delay the zoning and delivery of Mamre Road Precinct.

4.2.4. Infrastructure Contributions

The quantum of infrastructure contributions are an important consideration in the viability of future development. The draft Western Sydney Aerotropolis Plan identifies the Western Sydney Place-based Infrastructure Compact (PIC) as the mechanisms to determine the infrastructure required to support the Aerotropolis, including Mamre Road Precinct. The PIC will inform the precinct plans and the Special Infrastructure Compact (SIC) for the growth area. No details are available at the time of the exhibition on the inputs used or the infrastructure items being identified. This is a critical set of information that must be made publicly available prior to the rezoning of the initial precinct.

Landowners across the Western Sydney Aerotropolis cannot make informed submissions on the planning and delivery of the Aerotropolis without information on future infrastructure contributions. For example, the draft Plan states the SIC is currently being prepared by the Department of Planning, Industry and Environment, which is exploring whether the Aerotropolis SIC should be set as a land-based charge (e.g. per net developable hectare) and/or a unit based charge (per lot or percentage of CIV). If DPIE decides to go with the later, this will have significant implications on development feasibility. If the Planning Partnership Office and the NSW Government seek to implement such a radical change to infrastructure contributions it must be consulted with industry groups and landowners prior to implementation.

In addition to the SIC, local infrastructure contributions and additional value capture mechanisms are being explored. It is imperative that the NSW Government, Planning Partnership Office and local councils to consider the cumulative effects of several infrastructure levies on future development prior to implementation.

The rezoning of the Mamre Road Precinct should not be held up pending the finalisation of the contributions framework. The current WSEA development contributions are sufficient in providing the appropriate infrastructure for employment purposes. If this contribution regime changes, it will have a significant economic impact to development feasibility and result in a lack of equity in contributions.

RECOMMENDATIONS:

- 13. Infrastructure contribution mechanisms must be made publicly available as soon as possible. Landowners cannot make an informed decision without further detail on this matter. This is an important input into the viability of future development within the Aerotropolis.**
- 14. Aerotropolis SIC should not be calculated on a unit based charge without proper consultation with industry groups. The implementation of a unit based charge can significantly affect the future viability of development within the growth area.**
- 15. The NSW Government, Planning Partnership Office and local councils must consider the cumulative effect of several infrastructure levies on future development prior to implementation.**
- 16. The NSW Government must retain the current WSEA infrastructure contribution mechanism for the Mamre Road Precinct as any changes will have significant effects to development feasibility and result in a lack of equity in contributions.**

4.3. ENVIRONMENTAL CONSIDERATIONS

4.3.1. Bio-certification

The avoidance, minimisation or mitigation of future developments on biodiversity values is a keynote focus of the draft Western Sydney Aerotropolis Plan. The Planning Partnership identifies it as a critical contributor to the blue-green grid and the Western Parkland City vision. It identifies an action that *'the Department of Planning, Industry and Environment will exhibit the Cumberland Plain Conservation Plan in 2020. The purpose of this conservation plan is to protect threatened plants and animals in Western Sydney while supporting the delivery of housing, infrastructure, open and green spaces.'* It will adopt the biodiversity certification approach which is currently implemented under the *State Environmental Planning Policy (Sydney Region Growth Centres) 2006* (Growth Centres SEPP).

There is limited information on the work done to date and how they will identify existing native vegetation to be protected under this plan. It is essential for the NSW Government to exhibit this plan as soon as possible. Similar to other inputs, it is critical to understand the potential impacts this strategy may have on Mamre Road Precinct. The Landowner Group cannot make an informed submission unless all information is available and can be considered holistically.

