

[REDACTED]

From: system@acelo.com on behalf of [REDACTED]
Sent: Friday, 2 November 2018 1:14 PM
To: [REDACTED]
Subject: Submission Details for company CSR Limited (org_comments)
Attachments: 292015_CSR LUIP Stage 1 submission 181102.pdf

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Submitted by a Planner: no

Disclosable Political Donation:

Agreed to false or misleading information statements: yes

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See attachments

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Submission: Online Submission from company [REDACTED]
https://majorprojects.acelo.com/?action=view_activity&id=292015

Submission for Job: #9552

https://majorprojects.acelo.com/?action=view_job&id=9552

Site: #0

https://majorprojects.acelo.com/?action=view_site&id=0

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Date:	Friday 02 November 2018
From:	[REDACTED]
Site:	[REDACTED]
Re:	Western Sydney Aerotropolis Stage 1 Land Use and Infrastructure Implementation Plan
Att:	Brett Whitworth Department of Planning and Environment

Introduction

This submission is in response to the Department of Planning and Environment's (DPE's) release of the Western Sydney Aerotropolis – Land Use and Infrastructure Implementation Plan – Stage 1 Initial Precincts (the LUIIP). CSR welcomes the opportunity to comment on the LUIIP, and is looking forward, as a major land owner, to partnering with the NSW Government to facilitate the creation of a successful Western Sydney Aerotropolis.

This submission specifically relates to the CSR landholdings which comprise a substantial consolidated area immediately north of the future Aerotropolis Core precinct and bordering Western Sydney Airport. A full description of this site is provided at **Section 2.1**.

CSR is highly supportive of the substantial work undertaken to realise an Aerotropolis in Western Sydney, and notes the extensive dialogue between CSR, the Greater Sydney Commission (GSC) and the DPE which has allowed for progress up to this point. CSR understands the envisaged future of the Western Sydney Aerotropolis.

CSR requests consideration of the comments on the LUIIP prior to the finalisation of documentation and welcomes the opportunity to contribute further to the planning and delivery of an Aerotropolis in Western Sydney. To this respect, CSR is willing to work with the GSC and DPE to ensure that a mutually beneficial outcome to CSR and the Aerotropolis ultimately results.

CSR have a strong history in the manufacture of key construction materials for Sydney and Australia, generating significant employment in Western Sydney. CSR Building Products currently manufactured in NSW are Gyprock, Hebel, Viridian Glass, Bradford Insulation and Solar, PGH Bricks and Pavers, Monier Roofing, AFS Formwork, Inclose Rainscreen Facades and Velocity.

CSR have a strong manufacturing base in Sydney and we feel these jobs, with the appropriate training, investment and support are well placed to transition into new industries focused in advanced manufacturing. The current manufacturing

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workforce in NSW is 2,280 persons, which it could potentially consolidate at the site in the future. The significant quantum of skilled jobs generated from the advanced manufacturing hub would be additional to this, providing further employment potential and economic value to the precinct.

The growth in residential precincts associated with the Growth Centres has forced CSR to review and rationalise its operations in Western Sydney to locations that are designated for employment purposes and which are remote from residential areas to avoid land use conflicts. The Badgerys Creek site, which contains an existing brick making facility, meets this criteria. CSR's goal is to continue to manufacture construction materials for the Sydney Market in the short to medium terms and continue to provide important manufacturing jobs in Western Sydney.

The site is strategically located adjacent to the Western Sydney Airport site and has been earmarked as an area for jobs growth in the Western Economic Corridor, in the Western Sydney District Plan. We recognise the substantial importance of the land immediately surrounding the airport and CSR is eager to facilitate and establish strong economic foundations for the region well before planes take off in 2026.

Unique developments that could facilitate uses such as transport intermodals, aerospace and defence use and R&D investment into new technologies will service both local and international operators and should be encouraged on sites immediately adjacent to the airport as this land is limited. A focus on these high order uses will deliver the white-collar jobs for the future community.

