

18 December 2019

2191006

Greater Sydney Place and Infrastructure
NSW Department of Planning Industry and Environment
GPO Box 39
Sydney NSW 2000

Dear Sir/Madam,

RE: SUBMISSION ON MAMRE ROAD PRECINCT DRAFT STRUCTURE PLAN AND WSEA SEPP AMENDMENT DISCUSSION PAPER

1.0 Introduction

This submission is made on behalf of ESR in response to the public exhibition of the Mamre Road Precinct Draft Structure Plan and the Discussion Paper for the proposed amendment to *State Environmental Planning Policy (Western Sydney Employment Area) 2009* (WSEA SEPP).

ESR commends the Department on the release of draft Structure Plan and the decision to retain the Mamre Road Precinct within the WSEA SEPP planning framework. This will ensure that the future planning and development for the precinct remains a priority for the NSW Government, and will deliver development to support Western Sydney and the Aerotropolis, particularly in the medium term. The proposed planning framework is supported for the following reasons:

- It will help resolve a critical under-supply of land suitable for industrial / employment use;
- It supports the early success of the broader Aerotropolis, through facilitating the development of land for medium term uses that, over time can evolve and intensify into higher order uses as the broader precinct evolves and matures;
- It further clarifies and progresses key transport infrastructure which will underpin the movement and handling of freight in Western Sydney;
- It recognises that infrastructure provision for the Mamre Road Precinct can be facilitated independently of the broader Aerotropolis;
- It recognises the need to plan and facilitate transition areas to manage land use conflict with nearby rural lifestyle developments.

The retention of the Mamre Road Precinct in the WSEA belatedly recognises that this precinct had been identified as the next tranche of employment land for Western Sydney, prior the decision to proceed with Western Sydney Airport. Mamre Road provides a bridge between the core Aerotropolis areas and the WSEA, and through its development and associated infrastructure delivery, can stimulate economic activity during the airport's early stages.

This submission will provide an overview of ESR and its site within the Mamre Road Precinct. The submission will then discuss a number of issues associated with land use planning in the precinct, as articulated in the draft Structure plan documentation, for consideration of the Department in its finalisation of the WSEA SEPP amendment.

1.1 ESR overview

ESR is a leading pan-Asian developer and manager of logistics and industrial real estate with assets under management of AUD\$29.2 billion. ESR entered the Australian market with the merger of CIP and Property Link and has grown the domestic platform to more than AUD\$1.9 billion over the past 18 months ESR have fund management capabilities and long-term relationships with global institutional investors and are committed to the development of high quality industrial and employment land. ESR Australia currently holds a development pipeline of circa AUD\$1.8 billion across the eastern seaboard including significant developments in Western Sydney.

1.2 The ESR Site

ESR currently owns three lots within the Mamre Road Precinct (the Site). The Lots comprise of the following:

- 290-308 Aldington Road, Kemps Creek (Lot 13 in DP253503)
- 61-63 Abbots Road Kemps Creek (Lot 12 in DP253503, Lot 11 in DP253503)

The total area of the Site is 30 hectares and is located in the southern section of the precinct with current access off Mamre Road, Abbots Road and Aldington Road. The Site is currently used for agricultural purposes with existing associated dwellings and farm buildings / infrastructure including a number of farm dams and greenhouses. The immediate surrounding land uses are consistent with these uses with the exception of rural lifestyle lots associated with the Mount Vernon locality to the south east of the Site. The Site and its context is shown in **Figures 1 and 2** below:



Figure 1 Aerial Photo of the ESR Site
 Source: Google Maps

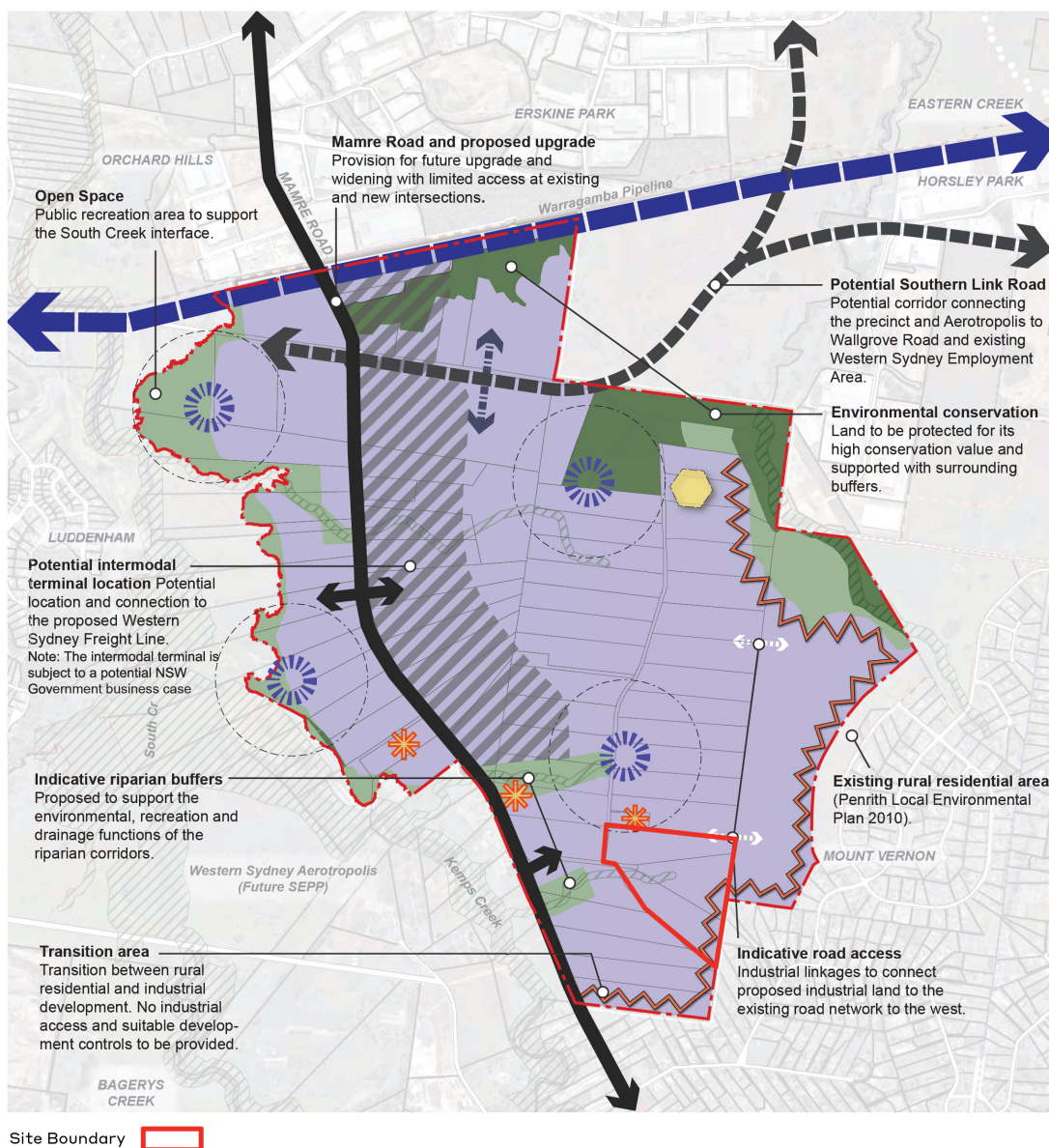


Figure 2 ESR Site in the Mamre Road Draft Structure Plan Context

Source: DPIE and Ethos Urban

2.0 Draft Structure Plan Issues and Discussion

A review of the draft Structure Plan documentation by Ethos Urban on behalf of ESR has identified a number of issues which are discussed in the following sections with recommendations for how they can be addressed in the finalisation of the WSEA SEPP amendment.

