

PENRITH



PENRITH CITY

SECTION 7.12 CITYWIDE

DEVELOPMENT CONTRIBUTIONS PLAN FOR NON-RESIDENTIAL DEVELOPMENT

(Under Section 7.12 of the Environmental Planning and Assessment Act, 1979 amended)

Adopted by council on 27th July 2020
Effective from on 24th August 2020

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Penrith City Section 7.12 Contributions Plan 2020

For developments in established suburbs
to help fund infrastructure upgrades



\$150M

Estimate of new industrial,
retail and commercial development
each year under the plan

30,000

Estimate of new jobs
potentially outside the
Penrith City Centre to 2036

This plan includes infrastructure with a value of
\$19.2M

The majority of this will be funded by



Industrial development



commercial and retail development

Infrastructure funded by this plan includes



\$6.0M

Traffic management facilities
including roundabouts, traffic
signals and bus shelters



\$8.2M

Stormwater works including drainage
improvements, flood mitigation works
and gross pollutant traps



\$2.2M

Shared pathways



\$1.5M

Other public domain works including
lighting and street planting

1. CONTRIBUTIONS OVERVIEW

1.1 EXECUTIVE SUMMARY

The City of Penrith is transforming into the New West and forms an important part of the Western Parkland City objective to reach a catchment of 1 million people by 2031. Penrith City's growing importance in the region reflects its proximity to the new Western Sydney Airport, its key role as a transport and service hub and other major developments such as the Western Sydney Priority Growth Area, Penrith Health and Education Precinct and Sydney Science Park.

Penrith City is forecast to accommodate more than 40,000 new jobs over the 20 years to 2036. Over the same period, the resident population is expected to grow by around 57,000 to reach almost 260,000 (forecast.id data).¹ This growth is based on a forecast of nearly 25,000 or 35% more dwellings. New dwellings are anticipated in various existing and new release areas, and the other established areas of the LGA.

To meet the infrastructure demands caused by this growth, Council has developed a new contributions framework comprising a suite of new and updated contributions plans. These plans set out the development contributions required to fund the program of new and augmented local infrastructure to accommodate the demand of the new residents and workers.

This contributions plan (the Plan) applies to the local infrastructure requirements for non-residential development across the City.

This Plan's main purpose is to authorise the Council or an accredited certifier to impose conditions on development consents or complying development certificates (CDCs) requiring section 7.12 fixed rate levies from applicable development under the Plan.

This Plan does not apply to developments with a cost of works of \$100,000 or less, or developments that are exempted from contributions (see **Section 1.3.1**).

The contributions described in this Plan relate to local infrastructure and not State or regional infrastructure funded through other state-based contributions.

The contributions that are received from developers will be applied by the Council to deliver the schedule of infrastructure items from 2021 to 2030, altogether valued at \$19.19 million (**Appendix A**). The schedule includes works items for traffic management, shared pathways, flood mitigation and public domain purposes.

Levies will be collected under this Plan for a period of 10 years or longer (if required), to collect and recoup this revenue.

This Plan has been prepared in accordance with the EP&A Act and Environmental Planning and Assessment Regulation 2000 (EP&A Regulation); and having regard to the latest practice notes issued by the NSW Department of Planning, Industry and Environment.

This Plan includes the following:

- Council's policies on how and when developers can settle their development contributions obligations.
- Specific provisions on the role of accredited certifiers in imposing and collecting development contributions.
- Various other provisions related to the fair and transparent administration of development contributions received under this Plan.

1.2 LAND THE PLAN APPLIES TO

This Plan applies to the City of Penrith Local Government Area (**Figure 1**).

1.1 DEVELOPMENT THAT THE PLAN APPLIES TO

Subject to **Section 1.3.1**, this Plan applies to any non-residential development with a proposed cost of more than \$100,000 that is not otherwise subject to a s7.11 contribution, authorised by a s7.11 contributions plan adopted by the Council.

Note: For example, Council has adopted or intends to adopt s7.11 contributions plans for residential and non residential development in Penrith City Centre, residential development in Established Areas and developments in certain urban release areas.

Residential development which results in an additional dwelling will usually be subject to another s7.11 contributions plan rather than this Plan. Similarly, certain non-residential development where another plan applies (such as development in the Lambridge Industrial Estate) is also unlikely to be subject to this Plan.

Table 1 shows common development types levied under this Plan.