The site is also centrally located within the context of the Western Sydney Aerotropolis and will ultimately be highly accessible within the precinct being located in the corridor of land linking Elizabeth Drive and main northern Gateway to the airport, with the Aerotropolis Core.

Key Points

The following key points from this submission are stressed:

- CSR owns a substantial area of centrally located land at the centre of the future Aerotropolis, which can provide substantial benefits to the surrounding region over the short, medium- and long-term horizons.
- CSR has an existing approval for the use of a quarry and brickworks facility at the site, which the company proposes to significantly upgrade and re-open. Modifications to the current approvals are currently progressing through the modification application assessment process.
- The Western Sydney Aerotropolis, and the broader Western Sydney will require the provision of substantial volumes of the building materials to be manufactured at the CSR facility. By being located within the Aerotropolis, the materials will be subject to less transport, lowering construction costs and reducing pressure on the Sydney road freight network.

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- The site is currently adjacent to the Aerotropolis Core Precinct, and CSR is of the view that there would be substantial benefits in their site being included as part of the initial Aerotropolis Core precinct. If the site is included within an initial precinct, this will bring forward CSR's plans to develop an advanced manufacturing hub on the site and as a result minimise the extraction of clay as this would be in CSR's corporate interests
- The site benefits from significant clay resources which is the reason behind the current plant location - If the site is not prioritised, then the best and highest use of the residual land will likely be for extractive industry (i.e. quarrying), given the substantial timeframe until any land release for other uses. This needs to be made very clear as collaboration with local and international external stakeholders will stop and further CSR investment into the Aerotropolis will be halted, as internal manufacturing divisions will transition to establishing interstate. This impact on jobs alone will be demonstrable for the aerotropolis region.
- Notwithstanding the above, CSR requires a minimum amount of clay resource to be available at the site for security of supply for the life of the plant. Should the site be nominated as an initial precinct, then CSR envisages that clay will be sourced from off-site suppliers and the site would be used for the purposes of an advanced manufacturing hub. However, it will take at least five years to find, assess and gain approval to extract clay from an alternate site. During this period, CSR need a secure amount to be retained at the site however are prepared to forgo most of the resource on-site and develop Aerotropolis related uses.
- As part of the development, CSR proposes to rehabilitate areas previously quarried to facilitate employment land uses. Talk about intersectional upgrade and martin road upgrade.
- The site is strategically located between Elizabeth Drive, and the Western Sydney Airport's Northern Gateway, and the proposed Aerotropolis Core. CSR propose to work with the NSW Government to facilitate and co-ordinate a corridor through its land to enable a sub-arterial road link to be established early in the Aerotropolis time-frame. This will provide substantial benefits to connectivity and economic activity in the early stages.
- Should the Badgerys Creek Precinct (identified as a key economic zone in the Western Sydney District Plan) continue to be postponed beyond the initial stages, the opportunity to create an impactful and vibrant entry boulevard statement for new entrants in line with the vision of the area will be compromised. Rather, future visitors will be confronted by existing waste processing areas given that there will not be enough value uplift to encourage existing businesses to relocate.
- CSR also owns land within the South Creek Precinct / Corridor. The LUIIP is not clear with regard to future land use within this precinct and the application of the Probable Maximum Flood (PMF) limit as a planning criteria. Greater clarity on the Government's intentions for land between to 1:100 year flood planning limit and the PMF is required to provide land owners with greater certainty.

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The following sections expand on the site, existing and planned development and expand on these key points.

Site Description

The site is located at 235 Martin Road in Badgerys Creek, NSW and is located within the Liverpool Local Government Area (LGA). The site is located 17km west of Liverpool, and 41km south west of the Sydney Central Business District. The site is also located immediately north of the future envisaged Aerotropolis Core.