2.1 Riparian Corridor Investigations and Zoning

The draft Mamre Road Precinct Structure Plan identifies a number of riparian corridors which are labelled as “indicative” and subject to further investigation. Notwithstanding the lack of specific information on the hydrological and ecological value of these corridors, the draft WSEA SEPP maps propose to zone these corridors E2 Environmental Conservation and SP2 Infrastructure.

The southern-most of these indicative riparian corridors traverses the ESR Site. ESR commissioned Sclerophyll Flora Surveys and Research to undertake a field assessment of this riparian corridor and evaluate its ecological value. This work included a field survey of the entire creekline to verify its integrity and identify any native plant community types present. The Sclerophyll report is included as **Attachment A** to this submission. An aerial photograph showing the highly disturbed nature of the creekline is shown in **Figure 3**.

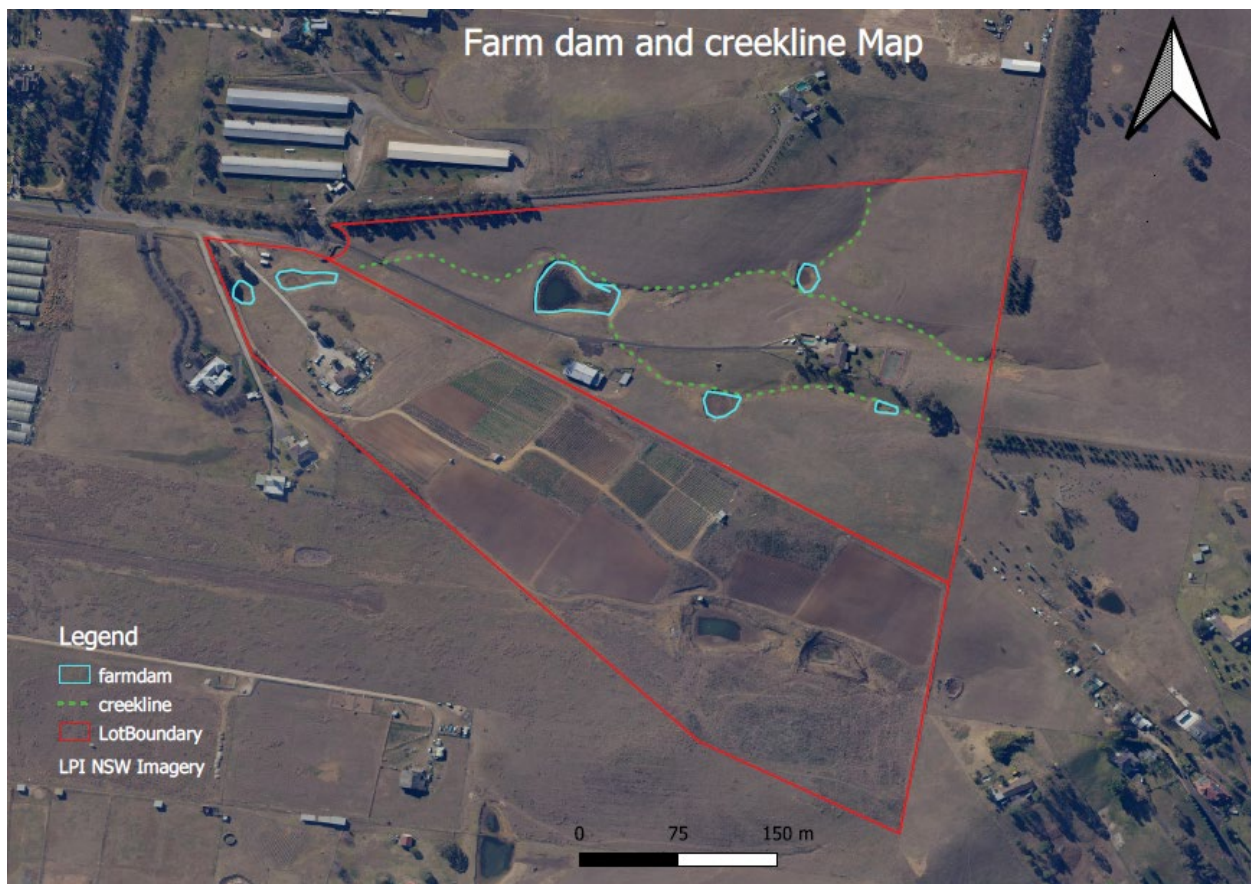


Figure 3 Indicative Riparian Corridor on the ESR Site

Source: Sclerophyll Flora Surveys and Research

The field survey found that the creekline had been subject to significant disturbance due to the long-term agricultural practices on the land for over half a century, with the drainage patterns being highly modified. Sclerophyll identified only one native vegetation community along the creekline, being *Juncus usitatus* – *Eleocharis sphacelate* Herbland / Rushland. This community was present in two farm dams on Lots 11 and 12. The vegetation community was found to **not** form part of any endangered ecological community (EEC) listed under the *Biodiversity Conservation Act 2016*. Further, the report found:

Along the site creeklines there was no evidence of any native taxa associated with native alluvial woodlands, riverflat eucalypt forests or swamp oak riparian forests that are typically associated with ‘undisturbed’ Cumberland Plain watercourses. One or more of these native riparian ecosystems would have once occurred along the site creeklines prior European settlement.

The Sclerophyll report concluded that the creekline identified in the draft Mamre Road Precinct Structure Plan would hold very little ecological conservation value and that this finding was consistent with the fact that the creekline had not been mapped in the Western Sydney Cumberland Plain mapping dataset.

