



16 December 2020
Planning Secretary
NSW Department of Planning, Industry and Environment
Locked Bag 5022, Parramatta NSW 2124

Dear Sir,

RE: SUBMISSION ON MAMRE ROAD PRECINCT DRAFT DEVELOPMENT CONTROL PLAN

1.0 Introduction

This submission is made on behalf of Olathree Pty Ltd, the Owner of 901-915 Mamre Road, Kemps Creek (the site) in response to the Mamre Road Precinct Draft Development Control Plan (draft DCP) prepared by the Department of Planning, Industry and Environment (the Department) for lands within the Penrith Local Government Area.

The Owner wishes to commend the Department and Penrith City Council for pursuing the rezoning of the Mamre Road Precinct in 2019 and releasing the draft DCP in 2020. The rezoning and provision of suitable development controls for the Precinct would assist in delivering much needed additional employment lands for Western Sydney and support the development of the broader Aerotropolis.

This submission will provide an overview of Olathree Pty Ltd and the Mercieca Family and their future plans for the development of the site. The submission will also provide an analysis of relevant development controls and most importantly, the draft conceptual layout of roads and other infrastructure.

1.1 Overview of Olathree Pty Ltd and the Mercieca Family

The Mercieca family are the owners of Olathree Pty Ltd (the Owner) and originally purchased the site in 2016 for the purposes of relocating the family stock feed business – J.M Produce. The Mercieca Family operate several agricultural and farming businesses, including:

- animal stock feed production and sales;
- wholesale grain trading;
- cartage and freight; and
- livestock and egg production.

The Mercieca family's intentions for the site shifted in 2018-2019 when it was identified by the Department that the Mamre Road Precinct would be released for industrial development as an extension of the Western Sydney Employment Area (WSEA) and as a transition to the Aerotropolis.

The focus of the Owner since 2018 has been planning for the industrial development of the site in the form of warehouse and logistic buildings to be leased to third parties.

1.2 The Site

The site is located at 901-915 Mamre Road, Kemps Creek and is legally described as Lot 33 in DP258414 (see **Figure 1**). The site is around 13.6 ha in area and has 151.6 m of frontage to Mamre Road. At the western extent of the site is Kemps Creek which runs in a north-south alignment. The site is currently used for the following:

- a chicken farming and egg production business;
- cattle grazing;
- residential dwellings;
- a leased commercial shed; and
- storage associated with the Owner's stock feed business.

The site has access to Mamre Road from a right of carriageway over a driveway on Lot 34 DP258414 adjacent to the southern boundary of the site. Surrounding land uses are predominantly agricultural in nature, including poultry and egg production facilities, market gardens, livestock grazing, storage premises and ancillary residential dwellings.



Figure 1: The Site and Surrounds (source: Nearmaps 2020)

Zoning

The site, until 2019, was zoned RU2 – Rural Landscape and E2 – Environmental Conservation under the Penrith Local Environmental Plan 2010 (PLEP). The site presently has a number of land use zones under two Environmental Planning Instrument's (EPI):

State Environmental Planning Policy (Western Sydney Employment Lands) 2009 (WSEA SEPP)

- The eastern portion of the site outside Kemps Creek is zoned IN1 – General Industrial (approximate area of 7.7 ha).
- A small portion of the site adjacent to Kemps Creek is zoned E2 – Environmental Conservation and RE1 – Public Recreation (approximate area of 1700 m²).

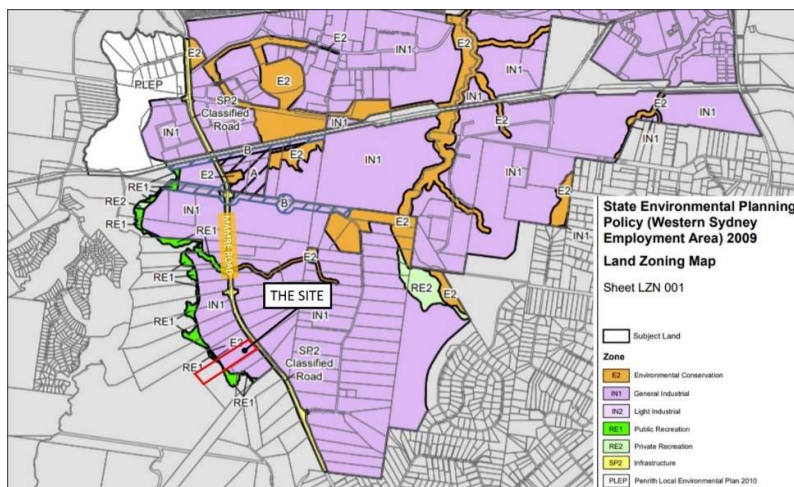


Figure 2: WSEA SEPP Zoning

State Environmental Planning Policy (Western Sydney Aerotropolis) 2020 (WSA SEPP)