To the north of the site is Australian Native Landscapes (ANL), as well as a number of rural residential properties. To the east of the site is South Creek, as well as a number of other properties beyond. To the south of the site is Ingham's Chicken. To the west of the site is Badgerys Creek, as well as the future Western Sydney Airport.

The site is approximately 200 hectares in area, and an aerial photograph demonstrating this is provided at **Figure 2**.

The legal description of the site comprises the following:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

An aerial photo of the site is shown at [REDACTED]

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⊙ NOT TO SCALE

Existing uses and approval

The site is already strongly associated with quarrying and brick making operations. Quarrying and brick making operations have occurred at the site since 1976. The site was acquired by CSR from Boral who previously operated the facility, and accordingly a number of buildings already exist at the site.

There is currently a Part 3A Concept Plan and Project Approval for a quarry and brick making facility at the site. In 2013, the approval was modified to facilitate a shut-down of operations at the site to resolve a number of administrative issues associated with the approval while the facility was in care and maintenance and to ensure on-going environmental management during this period (known as MOD 1). The modified development envisaged that, at a future date, the facility could re-commence operations when market conditions improved.

Future site plans

While CSR are committed to consolidating its innovation R&D centre, brick and tile manufacturing to the CSR site, the proposed development will only occupy approximately 30 hectares. An additional 110 hectares of land is located above the PMF level and potentially available for development of Aerotropolis related uses. CSR's initial plans for this area were to undertake extraction of clay resources to supply its operations with ultimate rehabilitation of the quarried areas to facilitate redevelopment for other uses at the end of the life of the brick and roof tile manufacturing facilities.

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Following productive discussions with the Greater Sydney Commission, CSR are undertaking a process of reviewing their strategy for the site to better correlate with the outcomes of the Western City District Plan and the LUIP.

CSR's focus is now on the development of an advanced manufacturing hub on the site to attract higher order employment to build on synergies with the Western Sydney Airport and Aerotropolis. The timing of aerotropolis related development, however, will be an important consideration in this strategy, given that there is an opportunity cost associated with not exploiting the majority of the clay resource on the site.

Inclusion of the Badgerys Creek Precinct, as an initial precinct would provide sufficient certainty for CSR to bring forward plans for the advanced manufacturing hub as a higher order use with greater return than the quarrying of clay resource. Mirvac and the local residents also share common interests in this regard.

Comments on the Stage 1 Aerotropolis Land Use and Infrastructure Implementation Plan

Aerotropolis Core

The site is currently located immediately to the north of the Aerotropolis Core. In this respect, the site is partially located within the Badgerys Creek precinct, and partially located within the South Creek precinct. The site context is demonstrated at **Figure 2** below.