ESR requests that, at a minimum, further investigations be undertaken on the ecological conservation value of the identified riparian corridors before any E2 Environmental Conservation zone is imposed. The preferred solution for dealing with the riparian corridors across the precinct that do not contain EECs or significant ecological values is for them to be dealt with as part of the site masterplanning / DCP process required under Clause 18 and Schedule 4 of the WSEA SEPP. This will enable flexibility for the drainage functions of these creeklines to be integrated with the Water Sensitive Urban Design features of future development. Further, the DCP requirements also require an assessment of Aboriginal Cultural Heritage and flood management for the corridors.

Recommendation:

- The proposed E2 Environmental Conservation zone be removed from the riparian corridor on the ESR Site.
- Riparian corridors that contain no significant ecological values be planned in accordance with the DCP requirements of the WSEA SEPP.

2.2 Transport Infrastructure Provision and Funding

The draft structure plan includes provision for key regional transport infrastructure upgrades and corridors that were proposed in higher order strategic plans including the Western City District Plan and the Future Transport 2056 Strategy. These include the proposed Western Sydney Freight Line and associated intermodal terminal. The draft Structure Plan also provides for precinct-specific transport infrastructure needs including an upgrade to Mamre Road and the potential WSEA Southern Link Road.

ESR is supportive of the proposed transport infrastructure upgrades and welcomes the necessary detailed planning and feasibility investigations required to ensure long term success of the precinct as a regional logistics hub.

The lack of detail and commitment to nominated infrastructure would appear to be a key reason for the lack of clarity on State and local developer contribution funding mechanisms. Statements in the Discussion Paper to the effect that the Government is “exploring” funding mechanisms are of concern, as this is a key requirement for the development industry to plan and invest with confidence in the precinct.

Experience shows that the current satisfactory arrangements requirements in clause 29 of the WSEA SEPP creates uncertainty and involves considerable time delay as a result of negotiations over the funding for infrastructure identified in the WSEA SEPP but not sufficiently designed or costed. This issue needs to be avoided in the Mamre Road Precinct with an infrastructure development program that has a clear nexus with development within or serving the precinct and provides reasonable and feasible developer contributions as well as equity with other employment land precincts.