- The western portion of the site within Kemps Creek is zoned ENZ – Environment and Recreation Zone (approximate area of 5.93 ha)

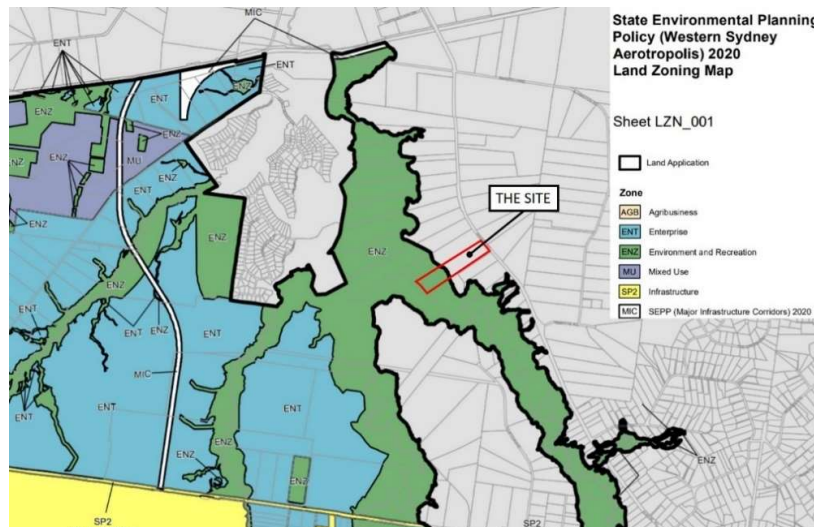


Figure 3: WSA SEPP Zoning

Mamre Road Structure Plan

The site was identified in the Mamre Road Structure Plan for Industrial uses in November 2019. The Structure Plan identifies various land uses and infrastructure required to facilitate the development of the Precinct and support the WSEA and WSA, including the intersections identified in Transport for New South Wales (TfNSW) Mamre Road Upgrade Project (see **Figure 4**).