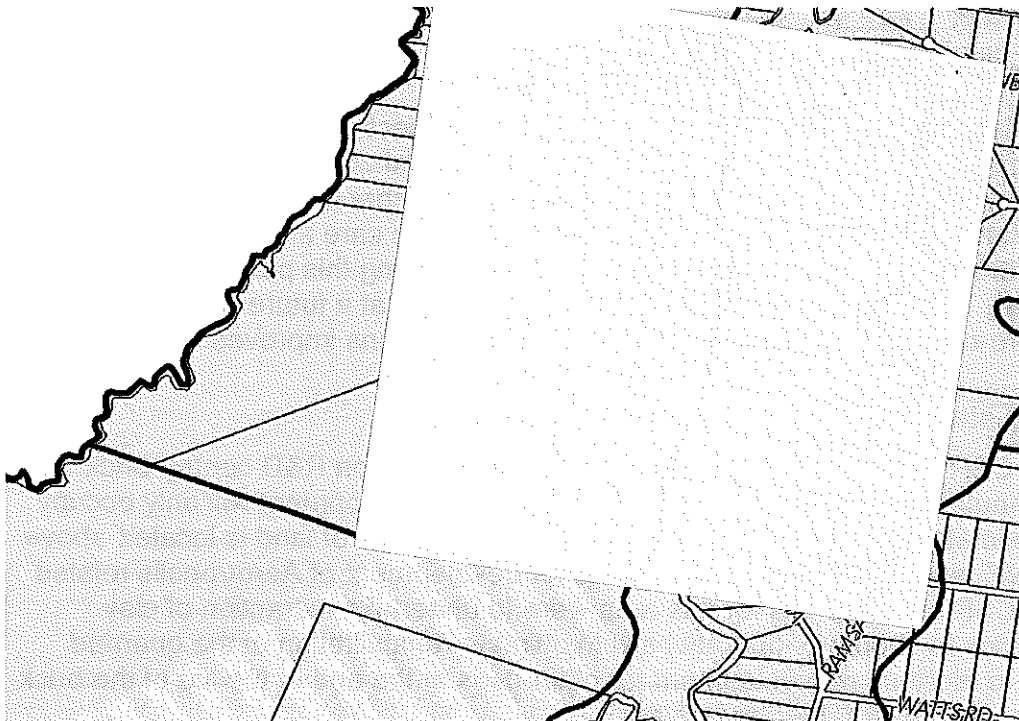


Figure 2 Site context

Unlike the Aerotropolis Core and South Creek Precincts, the Badgerys Creek Precinct is not identified for short term precinct planning or release for development, despite being located immediately adjacent to the Aerotropolis Core and South Creek Precincts which have been prioritised as initial precincts. This "hand plucked" approach seen in Stage 1 for the initial precincts immediately surrounding the airport is quite unusual and not in line with other case study Aerotropolis examples chronological that can be seen around the globe.

The LUIP describes the role of the Badgerys Creek precinct as "supporting airport operations and the new urban centre", noting that it will "meet demand for a range of employment generating uses that do not require or benefit from direct access to public transport but which would benefit from proximity to airport operations and the new urban centre". This is highly consistent with the future intentions of CSR at the site.

Given the existing approval located at the site, CSR has the ability to develop the site for the purposes of a quarry alongside the brickmaking facilities. If the site is not included as an initial precinct, then it is likely that the highest and best use for the site would be to continue to quarry at the site, which CSR would continue to do until such a point that it becomes economical to develop the site for other uses. This would be able to be undertaken in accordance with the current approvals at the site, described at **Section 1.0**.

However, if the site is included in the priority area then there would be a substantial incentive for CSR to bring forward longer term plans to develop an advanced manufacturing hub at the site. This would minimise the extraction of clay at the site, given that there would be a better and higher intensity use possible. This would also have a number of other key benefits including the delivery of key jobs to Western Sydney, substantial employment generating investment in Western Sydney in an appropriate location, the provision of a range of uses which are highly valuable to the Aerotropolis at the beginning of operations, and the minimisation of clay extraction. CSR would also work to rehabilitate existing areas previously quarried to facilitate these uses.

CSR does require a minimum amount of clay resource to be available at the site for security of supply for the life of the plant. However, it would be proposed that the clay be sourced from off-site suppliers (although this cannot be guaranteed). This resource could take up to 5 years to find, assess and gain approval to extract, and CSR needs to retain an amount of resource for the purposes of security. However, CSR are prepared to forgo most of the resource on-site in lieu of the manufacturing hub.

It is CSR's preference to contribute to the lasting legacy of the Aerotropolis through the provision of an advanced manufacturing hub and other high order uses on the site. However, this will only be feasible for CSR if the site is included as an initial precinct in the Aerotropolis.

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Issues regarding South Creek Precinct

Additional clarity is also requested regarding the South Creek Precinct, given that a substantial portion (60 hectares) of the CSR site is identified as being included as part of the South Creek corridor. South Creek is one of the three precincts identified for acceleration, however use of the Probable Maximum Flood (PMF) to determine the boundaries of the precinct has led to ambiguity as to the future intended outcome of this corridor. This uncertain corridor occupies a substantial portion of the site and will have significant impacts on the ultimate development outcome from the subject lands.