With regard to local developer contributions, there needs to be a clear understanding that the local infrastructure needs of an employment precinct are significantly different to residential or business precincts. The characteristics of the development proposed for this precinct under both the WSEA SEPP and the broader Aerotropolis are unlikely to significantly strain local community facilities and any Section 7.11 local developer contribution framework should be based on reasonable nexus and apportionment principles.

Recommendations:

- The NSW Government prioritise the formulation and implementation of infrastructure funding and developer contributions frameworks to ensure that future development is not delayed by being subject to the current WSEA satisfactory arrangement provisions.
- Local developer contributions be formulated on reasonable nexus and apportionment principles.

2.3 Residential Land Interface

The south eastern boundary of the ESR Site adjoins land zoned E4 Environmental Living under *Penrith Local Environmental Plan 2010* (PLEP). This area contains rural lifestyle lots that form part of the Mount Vernon estate. The draft Structure Plan proposes a transition area along this boundary and refers to suitable development controls to be provided. While ESR welcomes the key precinct planning objective of avoiding, mitigating or minimising land

use conflict, development controls to achieve this are most appropriately dealt with through the existing requirements of clause 23 of the WSEA SEPP and the DCP requirements in Schedule 4 of the SEPP.

ESR welcomes the inclusion of additional land in the eastern section of the precinct (Lot 4132 DP 857093). This land, which it is understood has approval for rural lifestyle development, adds value to the precinct through converting the land use to industrial and increasing that buffer area to existing rural lifestyle development.

Recommendation:

- Transitional areas identified on the draft Structure Plan be planned and managed through the current WSEA SEPP provisions and DCP controls.

2.4 Integration with Western Sydney Aerotropolis Planning and Development

Subsequent to the release of the draft Structure Plan and Discussion Paper, the NSW Government has released the draft Western Sydney Aerotropolis Plan and a discussion paper on the proposed Aerotropolis SEPP. Notwithstanding the retention of the Mamre Road Precinct in the WSEA SEPP framework, the precinct remains part of the Aerotropolis and will also be subject to the Aerotropolis Plan. It is noted that the Mamre Road Precinct has been elevated to the status of “Initial Precinct” under the Aerotropolis plan and this is strongly supported by ESR.

ESR supports the Mamre Road Precinct remaining within the strategic planning for the Aerotropolis in addition to the WSEA. As discussed earlier in this submission, Mamre Road Precinct can play a unique role as a “bridge” precinct that links the WSEA with the Aerotropolis and support Western Sydney Airport as it evolves, particularly in the early phases. Key to this will be facilitation of transport infrastructure connecting the two areas, including the proposed upgrade of Mamre Road and the development of the Western Sydney Freight Line. Connectivity with Elizabeth Drive, Western Sydney Airport and the Aerotropolis Core by way of an extension to Devonshire Road and future M12 interchange, as proposed in the draft Aerotropolis Plan should be prioritised and is supported by ESR.

ESR encourages the Department to work closely with the Western Sydney Planning Partnership and the Western City and Aerotropolis Authority to ensure that planning and infrastructure for the Mamre Road Precinct is not compromised by overlapping planning jurisdictions.

Recommendation:

- The NSW Government prioritise the planning and implementation of transport infrastructure connections between the WSEA, Western Sydney Airport and the Aerotropolis Core including the Mamre Road upgrade, the Devonshire Street extension and M12 Interchange.

3.0 Conclusion

Thank you for the opportunity to provide a submission to the draft Mamre Road Structure Plan and WSEA SEPP amendment Discussion Paper. ESR looks forward to working with the Department to deliver its vision for the Precinct and would welcome any further opportunities to contribute Precinct Structure Plan finalisation and SEPP amendment. LGA. Should you require any further information in relation to the matters raised in this submission, please do not hesitate to contact the undersigned.

Yours sincerely,



Gordon Kirkby
Director, Planning