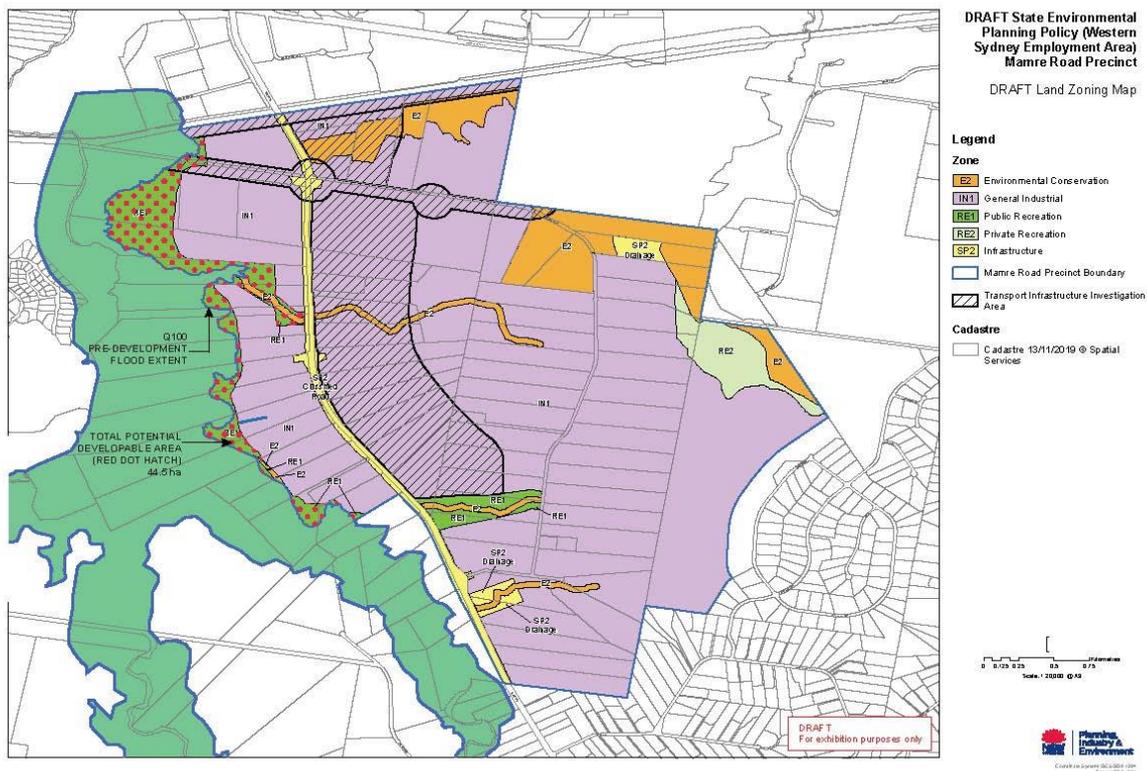
RECOMMEDATIONS:

- 17. The Cumberland Plain Conservation Plan must be made publicly available as soon as possible. Landowners need to understand the process on identifying conservation areas and if the NSW Government has identified parts of their land for conservation.**

4.3.2. Wianamatta-South Creek and Flood Planning

The NSW Government’s focus to rethink flood planning in the Wianamatta-South Creek Precinct has changed how planning informs the development process. The extension of flood planning level to the PMF would set a new precedent. The Landowner Group commends the decision to realign Wianamatta-South Creek Precinct to the existing 1:100 ARI Flood Event. This decision has not extended to the planning for Mamre Road, as the Structure Plan identifies environmental land uses beyond this flood extent (refer to **Figure 5** below).

Figure 5 Comparison of Pre-Development Flood Extent and Proposal Flood Planning Level for Mamre Road Precinct



Source: Department of Planning, Industry and Environment adapted by Fraser Property

The consistency across the Western Sydney Aerotropolis is important. There cannot be a divergence in how flood planning is applied across precincts even if they are under a separate environmental planning instrument. The Planning Partnership Office must work with the Department of Planning, Industry and Environment to ensure the strategic direction outlined in the draft Western Sydney Aerotropolis Plan is implemented through the Mamre Road Precinct Structure Plan and SEPP maps.

The Landowner Group understands the revised thinking on the Wianamatta-South Creek Precinct stems from the Infrastructure NSW South Creek Sector Review. If NSW Government and the Planning Partnership Office seek to change these standards, there needs to be an opportunity for industry and landowners to

review the technical inputs and provide comment. There is a concern about the lack of transparency on the planning for Wianamatta-South Creek Precinct and flood planning policy.