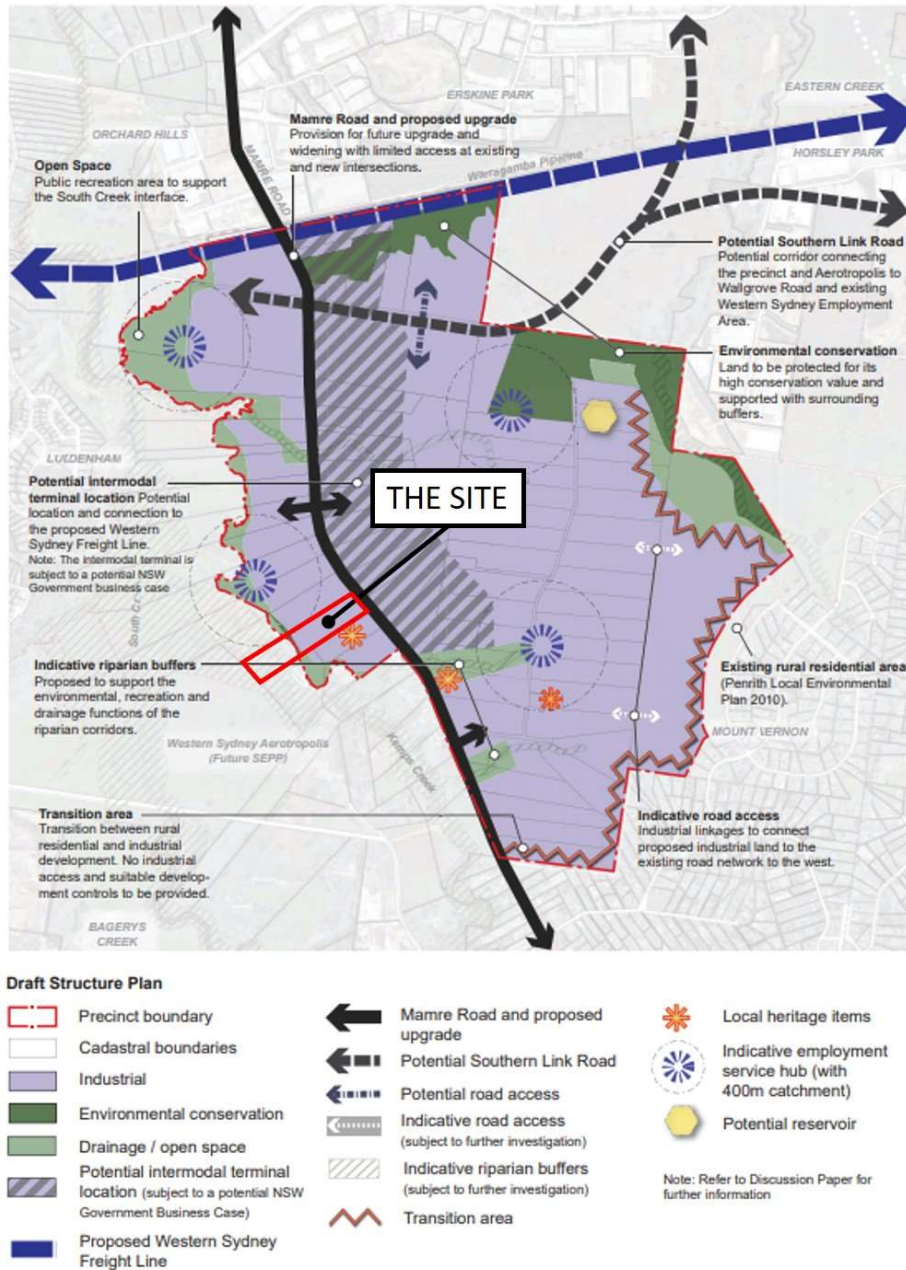


Figure 4: Mamre Road Structure Plan

2.0 Future Development Scenario

Based on the Structure Plan and the rezoning of a 7.7 ha area of the site to IN1 – General Industrial in the WSEA SEPP, the Owner commenced due diligence to develop warehouse and distribution centres on the site to be leased to third parties. The extensive strategic planning exercises to inform the Structure Plan and amendments to the WSEA SEPP provided the Owner with some surety and confidence to commence site and financial planning to support future development. Based on the existing lot layout in the locality consisting of narrow lots with limited frontage to Mamre Road, the need for a dissecting north to south road connecting to the new intersections planned for the Mamre Road Upgrade Project was expected.

With the inclusion of a dissecting Precinct road and considering the existing site constraints, it was determined that two developable lots, one on each side of the Precinct road would be feasible. Based on a standard road reserve width of around 25 m, the Owner previously considered the two lots would have an average area of 3.5 ha. It is noted that an existing electricity transmission line easement impacts the eastern portion of the site. Discussions with TransGrid have commenced regarding re-aligning the 4.5 m easement and infrastructure constraining the development of the site through their network modification process.

Optimal Development Scenario

After the release of the draft DCP, the Owner revisited the site planning exercise based on the Mamre Road Precinct Road Network Map (see Error! Reference source not found.) and other development controls and constraints identified.

The Owner wishes to maximise the development potential of the site for warehouse and distribution buildings while ensuring adequate landscaping treatments are provided.