Figure 1 Penrith City LGA map

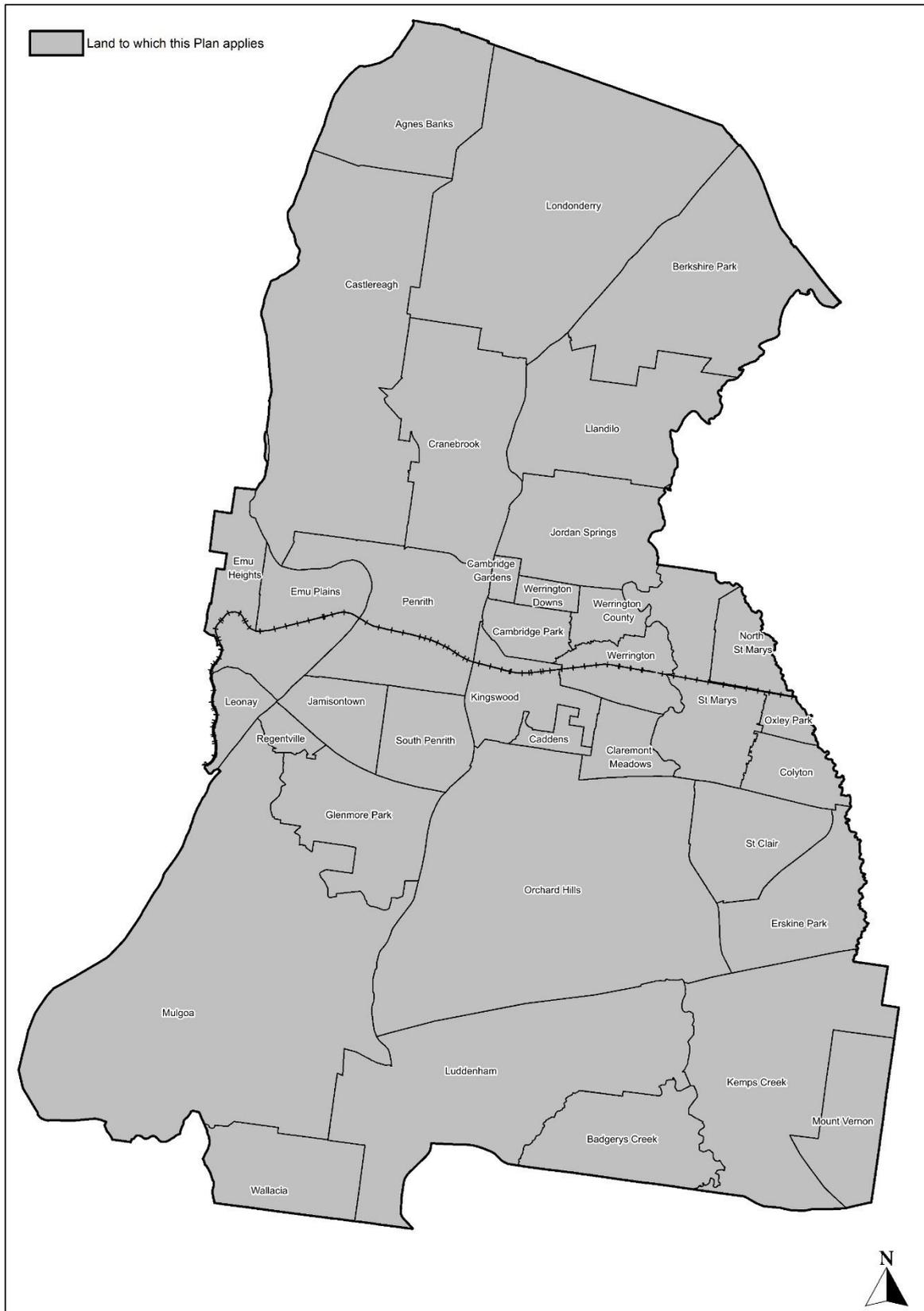


Table 1 Development types that contributions apply to

Development
Non-residential types: ^{1,2}
Industrial and business park development
Retail shops, business premises, commercial premises, offices, etc.
Healthcare facilities
Educational and training establishments
Tourist and visitor accommodation
Change from one non-residential use to another with or without fitout
Mixed use development where the development does not result in a net increase in dwellings
All other non-residential development

(1) Development with a cost exceeding \$100,000 only.

(2) Only required where development involves an enlargement, expansion or intensification of a current use of land, as required under 25J(3)(g) of the EP&A Regulation.

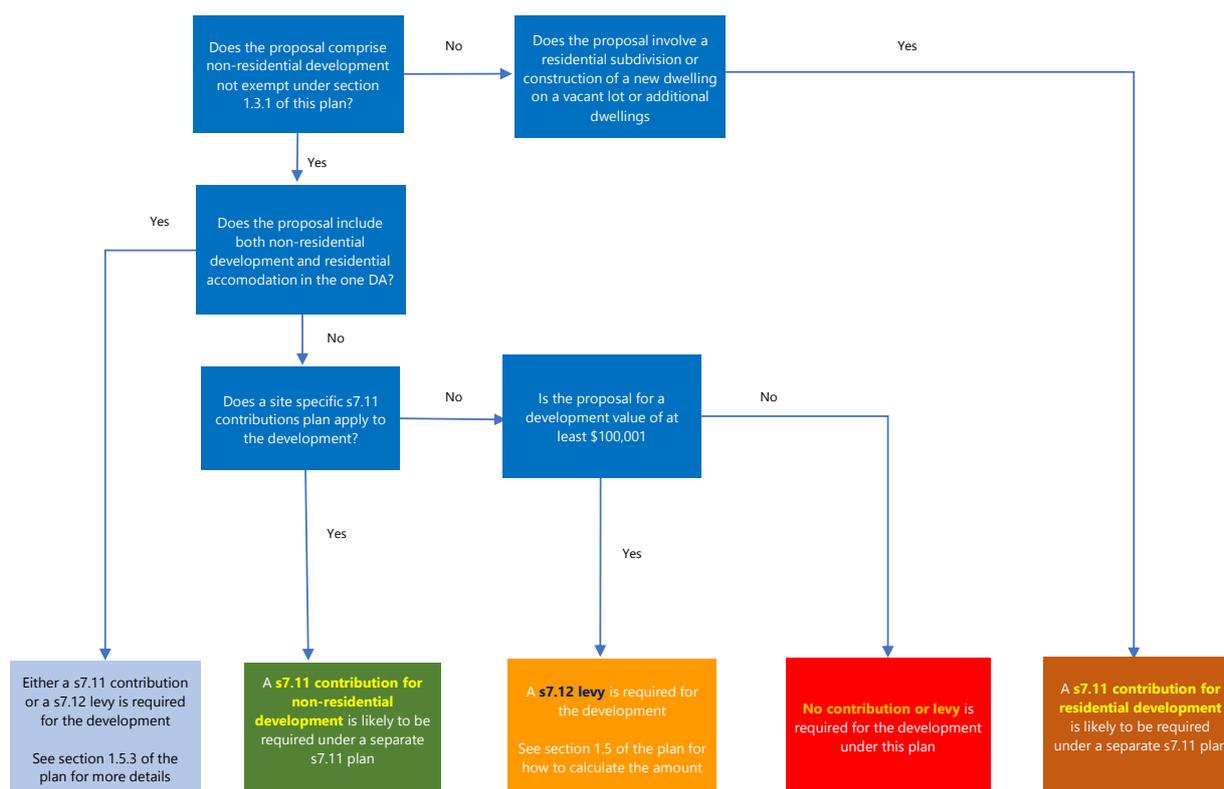
1.1.1 WHAT DEVELOPMENT IS EXEMPTED?

This Plan DOES NOT apply to the following types of developments:

- Repair and replacement of structures impacted by natural forces and unpreventable events such as fire, flooding, earthquakes, lightning etc.
- Development for the purposes of any form of seniors housing defined in State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 that is provided by a social housing provider
- Development exempted from contributions under section 7.17 of the EP&A Act by way of a direction made by the Minister for Planning.

Figure 2 provides a guide to when this Plan applies to development in the context of the broader developer contributions framework for the Penrith City LGA.

Figure 2 Overview of contributions rates applicable under this Plan



1.2 SUMMARY OF LOCAL INFRASTRUCTURE NEEDS

A summary of the costs of Local Infrastructure to be met by development approved under this Plan is shown in **Table 2**.

More details on the demand for Local Infrastructure, the relationship of the Local Infrastructure with the expected development, and specific facilities to be provided are included in **Appendices A and B** of this Plan.

Table 2 Summary of local infrastructure costs (\$DecQ19)

Infrastructure works category	Total cost
Traffic management	\$6,000,000
Active transport	\$2,200,000
Stormwater management	\$8,940,000
Public domain	\$1,450,000
Total local infrastructure	\$19,190,000

1.3 SUMMARY OF S7.12 CONTRIBUTIONS

1.3.1 SECTION 7.12 FIXED DEVELOPMENT CONSENT LEVY

Table 3 contains the rates for developments that are subject to a section 7.12 fixed development consent levy under this Plan.

Table 3 Section 7.12 levy rates

Development type	Levy rate
Development that has a proposed cost of carrying out the development:	
up to and including \$100,000	Nil
more than \$100,000 and up to and including \$200,000	0.5% of that cost
more than \$200,000	1% of that cost

1.3.2 CALCULATING A S7.12 FIXED DEVELOPMENT CONSENT LEVY

The total levy amount that is imposed on any individual development is calculated by multiplying the applicable contribution rate in **Table 3** by the proposed cost of the development.

There is no allowance for assumed existing infrastructure demand in the calculation of any section 7.12 levy.

Worked examples:

A proposed industrial development in Emu Plains involves an addition to an existing building with a cost of construction of \$175,000.