DPE has clarified that the primary role of this precinct is as an infrastructure corridor, with open space and conservation uses with development also not precluded from this precinct subject to it meeting certain criteria. Notwithstanding this, greater clarity is needed as to the type and scale of development that would be acceptable in the substantial area between the 1% chance per year flood line and the PMF. As part of this submission, it is also requested that DPE clarifies the role of this corridor, as well as the types of development which would be permissible in this substantial space.

CSR strongly opposes the use of the PMF line in the South Creek Precinct and do not believe it is an appropriate mechanism to outline "a green spine" for the city as it is contrary to NSW floodplain Development Manual and PCC 1 in 100 ARI LEP maps and DCP. CSR supports that the 1 in 100 line is adopted as development and associated jobs will be affected and given the increase in population in the Greater Sydney region over the next 20 years, these jobs will be desperately needed.

Advantages of CSR site

As part of this submission, a breakdown of the key benefits to the Western Sydney Aerotropolis from the CSR site and operations has been provided below.

Catalyst of Aerotropolis growth

Future operations at the CSR site will have direct and substantial benefits to the Aerotropolis in the early stages of development. The CSR use of the site is unique in that benefits would be realised in the short term and would directly assist the construction and development of the remainder of the precinct through the provision of construction materials.

The development, including reopening of the existing plant and the consolidation of other CSR operations would also result in the direct provision of more than 2,280 specialised manufacturing jobs within the growth area in the immediate term, contributing to the provision of a significant employment base in the Aerotropolis in the short term and in advance of the Western Sydney Airport.

Should the site be used for the purposes of an advanced manufacturing hub, there would also be potential for the development to connect strongly to future airport operations given proximity to Western Sydney Airport, and the early

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delivery of such facilities. Jobs created from the advanced manufacturing hub would be additional to the 2,280 identified above. Clearly, the success of the Aerotropolis depends on critical early investment and employment in the precinct to create a workforce presence that will drive demand for other economic activities.

Additionally, the site would co-locate materials production and demand, which would reduce the cost of materials in the market whilst also minimising the distance that such products would need to be transported on the Western Sydney freight network. This is by comparison to locations outside of the Sydney Basin, whereby vehicles would require the transportation of materials over longer distances, and ultimately end up costing more to produce.

Finally, the existing brick making facility comprises only 30 hectares of use, which is located to the rear of the land holdings at the site. This would result in such facilities resulting in minimal land use conflict by virtue of separation and leave a substantial area (in the realm of 110 hectares) which could be used for other purposes.

As discussed above, should the site be nominated as an initial precinct the existing quarries at the site would also be remediated, furthering the supply of developable land at the site. Given the location of the site above the 20 ANEF area, the potential for any residential land use conflict is mitigated.

Proximity to infrastructure

In addition to benefits arising from proximity to the Aerotropolis itself, the facility carries a number of benefits to Western Sydney more broadly. The site is excellently located in relation to key growth areas in Western Sydney including the Aerotropolis Priority Growth Area, as well as the North West and South West Priority Growth Areas. Over the coming years, this benefit is likely to be amplified as additional growth occurs in Western Sydney.

Beyond the provision of key construction materials to support the future growth of Western Sydney, this location also benefits from access to the freight network in Western Sydney, which includes the existing M5 and M7 Motorways, as well as the future M9 and M12 Motorways. This will work to ensure accessibility of materials through Western Sydney, whilst simultaneously reducing the number of vehicles which will use local roads, compared to a site which is located further away from the motorway network.