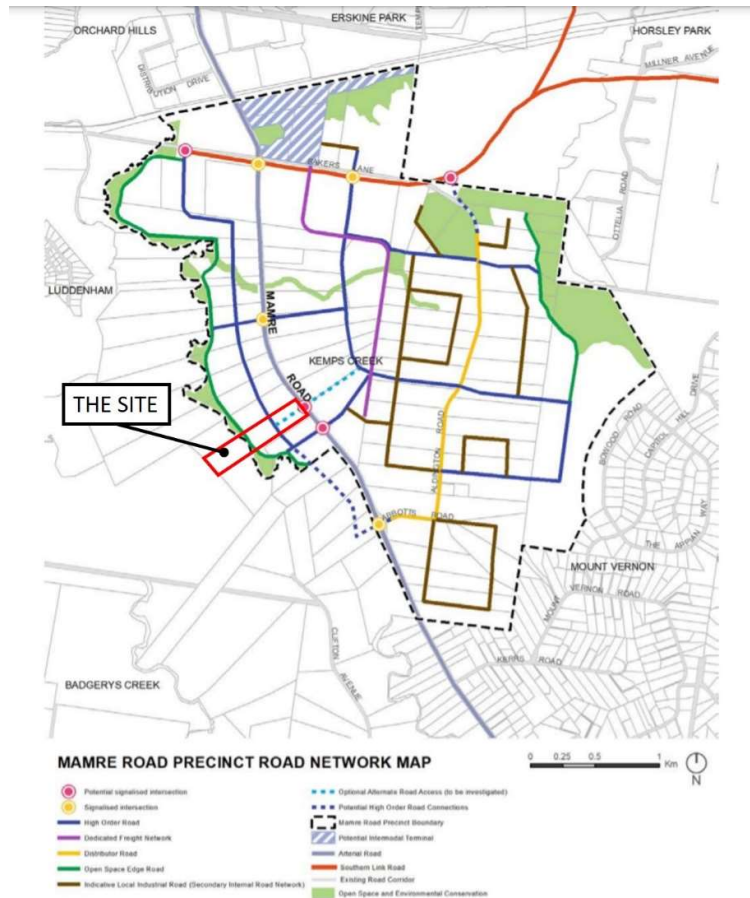


Figure 5: Mamre Road Precinct Road Network Map – Draft DCP

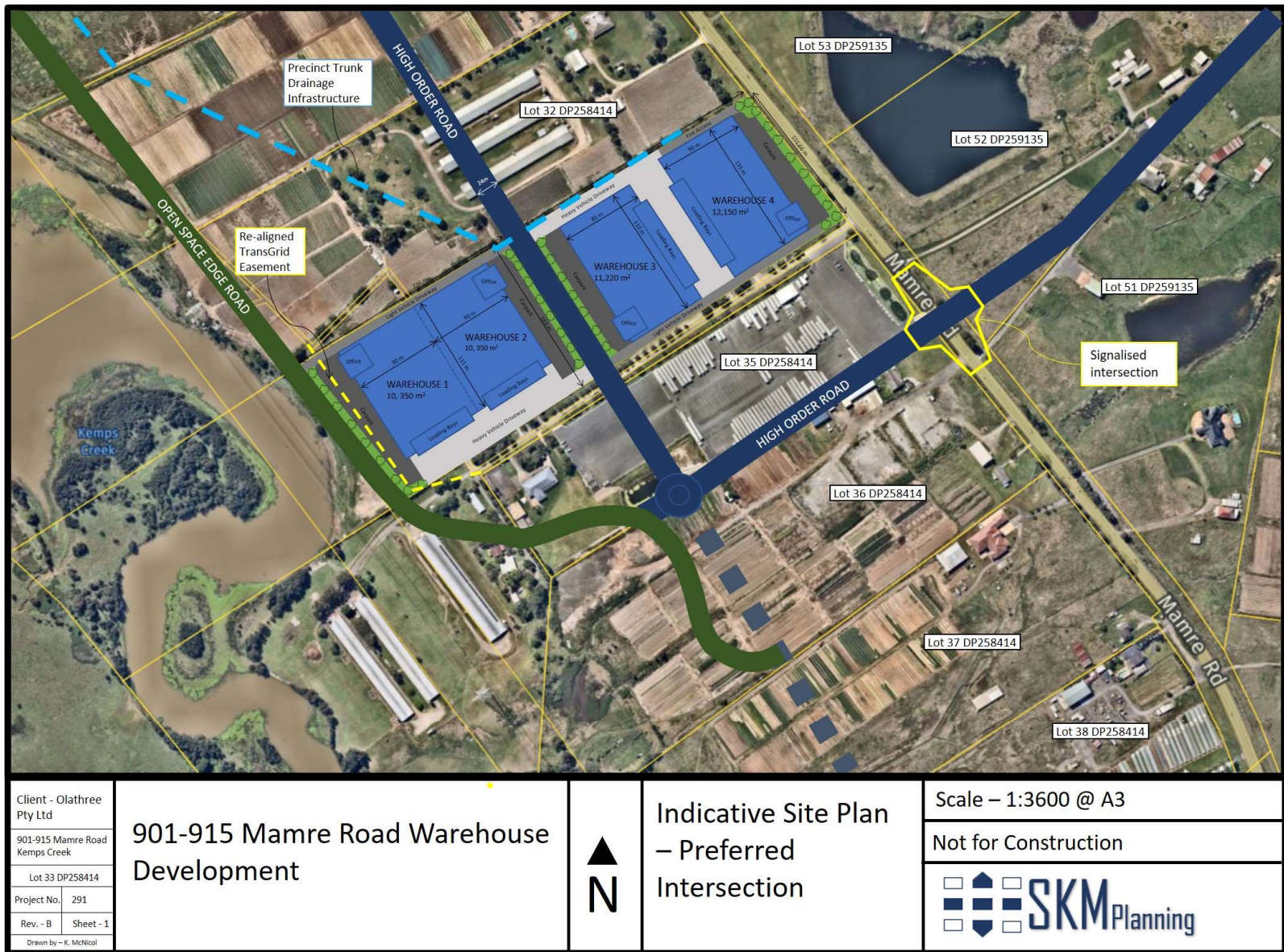


Figure 6: Indicative Site Layout - 901-915 Mamre Road, Kemps Creek

The Owner is satisfied with the High Order Road dissecting the site and the location of the additional intersection to Mamre Road at the southern extent of the Precinct in the draft DCP shown on **Figure 5**.

Based on the location of the High Order Road, the Open Space Edge Road, the trunk drainage network, the area reserved for Mamre Road widening and a re-aligned TransGrid Easement, an Indicative Site Plan has been prepared (see **Figure 6**) which provides for four warehouse buildings over two lots on the site:

Lot 1: 3.7 ha

- Warehouse 1: 10,350 m²
- Warehouse 2: 10,350 m²

Lot 2: 3.85 ha (inclusive of area reserve for road widening)

- Warehouse 3: 11,220 m²
- Warehouse 4: 12,150 m²

Based on discussions with industrial leasing agents which operate in the locality, the floor area and layout of the indicative warehouse buildings would be suited to several potential clients and provide the Owner with sustainable lease income.

Impact of Optional Alternate Road Access

The Mamre Road Precinct Road Network Map (see **Figure 5**) contains an “Optional Alternate Road Access (to be investigated)” which traverses directly through the site including a “Potential signalised intersection” at Mamre Road. The location of this optional road and intersection would have irreparable impact on the optimal development of the site provided in **Figure 6** and dissect the eastern portion of the site creating narrow lots with depths of only 63 m.