$\$175,000 \times 0.5\%$	=	\$875
Total contribution under this Plan	=	\$875

Note that if the cost of construction was more than \$200,000, the levy would increase to 1% of the cost of construction; if it was less than or including \$100,000, no levy would be payable.

A proposed warehouse development in Jamisontown involves the demolition of existing improvements and the construction of a commercial building, car parking and landscaping with a cost of construction of \$6 million.

\$6 million x 1%	=	\$60,000
Total contribution under this Plan	=	\$60,000

If the cost of construction was between \$100,001 and \$200,000, the levy would reduce to 0.5% of the cost of construction; if it was less than or equal to \$100,000, no levy would be payable.

1.3.3 CONTRIBUTION FOR MIXED USE DEVELOPMENT

A single development can only be the subject of either a section 7.11 contribution or a section 7.12 levy, not both.

Development which does not comprise any residential floorspace (i.e. non-residential development only) is levied s7.12 contributions under this Plan.

Where a single development application comprises a mix of residential and non-residential floorspace, the component (residential or non-residential) that represents the majority share of the gross floor area (GFA) of the proposed development shall inform which contribution method (either s7.12 or s7.11) applies.

Worked Example 1:

A proposed development in Oxley Park comprises a retail shop with a GFA of 250 m² and a dwelling (shop top housing) with a GFA of 200 m². In this case the non-residential component comprises the majority of the total GFA in the development, and a section 7.12 levy based on the proposed cost of the entire development would be imposed in accordance with this Plan.

Worked Example 2:

A proposed mixed use development in Cranebrook involves the demolition of a 1 x 2 bedroom dwelling house on a single allotment of land of 4,000 m² and the construction of a building with 2,000 m² of floorspace, consisting of 20 x 2-bedroom dwellings and 400 m² of retail floorspace. The s7.11 residential contribution applies because the residential accommodation floorspace area is greater than the non-residential floorspace.

2. BACKGROUND TO PLAN

2.1 NAME AND COMMENCEMENT OF PLAN

This Plan is called the *Penrith City Section 7.12 City Wide Development Contributions Plan for non-residential development*

This Plan commences on the date on which public notice was given under clause 31(2) of the EP&A Regulation or the date specified in that notice if it is a different date.

2.2 PURPOSES OF THE PLAN

The main purpose of this Plan is to authorise:

- the consent authority, when granting consent to an application to carry out development to which this Plan applies; or
- the Council or an accredited certifier, when issuing a CDC for development to which this Plan applies,

to require a fixed development contribution (under section 7.12 of the EP&A Act) to be made towards the provision, extension or augmentation of local infrastructure required as a consequence of development in the Penrith City LGA, or which were provided in anticipation of, or to facilitate, such development.

Other purposes of this Plan are as follows:

- To provide the framework for the efficient and equitable determination, collection and management of development contributions in the Penrith City LGA.
- To establish a schedule of local infrastructure to be funded from contributions under this Plan.
- To complement Council's nexus-based (section 7.11) contributions plans and ensure that the broader Penrith City community is not unreasonably burdened by the provision of Local Infrastructure that is required as a result of development in the LGA.

2.3 STRUCTURE OF PLAN

The Plan provides summary information about the local infrastructure contributions payable, how to impose, pay and settle contributions, and other administrative matters.

Appendix A of the Plan provides the infrastructure schedule and maps.

Appendix B provides more detail about the demand from non-residential development for local infrastructure and Council's strategies for providing infrastructure in the established areas catchment of the LGA.

3. IMPOSING THE CONTRIBUTION

3.1 MONETARY CONTRIBUTIONS

This Plan authorises the Council or an accredited certifier, when determining an application for development or an application for a CDC, and subject to other provisions of this Plan, to impose a condition requiring a contribution under section 7.12 of the EP&A Act on that approval for:

- the provision, extension or augmentation of Local Infrastructure to be provided by Council; and
- the recoupment of the previous costs incurred by Council in providing existing Local Infrastructure.

A section 7.12 levy cannot be required in relation to development if a section 7.11 contribution is required in relation to that development (under another contributions plan).

The types of development subject to a section 7.12 contribution are identified in **Section 1.3** and **Table 1** of this Plan.

Accredited certifiers should also refer to **Section 3.3** of this Plan as to their obligations in assessing and determining applications.

3.2 SECTION 7.12 FIXED DEVELOPMENT CONSENT LEVIES

This section of the Plan applies in respect to the calculation of section 7.12 levies for individual developments.

3.2.1 DETERMINING THE PROPOSED COST OF CARRYING OUT A DEVELOPMENT

Section 7.12 levies are calculated as a percentage of the cost of development.

Clause 25J of the EP&A Regulation sets out how the proposed cost of carrying out development is determined.

3.2.2 NEED FOR A COST SUMMARY REPORT

Where a section 7.12 levy is required under this Plan in relation to a DA or application for a CDC, the application is to be accompanied by a Cost Summary Report prepared at the applicant's cost, setting out an estimate of the proposed cost of carrying out the development.

Council will validate all Cost Summary Reports before they are accepted using a standard costing guide or other generally accepted costing method. Should the costing as assessed by Council be considered inaccurate, Council may, at its sole discretion and at the applicant's cost, engage a person referred to in **Section 3.2.3** to review a Cost Summary Report submitted by an applicant.

3.2.3 WHO MAY PROVIDE A COST SUMMARY REPORT?

The persons approved by the Council to provide an estimate of the proposed cost of carrying out development:

- where the applicant's estimate of the proposed cost of carrying out the development is less than \$750,000 – any building industry professional; or
- where the proposed cost of carrying out the development is \$750,000 or more – a quantity surveyor who is a registered member of the Australian Institute of Quantity Surveyors.

3.3 OBLIGATIONS OF ACCREDITED CERTIFIERS

3.3.1 COMPLYING DEVELOPMENT CERTIFICATES

This Plan requires that, in relation to an application made to an accredited certifier for a CDC:

- the accredited certifier must, if a CDC is issued, impose a condition requiring a monetary contribution, if such a contribution is authorised by this Plan
- the amount of the monetary contribution that the accredited certifier must so impose is the amount determined in accordance with this section
- the terms of the condition be in accordance with this section.

3.3.2 PROCEDURE FOR DETERMINING THE SECTION 7.12 LEVY AMOUNT

Firstly, ensure that the development is not subject to a section 7.11 contribution under any other contributions plan adopted by the Council and that remains in force.

Then, determine the section 7.12 levy in accordance with the Cost Summary Report prepared by or on behalf of the applicant under **Section 3.2** of this Plan using the rates included in **Table 3** of this Plan and taking into account any exempt development specified in **Section 1.3.1**.

3.3.3 TERMS OF A SECTION 7.12 CONDITION

The terms of the condition requiring a section 7.12 levy are as follows:

Contribution

The developer must make a monetary contribution to Penrith City Council in the amount of \$ [insert amount] for the purposes of the Local Infrastructure identified in the *Penrith City Section 7.12 City Wide Development Contributions Plan for non-residential development*.