The latest existing 1 in 100-year flood extent data from Penrith City Council's 2019 Draft South Creek Floodplain Risk Management Plan and Study is recommended to be used to revise the boundary of the Wianamatta-South Creek Precinct and Environment and Recreation Zone, in accordance with the relevant flood planning controls contained in the NSW Floodplain Development Manual. This will allow in more accurate zoning and mitigate the sterilisation of valuable employment area.

Section 6.4.2 of the WSAP states that *"flood management... should account for reforestation... as part of landscape based approach"*. Impacts of this approach of accounting for reforestation needs to be further assessed, as reforestation has the potential to increase the 1 in 100-year flood levels by 0.3m to 0.6m. As an impact of this scale is in excess of what any Council would typically accept as part of any change in land use, the suitability of this reforestation strategy in light of flooding needs to be re-evaluated.

As part of the WSAP Planning Principles, Sustainability Planning Principle SU16 of the WSAP states *"Prohibit cut and fill to alter the 1% AEP flood extent"*. It is noted that the aim of any flood impact assessment is to assess the impact of cut and fill and to limit the impacts on adjoining properties. SU16 prohibits the consideration of earthworks within the 1 in 100-year flood extent which is contrary to the primary objectives of the NSW Flood Prone Land Policy.

For innovative planning in Western Sydney, the NSW Government and the Planning Partnership should investigate opportunities to maximise the use of the 1:100 ARI flood event with opportunities to locate water quality and quantity control basins (bio-retention and on-site detention) inside this extent. These should be made permissible across all precincts in the Western Sydney Aerotropolis, including Mamre Road Precinct.

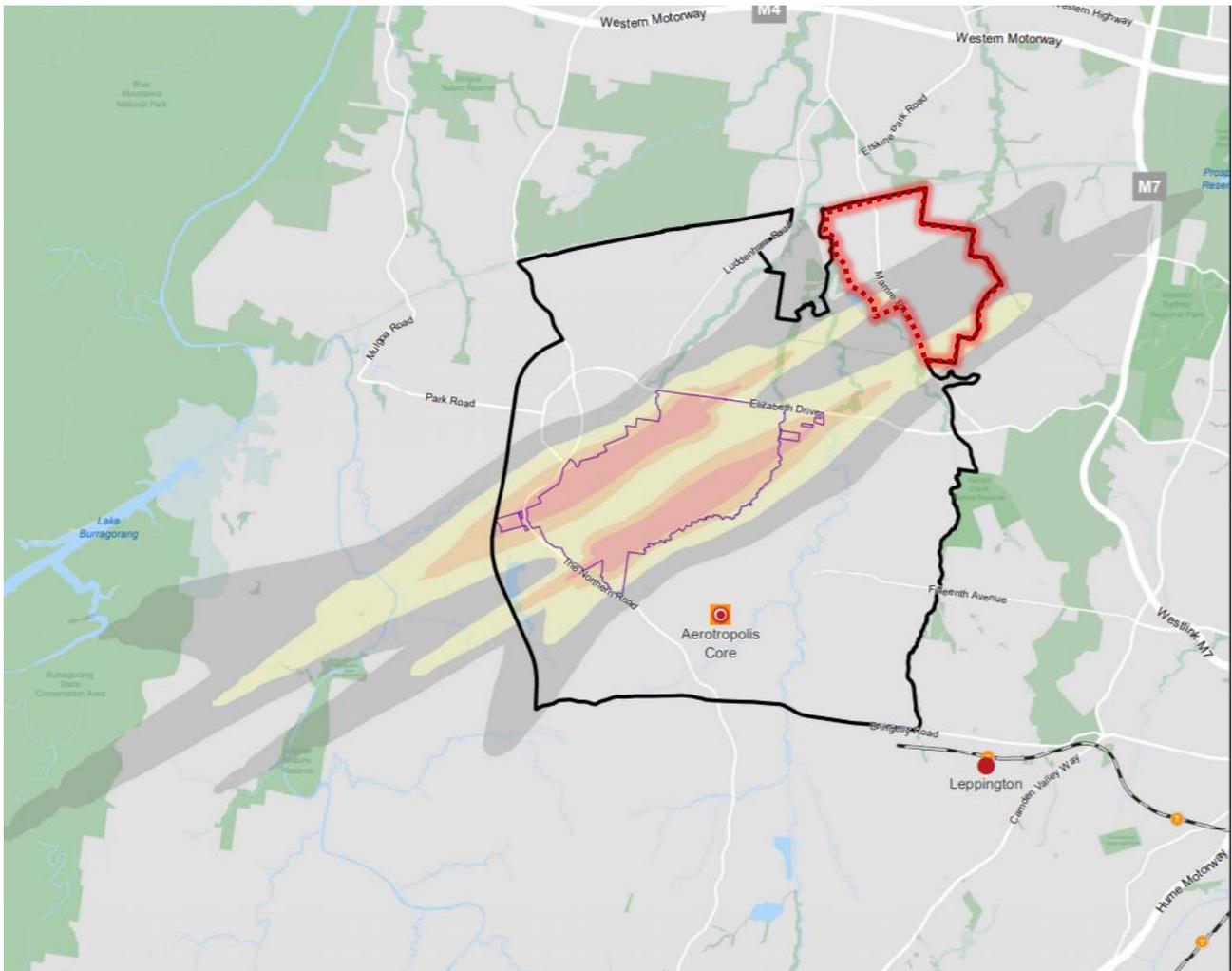
RECOMMEDATIONS:

18. **The Planning Partnership and NSW Government must adopt a consistent approach with flood planning. The Planning Partnership must work with Department of Planning, Industry and Environment to ensure strategic decisions, such as flood planning levels, are addressed within the detailed planning.**
19. **If the NSW Government and Planning Partnership seek to update the flood planning policy, the public should be presented with the opportunity to review the technical basis of the South Creek Sector Review to understand the rationale of amending current standards. PMF is not an economically viable standard for flood planning, regardless to any change in policy. It should not be introduced without proper consultation.**
20. **The NSW Government should investigate the opportunity to maximise the appropriate use of land within the existing 1:100 ARI flood event, including water quality and quantity control basins. The current permissible uses within the Wianamatta-South Creek and Mamre Road Precincts should be amended to include these opportunities.**
21. **The Wianamatta-South Creek Precinct boundary should be amended to reflect the 2019 Penrith City Council Draft South Creek Floodplain Risk Management Plan and Study.**

4.4. AIRPORT OPERATIONS

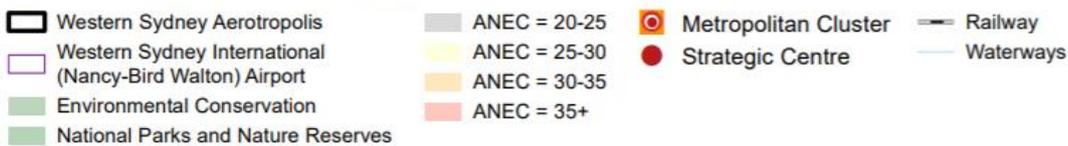
The preservation of the future Western Sydney (Nancy-Bird Walton) Airport for 24-hour use is a key driver to the planning and delivery of the Western Sydney Aerotropolis. To safeguard this use, the draft *Western Sydney Aerotropolis Plan* explicitly states land uses which are noise sensitive are prohibited within the ANEC/ANEF 20 Noise Contour. Parts of the Mamre Road Precinct are affected by the ANEC/ANEF 20 (refer to **Figure 6** below).

Figure 6 ANEC/ANEF 20



ANEC Contours

Western Sydney Aerotropolis



Source: Planning Partnership Office

In addition, buildings within the flight path or surrounding the Airport will need to consider Obstacle Limitation Surface (OLS) to prevent air safety hazards. The use of Mamre Road Precinct as industrial, employment land is the appropriate built form outcome for the precinct. The types of industrial developments to be located within this precinct will not be noise sensitive, promote airport operations, and is a relatively low built form outcome in relation to the OLS.