Considering the requirements for building setbacks from roads and side boundaries, landscape areas and heavy vehicle manoeuvring areas in the draft DCP, the resultant available building envelope would not be suitable for the development of warehouse and distribution buildings and would cater for only limited land uses. The requirement for intersection treatments at Mamre Road and the new High Order Road would further impact the development of the resultant lots at the eastern extent of the site.

Figure 7 provides the Optional Alternate Road Access overlayed onto the optimal indicative site plan.

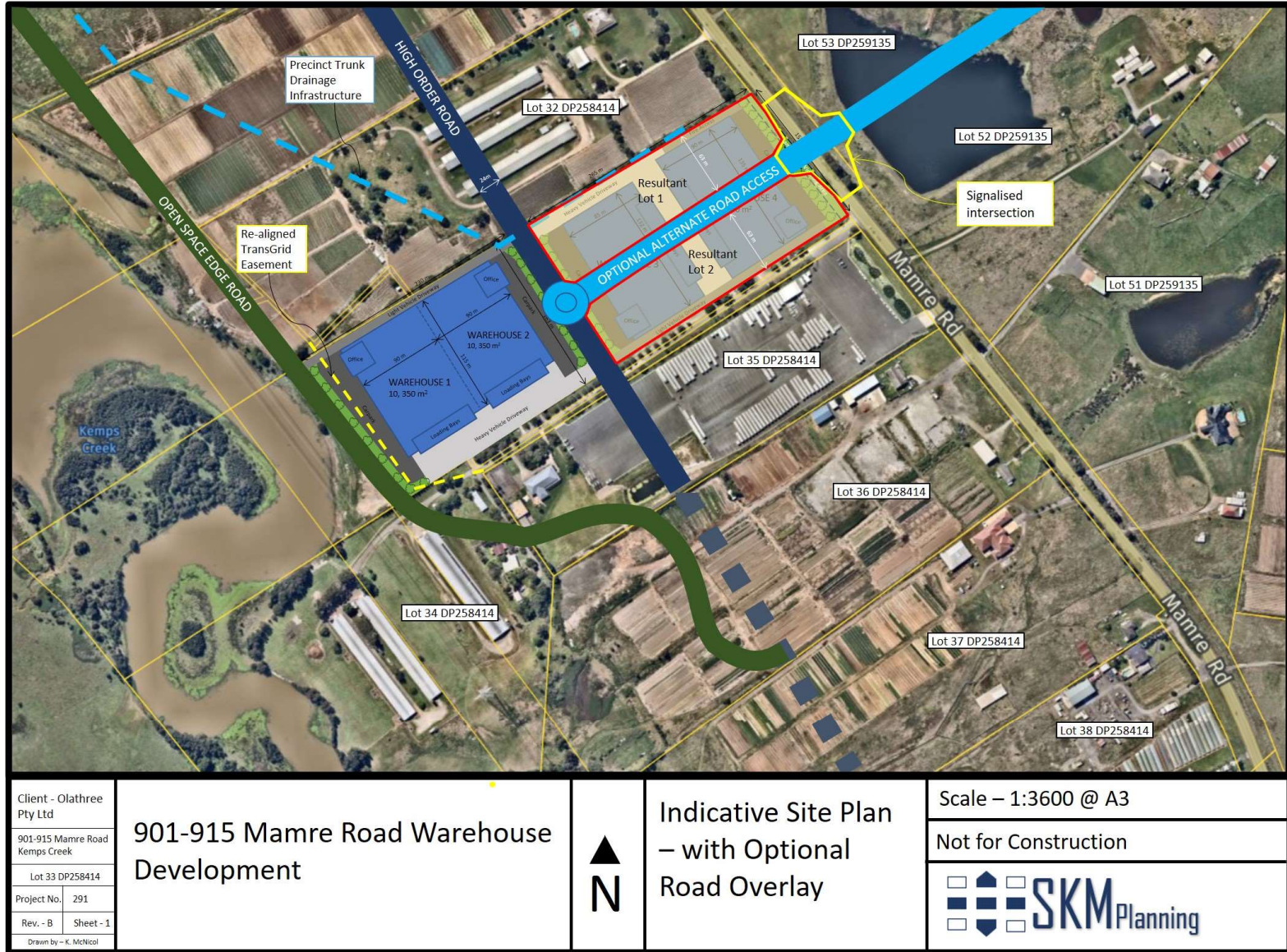


Figure 7: Indicative Optimal Site Plan with Optional Alternate Road Overlay

2.0 Draft DCP Issues and Discussion

A review of the draft DCP by SKM Planning on behalf of the Owner has identified a number of issues which are discussed in the following sections with recommendations for how they can be addressed by the Department in finalising the document. The main issue being the inclusion of the Optional Alternate Road Access on Figure 14 of the draft DCP.