The future role of this facility is aligned with the concept of urban services land, which are identified under the Greater Sydney Region Plan 2018 as being identified to the north and east of Western Sydney Airport (pp. 16). This land is defined as “generally lower density employment areas containing concentrations of businesses involved in: manufacturing; transport and warehousing; service and repair trades and industries; integrated enterprises with a mix of administration, production, warehousing, research and development; and urban services and utilities”, and the works envisaged by CSR would be generally aligned with this concept.

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Facilitation of Aerotropolis Infrastructure

The site is strategically located between Elizabeth Drive, and the Western Sydney Airport's Northern Gateway, and the proposed Aerotropolis Core. Clearly, the future Aerotropolis Core precinct will require a sub-arterial road connection to link it to Elizabeth Drive, M12 and the Northern Gateway to the Airport. Such a corridor would logically traverse the CSR land.

CSR are willing to work with the NSW Government to facilitate and coordinate a corridor through its land to enable the sub-arterial road link to be established early in the Aerotropolis time-frame. This will provide substantial benefits to connectivity and economic activity in the early stages and could be realised as part of early development of the CSR site for advanced manufacturing.

Early provision of Aerotropolis related development and advanced manufacturing on the CSR site would also facilitate the potential for State Infrastructure Contributions (SIC) early in the Aerotropolis development and which, given there is existing approval for the Brick Plant on the site, would not be payable on that development.

If the Badgerys Creek Precinct (identified as a key economic zone in the Western Sydney District Plan) were to continue to be postponed beyond the initial stages, it would compromise the opportunity to create an impactful and vibrant entry boulevard statement for new entrants to the Aerotropolis Core Precinct. Rather, future visitors will be confronted by existing waste processing areas given that there will not be enough value uplift to encourage existing businesses to relocate.

Life cycle approach

Any brick making facility at the CSR site generally has an operating life of thirty years, placing a clear horizon on operations of this kind at the site. This is different to higher intensity uses (such as residential subdivision) which would be used in perpetuity and be difficult to change at a future stage. On this basis, the brick making plant can be considered as a first stage and interim land use in the precinct, which can facilitate and make way for higher intensity employment based development as the Aerotropolis itself matures and grows.

A potential advanced manufacturing hub would also assist in furthering this process, by providing high quality employment lands in a central location of the Aerotropolis. This would tie in well with the evolution of the Aerotropolis, as well as the staged expansion of Western Sydney Airport itself over time.

The facility is consistent with the wider timeframe of the Aerotropolis. The CSR development would commence in the short term and comprise a land use which is directly required in the development of the surrounding area (i.e. manufacturing of construction materials, including bricks and tiles). Over the medium and long term of airport operations, this facility would likely be replaced by higher intensity uses, with the CSR site maturing alongside the Aerotropolis itself.

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Conclusion

We once again thank you for the opportunity to provide comment on this submission. CSR looks forward to continuing to work with the DPE regarding the continued delivery of the Western Sydney Aerotropolis, as well as the role that the site can play in this transformative project.

The CSR site is a key point of land within the Aerotropolis, which is located immediately adjacent to the future Aerotropolis Core, as well as Western Sydney Airport itself. This comprises a key point of land between the various components of the Aerotropolis, which will play a significant role in the arrival and departure of persons in future years.

The existing site benefits from a current development consent to continue existing quarry and brickwork operations at the site, which it has substantial future expansion plans regarding. These existing uses will be directly beneficial to the Aerotropolis and Western Sydney, particularly during the heavy construction period in the coming years.

CSR believes there would be substantial benefits in including the Badgerys Creek Precinct in the initial phase as it will bring forward CSR's plans to develop an advanced manufacturing hub and minimise the extraction of clay at the site. This will also enable a number of other key benefits, including remediation of land, provision of additional employment in the early stages of the Aerotropolis, and dedication of new transport linkages through the site. However, this will not be feasible should the site not be included as an initial precinct, and CSR will instead continue expanding the current brickworks and quarry use at the site.

Should you wish to discuss any of the above further, please do not hesitate to contact the below.

Thankyou

Allison Basford



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