Indexation

The monetary contribution is based on a proposed cost of carrying out the development of \$ [insert amount]. This cost (and consequently the monetary contribution) must be indexed between the date of this certificate and the date of payment in accordance with the following formula:

$$\text{Indexed development cost (\$)} = \frac{\$Co \times \text{Current CPI}}{\text{Base CPI}}$$

Where:

\$Co is the original development cost estimate assessed at the time of the issue of the complying development certificate

Current CPI is the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics at the quarter immediately prior to the date of payment

Base CPI is the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics at the quarter ending immediately prior to the date of imposition of the condition requiring payment of a contribution

Time for payment

The contribution must be paid prior to any work authorised by this complying development certificate commences, as required by clause 136L of the *Environmental Planning and Assessment Regulation 2000*. Deferred payments of contributions will not be accepted.

Works in kind agreement

This condition does not need to be complied with to the extent specified, if a works in kind agreement is entered into between the developer and the Council.

3.3.4 CONSTRUCTION CERTIFICATES

It is the responsibility of an accredited certifier issuing a construction certificate for building work or subdivision work to ensure that each condition requiring the payment of a monetary contribution before work is carried out has been complied with in accordance with the CDC or development consent.

The accredited certifier must ensure that the applicant provides a receipt (or receipts) confirming that contributions have been fully paid and copies of such receipts must be included with copies of the certified plans provided to the Council in accordance with clause 142(2) of the EP&A Regulation. Failure to follow this procedure may render such a certificate invalid and expose the certifier to legal action.

The only exceptions to the requirement are where a work in kind, material public benefit, dedication of land and / or deferred payment arrangement has been agreed

by the Council. In such cases the Council will issue a letter confirming that an alternative payment method has been agreed with the applicant.

3.4 TIMING OF PAYMENTS

A monetary contribution required to be paid by a condition imposed on the development consent in accordance with this Plan is to be paid at the time specified in the condition.

Generally, the condition will provide for payment as follows:

- For development where no further approvals are required – before the development consent is issued.
- For development involving subdivision – the contribution must be paid prior to the release of the subdivision certificate (linen plan).
- For development not involving subdivision, but where a construction certificate is required, the contribution must be paid prior to the release of the construction certificate for any works authorising construction above the floor level of the ground floor.
- For works authorised under a CDC, the contributions are to be paid prior to any work authorised by the certificate commences, as required by clause 136L of the EP&A Regulation.

At the time of payment, it will be necessary for monetary contribution amounts to be updated in accordance with the relevant indexes (see Section 6.3).

3.5 DEFERRED OR PERIODIC PAYMENTS

Council will not accept the deferred or periodic payment of a monetary contribution or levy imposed under this Plan.

3.6 CAN THE CONTRIBUTION BE SETTLED BY DEDICATING LAND OR UNDERTAKE WORKS?

A person may make an offer to the Council to carry out works or provide another kind of material public benefit or dedicate land, in part or full satisfaction of a monetary contribution required by a condition of consent imposed under this Plan.

If a developer wishes to deliver infrastructure that is included in this Plan on the Council's behalf delivering that infrastructure, then the developer may offer to enter into a planning agreement to undertake works, make monetary contributions, dedicate land, or provide some other material public benefit. Planning agreements are the most appropriate mechanism for offers made prior to the issue of a development consent for the development.

Any offer of works or land should be consistent with the relevant LEP and DCP applying to the land.

The decision to accept settlement of a contribution by way of works in kind or the dedication of land is at the sole discretion of Council.

3.6.1 OFFERS AND AGREEMENTS GENERALLY

Any offer for works in kind or other material public benefit shall be made in writing to the Council and shall be made prior to the commencement of any works proposed as part of that offer. Retrospective works in kind agreements will not be accepted.

Works in kind or the dedication of land may be accepted by the Council under the following circumstances:

- Council will generally only accept offers of works or land that are items included in the schedule of local infrastructure in this Plan, and
- Council determines that the works in kind are, or the land to be dedicated is, appropriate and meets a broad community need.

In assessing the request, Council will consider the following:

- The design of the facilities, and whether the design will result in facilities that are fit for purpose.
- The proposed works or land dedication will not constrain the future provision of facilities identified in the works schedule, or conflict with what Council has prioritised in this Plan.

Plans and cost estimates of the proposed works are to be prepared by suitably qualified professionals and submitted by the applicant.

Should an offer of works in kind or land dedication be accepted, Council will negotiate with the applicant, as relevant, the following:

- an acceptable standard for workmanship and materials
- frequency of progress works inspections
- the program for completion of the works or the dedication of the land
- an appropriate defects liability period.

Applicants will also be required to comply with the provisions any Council policy in respect to the provision of Works in Kind.

ADJUSTMENT OF CONTRIBUTIONS TO ADDRESS THE EFFECTS OF INFLATION

To ensure that the value of contributions for the construction and delivery of infrastructure is not eroded over time by inflation, this Plan authorises that contribution amounts included in consents will be adjusted over time.

3.6.1 CONTRIBUTION LEVY AMOUNTS IN CONSENTS

The proposed cost of carrying out development, which is the subject of a section 7.12 levy, is to be indexed between the date of the grant of the consent and the date on which the contribution is paid in accordance with quarterly movements in the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics.

4. OTHER ADMINISTRATION MATTERS

4.1 RELATIONSHIP TO OTHER CONTRIBUTIONS PLANS

This Plan does not affect development consents applying to land in Penrith City LGA containing conditions requiring contributions or levies under other s7.11 contributions plans.

4.2 SAVINGS AND TRANSITIONAL ARRANGEMENTS

This Plan applies to a development application or application for a CDC that was submitted but not yet determined on the date this Plan took effect.

4.3 POOLING OF CONTRIBUTIONS FUNDS

This Plan authorises monetary contributions paid for different purposes in accordance with development consent conditions authorised by this Plan and any other contributions plan approved by the Council to be pooled and applied progressively for those purposes.

The priorities for the expenditure of pooled monetary contributions under this Plan are the priorities for works as set out in **Appendix A** of this Plan.

4.4 ACCOUNTABILITY AND ACCESS TO INFORMATION

In accordance with the EP&A Act and EP&A Regulation a contributions register will be maintained by Council and may be inspected upon request.

The register will be maintained at regular intervals and will include the following:

- Particulars sufficient to identify each development consent for which contributions have been sought
- Nature and extent of the contribution required by the relevant condition of consent
- Name of the contributions plan under which the condition of consent was imposed
- Date the contribution was received, for what purpose and the amount.

Separate accounting records will be maintained for each contribution type in this Plan and published every year in Council's financial accounts. They will contain details concerning contributions received and expended, including interest for each service or amenity to be provided. The records are held at Council's administration office and may be inspected upon request.

4.5 REVIEW OF PLAN

Pursuant to clause 32(3) of the EPA Regulation, Council may make certain minor adjustments or amendments to the Plan without prior public exhibition and adoption by Council. Minor adjustments could include minor typographical corrections and amendments to rates resulting from changes in the indexes adopted by this Plan.

Council intends to otherwise review its contribution plans at least every five years with any material amendments to be made to the development yield, proposed infrastructure items or their cost of provision, to be subject to Plan amendment and public exhibition.