2.1 Main Issues and Recommendations – Transport Network

The Transport Network identified in Section 3.4 of the draft DCP has the greatest potential to impact the development of the Precinct both positively and negatively. Due to the historical layout of narrow lots with frontage to Mamre Road, a well thought out network of roads is required to provide equitable access for each lot to a new Precinct road and limit and remove existing connections from Mamre Road to increase the efficiency of the Classified Road network in the WSEA. It appears the road network on Figure 14 in the draft DCP has provided a north to south “High Order Road” which equally dissects the narrow lots on the western side of Mamre Road to maximise the development potential of two newly created lots on either side of the road (for each existing lot).

It also appears from a review of Figure 14 that the Department has largely favoured the use of existing cadastral boundaries to locate new east to west road alignments to attempt to achieve an equitable road network. However, the road alignment identified as “Optional Alternate Road Access (to be investigated)” (Optional Road) in light blue is the only alignment that traverses through the middle of an existing lot (the site).

Issues with the Optional Road Alignment

The identification of the Optional Road on the Road Network Map (Figure 14) unfairly disadvantages the Owner’s pursuit of the optimal development of the site without providing any commentary or discussion as to the necessity of an Optional Road alignment. There is no other reference to the Optional Road in the body of the DCP, nor is there any discussion which identifies issues with the High Order Road network which the Optional Road alignment seeks to address. The inclusion of an Optional Road in the draft DCP does not provide the Owner with any surety or confidence to pursue further investigations, detailed site planning or financial planning to realise the development potential of the site.

The Draft DCP also does not provide the future planning pathways, studies or investigations which would be carried out to finalise the road alignment. A Section 7.11 Contribution Planning exercise would have provided an appropriate mechanism to solidify the road alignment and prepare detailed designs to cost road infrastructure. Unfortunately, the Mamre Road Precinct Development Contributions Plan 2020

(Contributions Plan) has been placed on exhibition at the same time as the draft DCP. A review of the Contributions Plan – Background Report indicates that no thought has been given to costing the design, acquisition and construction of the Optional Road alignment. Whereas the preferred alignment is fully costed and identified on the maps associated with the Contribution Plan (see **Figure 8**). Would this mean that the Department and Penrith City Council are favouring the preferred alignment?

It is apparent that the draft DCP does not fully align with the transport infrastructure in the draft Contribution Plan as the Optional Road alignment has not been assessed. The Owner is worried that the draft Contribution Plan could be amended as part of Penrith City Council's response to submissions seeking the inclusion of the Optional Road alignment without further landowner consultation. It is understood that some of the landowners on the eastern side of Mamre Road may prefer the Optional Road alignment to the detriment of the future development of the site and provide a submission to this affect. As the site is the most disadvantaged by the Optional Road alignment, focused consultation with Owner should be prioritised by the Department.