RECOMMEDATIONS:

22. The Landowner Group supports the 24-hour operation of the Western Sydney (Nancy-Bird Walton) Airport. It is an important contributor to Western Sydney and provides synergies to neighbouring land uses.
23. Mamre Road Precinct is best suited for employment land uses, such as industrial. These land uses are not noise sensitive and align with the ANEC/ANEF 20 and OLS controls.

5. CONCLUSION

The Landowner Group supports the exhibition and acceleration of Mamre Road Precinct for employment purposes. The response by the Minister for Planning and Public Spaces to the critical shortage in appropriately zoned and serviced employment land is timely and welcomed. The successful delivery of employment land in Mamre Road Precinct by the private sector is dependent on consideration of the comments and recommendations contained within this submission.

This submission highlights the following key issues that require review or refinement to realise the timely and effective delivery of industrial land uses within the precinct.

- Relationship between the WSEA SEPP and the Western Sydney Aerotropolis SEPP
- Boundary discrepancies between Mamre Road and the remaining Aerotropolis
- Need for precinct prioritisation
- Need for continued collaboration with the NSW Government on the intermodal terminal
- Need to identify and progress the regional road network, especially Mamre Road and Southern Link Road
- Transparency on infrastructure prioritisation
- Transparency and collaboration on infrastructure contributions
- Transparency on biodiversity certification across the Aerotropolis and implications on Mamre Road Precinct
- Discrepancy on application of flood planning between Mamre Road Precinct and the remaining Aerotropolis
- Preservation of Airport Operations

The Landowners Group seeks to engage in further dialogue with the Planning Partnership Office and the NSW Government about the resolution of these issues prior to the finalisation of the rezoning package, so as to ensure an effective and efficient delivery of employment generating industrial uses within the Precinct.

5.1. NEXT STEPS

The rezoning of Mamre Road Precinct is critical to the release of additional industrial land in Greater Sydney. The Landowner Group supports the decisive action to address critical employment demand in Sydney by accelerating the Mamre Road Precinct in order to prevent worsening of competitiveness and loss of investment opportunities in other states.

The issues raised in this submission need to be carefully considered as strategic decisions have an impact on the viability of this precinct. It is critical for the Planning Partnership to strategically guide the Department of Planning, Industry and Environment on the planning and rezoning of Mamre Road Precinct. The decisions set out in the draft Western Sydney Aerotropolis Plan need to be reflected in the structure plan and SEPP maps for Mamre Road Precinct.

In addition, industry consultation is essential. There are several new policies identified in the draft Western Sydney Aerotropolis Plan. The Planning Partnership and NSW Government must fully understand the implications to development feasibility prior to implementation. No consultation places at risk the Aerotropolis not meeting the vision of the Western Parkland City. The Landowner Group believes successful precincts result in collaboration. If the Planning Partnership has any questions on the above recommendations, we would appreciate an opportunity to meet and discuss potential solutions to the key issues identified in this submission.

DISCLAIMER

This report is dated 13 March 2020 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd (**Urbis**) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of Mamre Road Precinct Landowner Group (**Instructing Party**) for the purpose of Submission (**Purpose**) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report, and upon which Urbis relied. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

In preparing this report, Urbis may rely on or refer to documents in a language other than English, which Urbis may arrange to be translated. Urbis is not responsible for the accuracy or completeness of such translations and disclaims any liability for any statement or opinion made in this report being inaccurate or incomplete arising from such translations.

Whilst Urbis has made all reasonable inquiries it believes necessary in preparing this report, it is not responsible for determining the completeness or accuracy of information provided to it. Urbis (including its officers and personnel) is not liable for any errors or omissions, including in information provided by the Instructing Party or another person or upon which Urbis relies, provided that such errors or omissions are not made by Urbis recklessly or in bad faith.

This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