4.6 DICTIONARY

Except where indicated in this section, the definitions of terms used in this Plan are the definitions included in the EP&A Act, EP&A Regulation and relevant Penrith Local Environmental Plans.

For further clarity, words and phrases in this Plan have the following meanings:

ABS means the Australian Bureau of Statistics.

CDC means complying development certificate.

CPI means the Consumer Price Index (All Groups - Sydney) published by the ABS.

Consent authority has the same meaning as in section 4.5 of the EP&A Act but also includes an accredited certifier responsible for issuing a complying development certificate.

Cost summary report means a report prepared by a suitably qualified person that sets out the proposed cost of carrying out of development as defined in clause 25J of the EP&A Regulation.

Council means the Penrith City Council.

DA means development application.

EP&A Act means the NSW Environmental Planning and Assessment Act 1979.

EP&A Regulation means the NSW Environmental Planning and Assessment Regulation 2000.

LGA means local government area.

Local infrastructure means public amenities and public services that are traditionally the responsibility of local government, excluding water supply or sewerage services.

MPB means material public benefit.

Non Residential Development means any development other than Residential accommodation, as defined under Penrith Local Environmental Plan 2010.

Planning agreement means a voluntary agreement referred to in section 7.4 of the EP&A Act.

Proposed cost of development means the cost of development proposed in a development application or a complying development application under the provisions of clause 25J of the EP&A Regulation.

Works in kind means the construction or provision of the whole or part of a public facility that is identified in a works schedule in a contributions plan.

Works schedule means the schedule of the specific public amenities and public services for which contributions may be required as set out in Appendix A of this Plan.

4.7 PLAN REFERENCES

ABS, Building Approvals, Cat No. 8731.0, Australia, NSW LGA data, December 2013 - March 2020.

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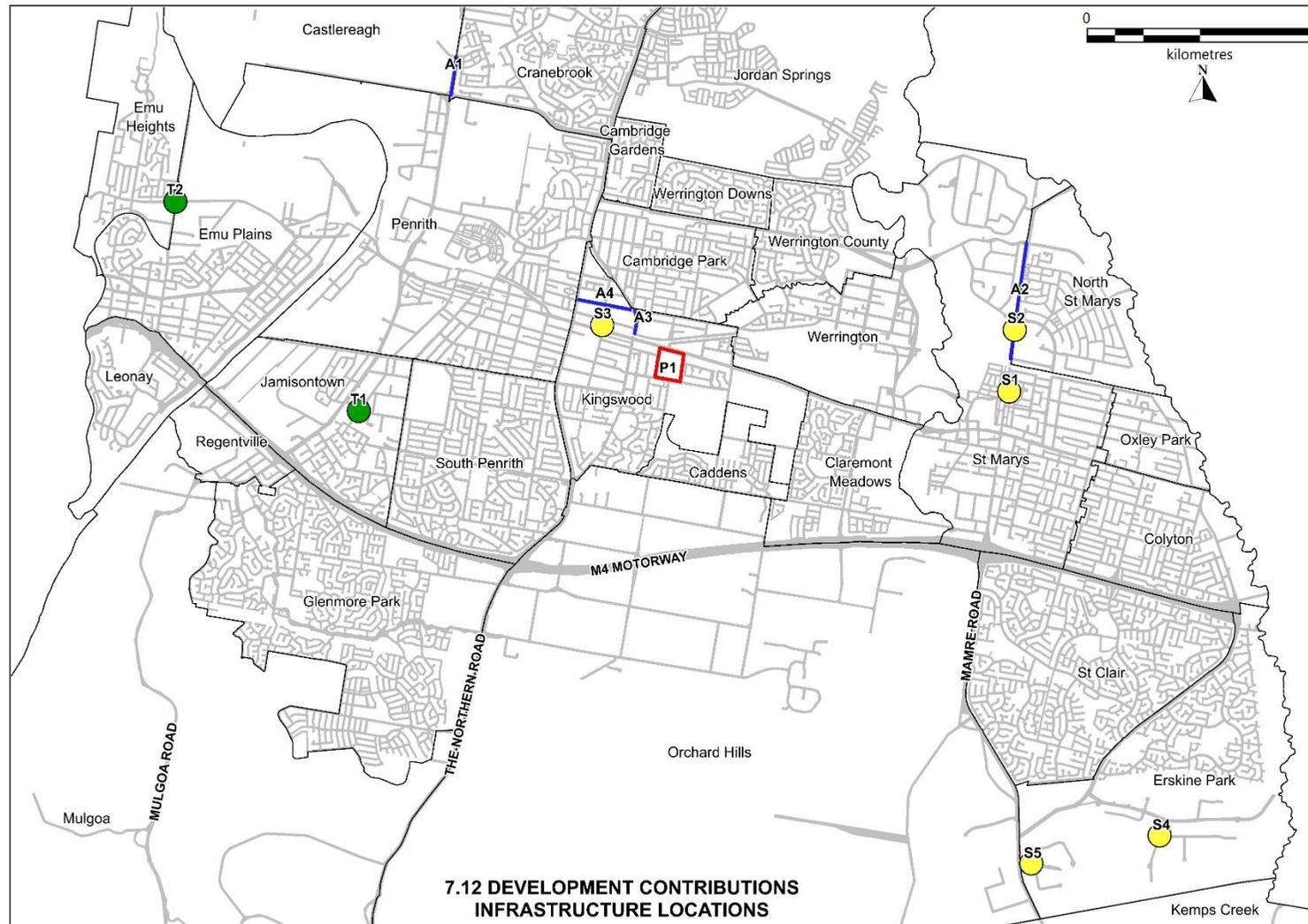
APPENDIX A: INFRASTRUCTURE SCHEDULE AND LOCATION MAPS

A.1 WORKS SCHEDULE

Infrastructure Works	Proposed Location	Estimated Costs \$	Priority of works
1. Traffic management facilities			
T1 - Industrial Roundabout	Batt Street/Regentville Road, Jamisontown	\$750,000	High
T2 - Traffic Signals	Old Bathurst Road/Russell Street, Emu Plains	\$5,250,000	Low
2. Active transport facilities			
A1 – new Shared Pathway upgrade	Castlereagh Rd- Andrews Rd to Waterside Blv, Cranebrook	\$108,000	Low
A2 - new Shared Pathway upgrade	Forrester Rd- St Marys Rail to Christie St, St Marys	\$890,000	High
A3 - new Shared Pathway upgrade	Victoria St- Park Ave to Richmond Rd, Kingswood	\$752,000	Medium
A4 - new Shared Pathway upgrade	Copeland St- Parker St to Richmond Rd, Kingswood	\$450,000	Medium
A5 - Upgrade of existing DDA noncompliant bus shelters & construction of new shelters	Across LGA	\$600,000	High
3. Stormwater Management facilities			
S1 - Drainage Improvements including a new stormwater pipeline and a minor retarding basin	East Lane to Queen Street, St Marys	\$3,640,000	Low
S2 - Flood Mitigation works including upgrade of Forrester Road culvert to 1% AEP conveyance capacity	Forrester Road, St Marys Bridge, St Marys	\$2,400,000	Medium
S3 - Drainage Improvements including two new detention basins and associated	Cox Avenue/Somerset Street, Kingswood	\$2,200,000	High