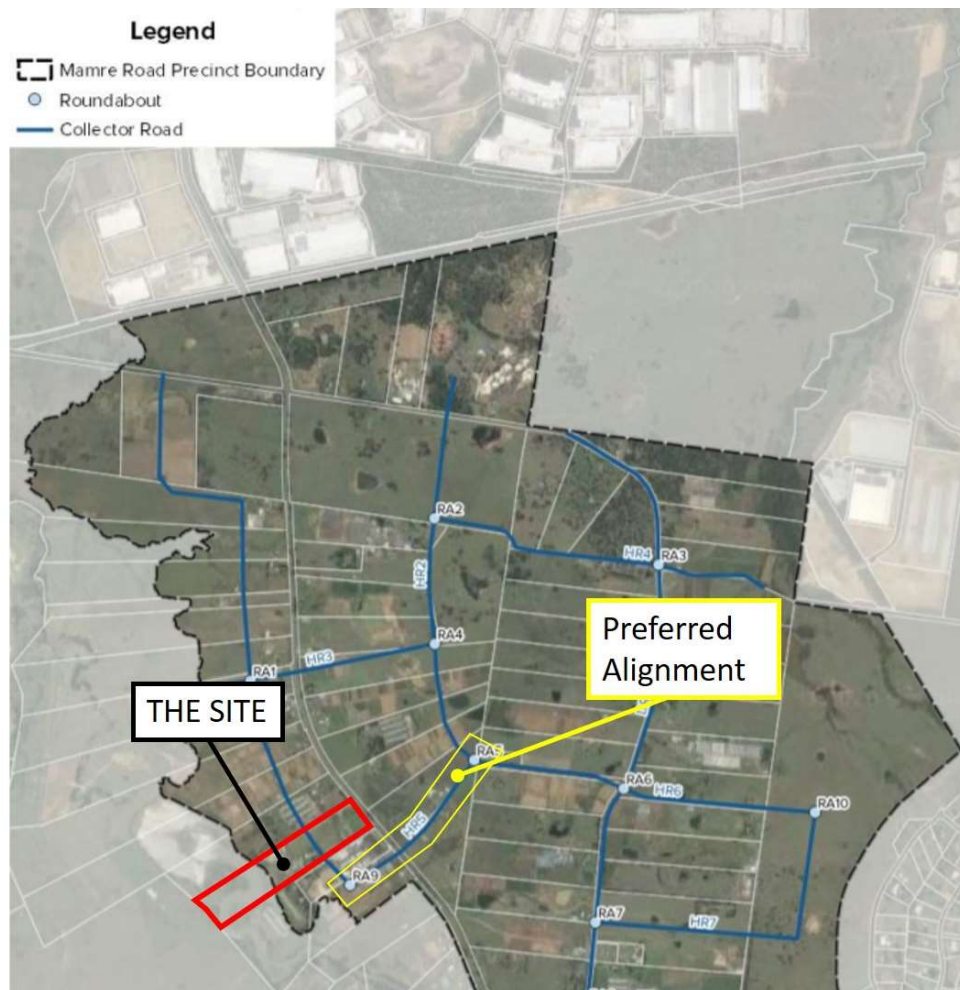


Figure 8: Road Network Identified in the (draft Mamre Road Precinct Section 7.11 Contributions Plan)

The development controls in Section 3.4 use uncertain language when discussing the construction of roads including that the “*Precinct should be developed **generally in accordance** with the road network map identified in Figure 14.*” The inclusion of the Optional Road alignment on Figure 14 and the use of “generally in accordance with” in Section 3.4.1 (1) does not provide the Owner with confidence that the preferred alignment would be selected or the road network potentially altered in other ways which could impact the future development of the site.

Section 3.4.1 (2) provides design requirements for road infrastructure including:

- *provide access to adjoining properties and not limit development on adjoining properties, including demonstration of impact on the development of adjoining lots.*

The proposed Optional Road alignment would not meet this design requirement as it would limit the development potential of the site potentially in favour of the development of the lands on the eastern side of Mamre Road.

Benefits of the Preferred Alignment

The High Order Road alignment (preferred alignment) provides an east-west road which is located on a cadastral boundary and provides the owners of Lot 35 DP258414 and Lot 36 DP258414 with direct access to a Precinct road while maintaining suitable sized lots with depths of between 110 m and 176 m to facilitate adequate building envelopes for future warehouse and distribution buildings.

The preferred alignment and intersection with Mamre Road is half-way between the major intersections identified in TfNSW Upgrade Plans for Mamre Road which would result in greater efficiencies in the Classified Road network as compared to the Optional Road location which is only 750 m from the new major southern intersection with Mamre Road. The preferred alignment also provides for a direct connection to the Open Space Edge Road and provides better road connections to lots to the north-east than the Optional Road alignment.

Recommendations

- SKM Planning recommends the removal of the Optional Road from Figure 14 of the draft DCP and the establishment of the preferred alignment to base any future road infrastructure design exercises on and to align with the Mamre Road Precinct Development Contributions Plan 2020 on exhibition.
- The Department should also pursue focused consultation with the Owner and any other landowners impacted by the Optional Road alignment to provide further details regarding its intent and purpose.

- Should the Optional Road alignment not be removed, the DCP should identify the future pathways which would be utilised to finalise the road alignment within the Precinct to provide greater clarity for landowners.
 - There does not appear to be a restriction on developing sites within the lands covered by the draft DCP prior to the selection of a preferred road alignment. The Owner is concerned that developers in the area would pursue the Optional Road alignment by lodging a development application after the DCP is finalised should Figure 14 remain unchanged.
 - It is noted that some developers pursued development applications for warehouse and distribution estates along Mamre Road prior to the rezoning of the lands or the drafting of this DCP and the Contribution Plan.

2.2 Other Issues and Recommendations

- The road types provided in Figure 14 do not reflect the preferred road typologies in Table 9 of the draft DCP. There is no typology and standards for a High Order Road. It is unclear whether a High Order Road would be considered a Local Industrial Road or a Distributor/Collector Road
- Section 4.2.1 of the draft DCP provides height controls for warehouse developments limiting building heights to 20 m from existing ground levels. The restriction on the height of warehouse and distribution buildings is contrary to the innovations in logistics which has seen the establishment of high bay warehouses elsewhere in the WSEA. To decrease the floor space necessary to pursue logistics facilities, high bay warehouses should be encouraged through the provision of specific development controls.
- Table 10 of the draft DCP provides building setbacks from roads and other boundaries. It is unclear whether the High Order Road would be classified as a distributor and collector road or a local estate road in the table.
- Table 11 of the draft DCP provides landscape requirements for setbacks from roads and other boundaries. It is unclear whether the High Order Road would be classified as a distributor and collector road or a local estate road in the table.
- Section 4.2.4 provides building design controls for new development. 4.2.4(17) states that *“All loading areas should be located towards the rear of allotments. Loading areas are to be screened from the view of primary road frontages through physical and/or vegetation screening.”* The sites on the western side of Mamre Road would have frontage to three roads including Mamre Road, the dissecting High Order Road and the Open Space Edge Road at the rear. The location of loading areas in this location would need to consider the use of side boundaries to facilitate other architectural requirements at the frontage of each road including articulation and the presentation of building form with significant design merit.

- It is unclear from Figure 3 – Biodiversity Area and Riparian Network if any “areas of High Biodiversity Value” are located on the site.
- A Heritage Item is located on Lot 35 DP258414 – Bayley Park (house). The owners of Lot 35 have carried out earthworks and have sealed the majority of the site adjacent to the heritage item. The Owner does not consider it is fair for sites adjacent to Lot 35 to complete a Heritage Impact Statement as per Section 2.3(1) of the draft DCP when the owners of that site were not required to or did not consider potential impacts prior to carrying out the sealing of around 3.5 ha of their site.
- **Figure 9** identifies that trunk drainage infrastructure is proposed to be located on the site. The Figure or the commentary in the draft DCP does not provide the required pipe diameter or easement width required to be established. There is also no reference to development controls for building near or over the trunk drainage network. The Owner of the site would pursue an alignment of the trunk drainage pipe identified as C02 on **Figure 9** and sited on **Figure 6** which is located adjacent to the northern boundary of the site to optimise the development potential of the site. The location of the trunk drainage would further limit the development potential of the site should the Optional Road alignment remain.

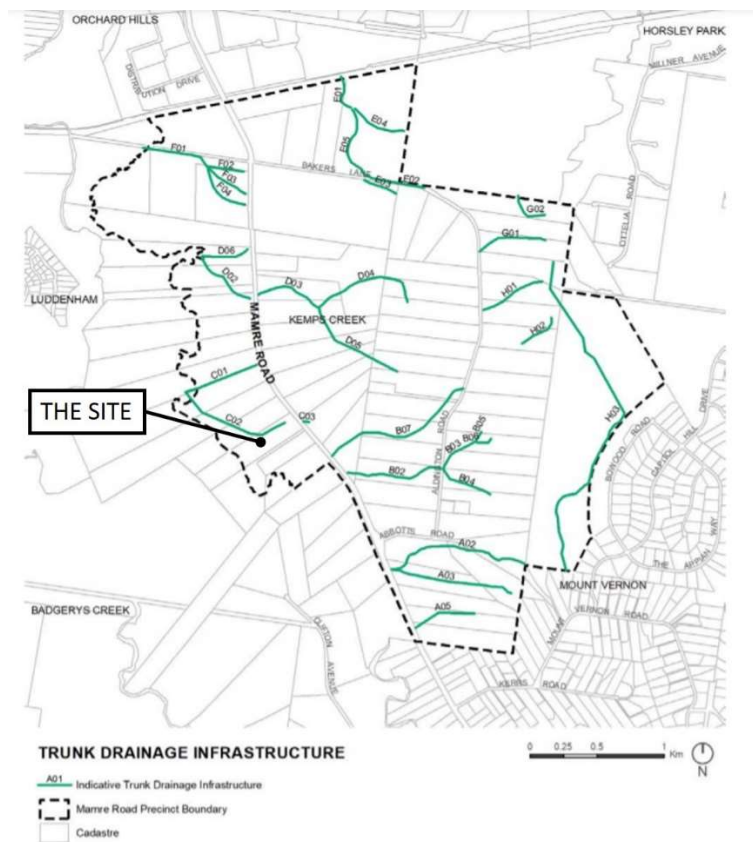


Figure 9: Proposed Trunk Drainage Network (draft DCP)

Recommendations

- The Department should provide a single plan in a figure showing all of the required infrastructure and site constraints across the Precinct.
- The height controls in the DCP should be adjusted to suit high bay warehouse developments. Alternatively, additional controls for high bay warehouses with a height of between 30 and 40 m should be established.
- Table 10 and the remainder of the draft DCP should provide clarity around the classification of the High Order Roads identified on Figure 14.
- Section 4.2.4 should be amended to permit the location of loading areas on side boundaries.
- Figure 3 should be replaced with a clearer image to provide the Owner with certainty that the site is not impacted by Areas of High Biodiversity Value.
- It is requested that the Department and Penrith City Council review the classification of the Heritage Item in consultation with the landowner of Lot 35 with a view of removing its status.
- Additional details on the required specifications of the trunk drainage infrastructure and the size of the easement are necessary.

3.0 Conclusion

On behalf of the Owner, SKM Planning thanks the Department for extending the exhibition period of the draft DCP. The Owner is generally satisfied with the DCP as drafted but requests that the recommendations provided in this submission are considered. Most importantly, the Owner requests the Department look favourably on their request that the “Optional Alternate Road Access (to be investigated)” alignment be removed from **Figure 14** of the draft DCP.

Please do not hesitate to contact me to discuss this submission or if you would like additional information.

Sincerely,



Kelly McNicol M.PI
Director – SKM Planning