Infrastructure Works	Proposed Location	Estimated Costs \$	Priority of works
drainage and embankment work			
S4 - Gross Pollutant Trap	Templar Road, Erskine Park	\$450,000	High
S5 - Gross Pollutant Trap	James Erskine Drive, Erskine Park	\$250,000	Medium
4. Public domain facilities			
P1 - Kingswood Pedestrian Lighting Strategy - new lighting	Chapman Gardens, Kingswood	\$450,000	Medium-High
P2 - Street tree planting	Across LGA	\$1,000,000	Medium
Total		\$19,190,000	

A.2 INFRASTRUCTURE LOCATION MAP



APPENDIX B: INFRASTRUCTURE DEMAND AND STRATEGIES

B.1 DEMAND FOR INFRASTRUCTURE

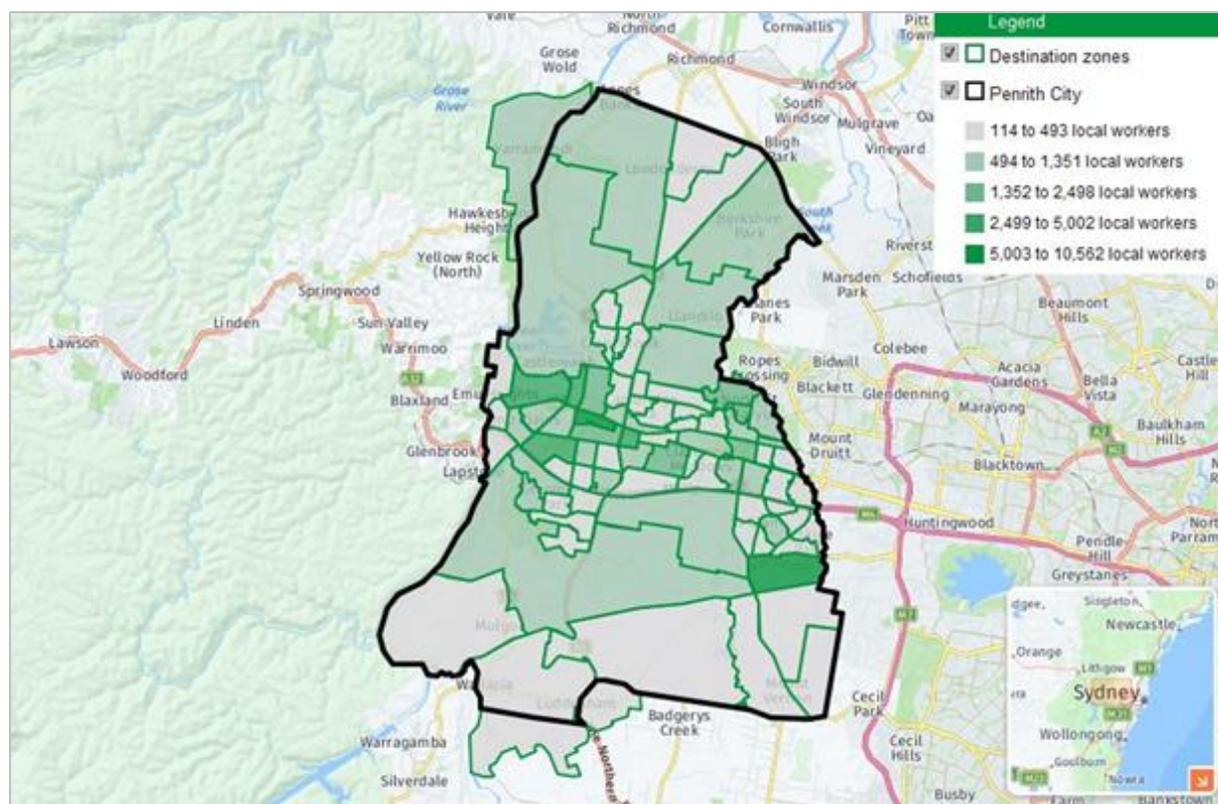
B.1.1 EXISTING NON-RESIDENTIAL DEVELOPMENT

In 2018, the Penrith economy provided 86,240 jobs, based on ABS economy.id data. This was an increase of 25,262 jobs from 2001 or average annual growth of 1,486 jobs. Growth in employment has accelerated in recent years. In the 10 years to 2018, there were 1,762 more jobs created each year, on average, while in the 5 years to 2018, an average of 2,789 new jobs were provided each year.

Figure 3 shows how the employment opportunities are distributed across the LGA.

There is a relatively broad distribution of jobs by locality, but employment is also concentrated in a few key commercial or industrial areas such as the Penrith City Centre, the Health and Education Precinct, Jamisontown, St Marys/Dunheved, Emu Plains/Castlereagh and Erskine Park.

Figure 3 Distribution of jobs across the Penrith City LGA, 2016



Source: ABS, Census of Population and Housing, 2016. Compiled and presented in economy.id by .id the population experts.

This jobs growth is associated with significant ongoing investment in non-residential development, which creates additional demand for new local infrastructure from workers who mostly travel externally into the LGA.

Over the past five years, the value of non-residential construction approved in the LGA has averaged approximately \$430.3 million each year (**Table 4**). The annual figures show how volatile the value of investment can be from one year to the next. Major projects, such as hospital facility upgrades, can contribute significantly to the overall value of construction in any one year. This data also includes non-residential development in Penrith City Centre and new release areas (where alternative section 7.11 contributions plans, rather than this Plan, would apply).

Table 4 Value of non-residential building in Penrith LGA, 2014/15-2018/19

	2014/15	2015/16	2016/17	2017/18	2018/19	5-year annual average
Penrith LGA	\$155.6m	\$172.7m	\$583.7m	\$304.2m	\$935.4m	\$430.3m

Source: ABS, Building Approvals, Cat No. 8731.0, Australia, NSW LGA data, various publications between December 2013 and March 2020, and indexed to \$2018/19 (based on ABS cat no. 3020 – NSW non-residential construction PPI).

By comparison, Council’s development approvals data indicate that the value of non-residential development outside the Penrith City Centre and other release areas averaged around \$135 million per annum over the past five years, almost one third of the LGA total. Factoring in further growth and investment, Council considers that a reasonable forecast for the Plan would be up to \$150m in non-residential development value each year.

B.1.2 EXPECTED NON-RESIDENTIAL DEVELOPMENT

The Penrith LGA is poised for significant economic and jobs growth over the next 10 years and beyond as a result of the future Western Sydney Airport, the North South Rail Link and other major developments such as the Quarter, Penrith’s Health and Education Precinct and Sydney Science Park.

Penrith City is targeted by the Greater Sydney Commission to generate an additional 40,000 jobs by 2036, up to around 30,000 of which could be delivered outside the Penrith City Centre.

As the City’s Draft Local Strategic Planning Statement (Draft LSPS) has outlined, historically, Penrith’s economic clusters were confined to the Penrith City Centre, scattered local and neighbourhood centres across the LGA and adjacent industrial precincts such as North St Marys, Dunheved and North Penrith.

However, in the last 10 years, land release within the Western Sydney Employment Area led to the development of the Erskine Business Park and other similar developments along the City’s east-west corridor, between the Great Western Highway and the M4. These developments have opened up the opportunities for significant jobs creation in Penrith City, which will only be amplified by the investment in the Western Sydney Airport and North South Rail Link (Draft LSPS, p 62).

Key planning priorities

The Draft LSPS has identified five key planning priorities for Council to grow the local economy and increase job creation in the LGA over the next 20 years:

- Planning Priority 11: Support the planning of the Western Sydney Aerotropolis
- Planning Priority 12: Enhance and grow Penrith's economic triangle
- Planning Priority 13: Reinforce the Quarter as a specialised health, education, research and technology precinct Planning
- Planning Priority 14: Grow our tourism, arts and cultural industries
- Planning Priority 15: Boost our night-time economy.

Penrith Economic Triangle

The Penrith Economic Triangle is the economic corridor which combines three arcs for growth around the airport, Penrith CBD and St Marys town centre, as shown in **Figure 4** (Draft LSPS, p 67).

Western Sydney Aerotropolis

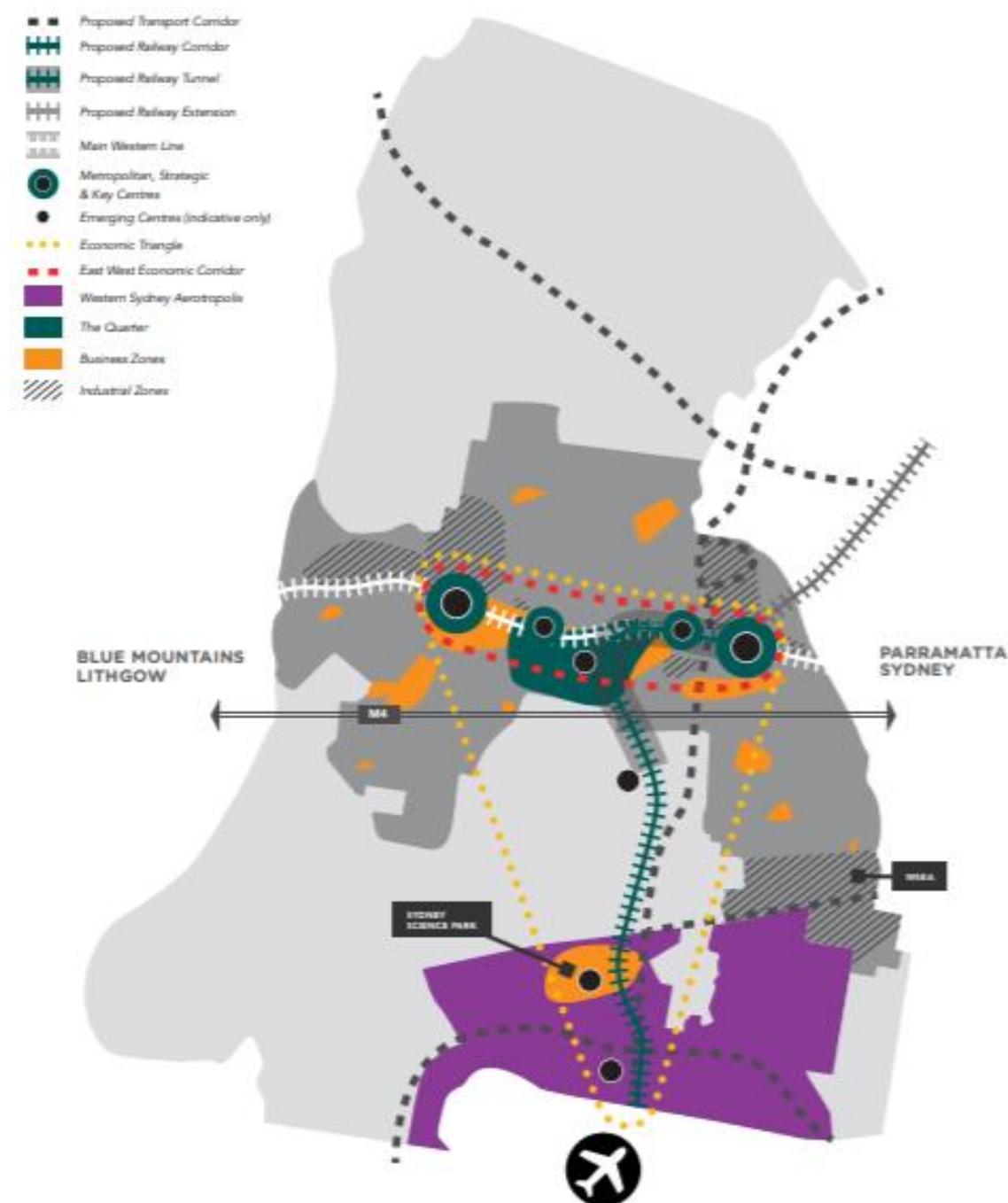
Over the longer term, Penrith as the northern gateway to the airport, is expected to yield 22,000 out of the 200,000 projected jobs for the Aerotropolis (based on the NSW Government's Western Sydney Aerotropolis Land Use and Infrastructure Implementation Plan). Job opportunities will be largely concentrated in agribusiness, such as food processing, packaging and refrigeration, as well as manufacturing, freight and logistics (Draft LSPS, p 60).

North South Rail Link

The North South Rail Link will play a major role in connecting St Marys to the airport. St Marys will be at the interchange between the North South Rail Link and the Western Rail Line to Penrith City Centre, Parramatta and Sydney CBD. A further extension from St Marys to the north west connecting to Marsden Park will strengthen this connection. It will effectively link the western economic corridor and the east-west economic corridor (Draft LSPS, p 64).

St Marys is one of the largest industrial and urban services precincts in Sydney comprising more than 225 hectares of developed and zoned (but undeveloped) land. The town centre is identified as a strategic centre by the Western City District Plan, forecast to provide 11,500 jobs by 2036. St Marys employment industries include food and retail services, and on the northern side of the railway line, the industrial lands of Dunheved Business Park will continue to deliver jobs growth for the region (Draft LSPS, p 64).

Figure 4 Penrith Economic Triangle



The Quarter

Along the east-west corridor between Penrith and St Marys, further significant jobs growth will be generated by plans for the **Quarter, Penrith's Health and Education Precinct**. The Quarter spans over 300 hectares and is forecast to deliver 6,000 additional jobs by 2026. This will have a range of flow-on effects for the economy of the region with further investment in major hospitals and academic and education facilities (Penrith Community profile, p 56).

Other emerging centres

The proposed North South Rail link will also present opportunities for a north-south economic corridor and the creation of new centres, some of which will be established around new stations. These centres are not yet known, except for the Sydney Science Park (Draft LSPS, p 65).

Flow on effects for established areas

Such significant growth will carry flow on effects for the established areas of the LGA, acting as a further catalyst to more value and job creation in these areas. Council remains committed to fostering employment growth in these regions, including by growing the tourism, arts and cultural industries and encouraging the night-time economy.

Altogether, this growth places a significant burden on the Penrith LGA to provide new and augmented infrastructure to service the needs of the additional industrial and commercial activity and new workers, a large share of whom will commute from outside the City.

This level of growth in non-residential development is expected to continue over the life of this Plan and will extend demand for connectivity, improved civic amenity and accessibility in employment areas and town centres, in particular.

B.1.3 MEETING THE INCREASED INFRASTRUCTURE DEMANDS

As highlighted, the increases in worker populations, from development affected by this Plan will create additional demand for local infrastructure. The program of works under this Plan (as presented in **Appendix A**) seeks to align with these demand trends, and includes:

- New traffic management facilities,
- Shared pathways or active transport facilities,
- Drainage and flood mitigation infrastructure, and
- Public domain upgrades.

Council's strategies for each of these infrastructure categories are summarised below.

B.2 INFRASTRUCTURE STRATEGIES

B.2.1 TRAFFIC MANAGEMENT FACILITIES

A key strategy of Council's Delivery Program (Strategy 3.4) is to improve passenger and freight transport in the region by:

- Delivering local transport infrastructure with other levels of government to ensure community transport needs are met, and

- Supporting the Federal and State Government in delivering Stage 1 of the North South rail link in time for the opening of the Western Sydney Airport.

This Plan includes \$6 million for two intersection upgrades, including one industrial roundabout in Jamisontown, and part funding for new traffic signals in Emu Plains.

These intersection upgrades works have been prioritized by Council's local traffic committee to improve traffic capacity in industrial areas in the LGA and address the impact of growth on the local traffic network.

B.2.2 ACTIVE TRANSPORT FACILITIES

The Plan also provides \$2.2 million towards the cost of providing shared pathways in Cranebrook, St Marys and Kingswood.

Council's Delivery Program (Outcome 3, p 49) identifies how an "integrated shared pathway network throughout our City linked to public open space, schools, shops, community facilities and public transport is vital to create connections and encourage people to walk and cycle."

The Plan's shared pathway works are also consistent with the Penrith Accessible Trails Hierarchy Strategy (PATHS, 2012) which proposes the development of a major destination pathway "spine" that provides, where possible, a safer off-road shared pathway network that will accommodate cyclists, pedestrians and other users. It would link the major City centres and urban communities as the initial priority, helping facilitate greater personal mobility choice that caters for all people with diverse abilities.

A key action of the GSC's Greater Penrith Place Strategy (Action 3) is to "Plan for and invest in active transport projects, including implementing the Penrith Accessible Trails Hierarchy Strategy, to increase the mode shift to active and public transport."

The Plan also includes \$600,000 for the upgrade of existing Disability Discrimination Act noncompliant bus shelters and the construction of new shelters across the LGA. The expenditure is consistent with the Delivery Program Strategy (3.1) to "work with partners to improve public transport" by:

- Replacing bus shelters identified in the Bus Shelter Renewal Program to make travel more accessible and comfortable for our climate, and
- Improving public transport by working with partners to assess current services and plan for new services to meet future transport needs.

The need for the bus stops is also based on an internal Council study of existing bus stops and community feedback about where new stops are required.

B.2.3 STORMWATER MANAGEMENT FACILITIES

New development contributes to the demand for new and augmented stormwater management infrastructure by the additional impervious surface area it creates.

The Plan altogether includes \$8.24m for drainage improvements in St Marys and Kingswood and flood mitigation works in St Marys.

These works form part of the stormwater management and flood mitigation measures recommended in recent floodplain studies commissioned by Council.

The flood studies have identified those areas where the greatest flood damage is likely to occur, thereby allowing a targeted assessment of where flood mitigation measures would be best implemented as part of the subsequent Floodplain Risk Management Studies and Plans.

The College, Orth and Werrington Creeks Catchment Overland Flow Flood Study (which included the suburbs of Werrington, Werrington County, Cambridge Park, Kingswood, Caddens and parts of Orchard Hills) identified several flooding “hot spots” and subsequent mitigation options.

Among these hotspots were Somerset Street to Bringelly Road and Cox Avenue in Kingswood.

The study recommended to:

- increase the capacity of the existing stormwater system (e.g., lay additional stormwater pipes and/or upgrade existing pipes and pits so that a greater proportion of the flow can be conveyed below ground); and
- reduce the amount of water travelling through the stormwater system and overland (e.g., construct detention basins to temporarily store excess runoff).

This Plan will fund the construction of two detention basins to the east of the Nepean Hospital and other associated drainage and embankment work.

The drainage improvements at Queen Street and East Lane, St Marys were recommended by the St Marys (Byrnes Creek) Catchment Floodplain Risk Management Study and Plan. The aims of the study were to reduce the flood risk and minimise the long-term impact of flooding on the community by recommending appropriate management measures including those for flood modification.

Consistent with these measures, the drainage works included in the Plan are for the construction of a stormwater pipeline of approximately 1.05 km in length from South Creek near Kingsway to Chapel Street / Gidley Street plus a minor retarding basin within the parkland between Chapel Street and Little Chapel Street.

Similarly, The Little Creek Catchment Overland Flow Flood Study examined the flood mitigation needs of the Little Creek catchment, covering parts of the suburbs of Oxley Park, Colyton, St Marys and North St Marys.

The study undertook a pipe capacity assessment and found that significant portions of the upper catchment drainage network were found to have capacity less than the 50% AEP peak flow. Based on a “hot spot” analysis, it identified a range of potential flood mitigation options. This includes an upgrade of the Forrester Road culvert at St Marys Bridge to 1% AEP conveyance capacity, which is to be funded by this Plan.

The Plan also includes two new gross pollutant traps (GPS) based on an internal Council study in 2016 on the state of existing GPTs and where new GPTs are required.

B.2.4 PUBLIC DOMAIN WORKS

This Plan will fund \$1.45 million in works which enhance the public domain of Penrith City via lighting and streetscape planting.

The lighting upgrades in Chapman Gardens, Kingswood are part of the Kingswood Pedestrian Lighting Strategy which outlines the required upgrades to improve lighting in areas with insufficient lighting. New pathway lighting will improve the aesthetics of the park thoroughfare in Chapman Gardens, benefiting residents and local business. Implementation of this strategy also supports Council's priority in the Draft LSPS to boost the night-time economy in the Penrith LGA.

The street tree planting is a critical part of Council's Green Infrastructure objectives under its Cooling the City Strategy and Delivery Program. The Cooling the City Strategy is designed to make Penrith a better place to live, by addressing the Urban Heat Island (UHI) effect which has been worsened by rapid development (Delivery Program, p 24).

The Strategy emphasises tree planting is one of the most successful approaches being taken across the world to cool an area. One of Council's objectives under its Delivery Program is to increase the canopy cover by planting trees and other green infrastructure. Ideally, the people working and residing in the City will benefit from the increased amenity associated with more shading and ultimately, reduced heat in the urban areas.