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Australia's property industry Creating for Generations

17 December 2020

Catherine Van Laeren Executive Director, Central River City and Western Parkland City Department of Planning, Industry and Environment Locked Bag 5022 PARRAMATTA NSW 2124

Dear Ms Van Laeren

Mamre Road Precinct - Draft Development Control Plan

The Property Council of Australia welcomes the opportunity to provide comments to the Draft Mamre Road Precinct Development Control Plan (Draft Plan).

As Australia's peak representative of the property and construction industry, the Property Council's members include investors, owners, managers and developers of property across all asset classes, including retirement living.

We are pleased to provide the attached comments for your consideration.

We acknowledge the work of the Department of Planning, Industry and Environment (Department) to prepare the zoning instrument and Draft Plan during 2020. We have provided constructive comments on many aspects of the Draft Plan and would welcome the opportunity to discuss these with the Department early in 2021. Once the DCP is finalised, we would recommend responsibility for updating the DCP provisions be transferred to Penrith City Council which has both the resources and expertise to undertake strategic planning for large industrial precincts.

Should you have any questions regarding the content of this submission, please contact Ross Grove, Western Sydney Regional Director, on 0412 897 130 or <u>rgrove@propertycouncil.com.au</u> or Troy Loveday, NSW Policy Manager on <u>tloveday@propertycouncil.com.au</u>



Submission to Department of Planning Industry and Environment

Draft Mamre Road Precinct Development Control Plan

17 December 2020

1.0 Executive Summary

The Property Council has advocated for the accelerated release of the Mamre Road Precinct to bring much needed industrial land to the market. In a changing economic climate, the demand for logistics and warehousing continues to grow with the city's population and the shifting trend toward e-commerce and a post-pandemic interest in improving domestic and international supply chain resilience.

Over the past three years, we have appreciated the constructive and collaborative relationship with government stakeholders across various workshops and the statutory consultation period leading up to the incorporation of Mamre Road into the Western Sydney Employment Lands SEPP. We were particularly pleased with the government's response to industry feedback regarding the adoption of standard flood management controls and the refinement of the intermodal exploration area.

In this submission, we provide detailed comments on specific sections of the Draft Plan, most notably on those parts with the potential to restrict development in the precinct through a mixture of increased costs, reduced building footprints or a lack of clarity as to how they are interpreted at Development Application stage. A number of changes to the DCP are recommended, and in some areas where solutions require additional information or stakeholder engagement we have recommended landowner workshops occur in the beginning of the new year prior to the DCP's finalisation to assist the Department in resolving these issues.

2.0 Specific comments on draft DCP provisions

2.1 Aboriginal Heritage (DCP section 2.4)

The Property Council acknowledges the importance of Aboriginal heritage to Western Sydney and supports the inclusion of the objective into the Development Control Plan.

Figure 5 of the Draft Plan indicates the areas of high and moderate Aboriginal archaeological potential across the Mamre Road Precinct. Of the 70 lots within the precinct, 67 are governed by the *"within or adjacent to"* provisions specified within the controls.

A number of landowners have expressed to us their concerns and are seeking further information regarding the material evidence used to support the mapping. While we understand that from time to time there may be good reason for not making information concerning the nature and location of a place or an item of Aboriginal significance available to the general public, providing property-specific extracts to individual landowners is likely to be beneficial in ensuring development activity and the preparation of supporting studies has regard to these assets and minimises the need for further excessive investigation activity where such activity has the potential to disturb items unnecessarily.

It has also been noted that the Draft Plan makes reference to the requirement for an Aboriginal Heritage Impact Permit under the National Parks and Wildlife Act 1974 rather than the current practice of an Aboriginal Cultural Heritage Assessment Report. We would appreciate it if this option could be given consideration, and an explanation of the rationale of the final approach to be included in the consultation report informing the final DCP.

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2.2 Riparian Land (DCP section 2.5)

The Property Council appreciates the intent of the draft controls with respect to riparian land corridors, however the controls need more flexibility to enable feasible development and improved environmental outcomes.

This section contains a range of controls seeking to prohibit any variation or works within the corridor. It is reasonable to expect that the delivery of an industrial precinct is contingent on the ability to create level sites to facilitate foundation slabs for warehouses and similar buildings with large floorprints. As part of this process, allowance needs to be made for coordinated management solutions which balance environmental and economic imperatives.

As these corridors travel across multiple lots, the Property Council encourages further dialogue with landowners to consider options to manage water flows across the precinct prior to the final consideration of these controls.

In their submission, the Mamre Road Landowners have identified inconsistencies regarding the widths of riparian corridors in Table 4 and previous advice provided by the Department of Planning Industry and Environment. The Property Council recommends this inconsistency be reconciled prior to finalisation of the Draft Plan.

2.3 Integrated Water Cycle Management (DCP section 2.6)

This portion of the Draft Plan makes reference to Sydney Water's *Mamre Road Integrated Water Cycle Management Strategy* as the guiding document for the drafting of controls in this section. The Property Council is unaware of any industry stakeholder engagement that may have supported the preparation of this strategy.

While this section of our submission will address some of the provisions of the current draft plan, our preference is for the final plan to reference Penrith City Council's water cycle management controls, while further engagement between landowners, DPIE, and Sydney Water occurs regarding the new strategy.

Waterway health and Water Sensitive Urban Design

Our members have raised several concerns regarding the content of this section, most notably the 35% pervious surfaces target. Similar to other provisions related to road widths, tree canopy and riparian zones, these controls have the potential to significantly reduce the capacity of industry to construct buildings of a size that is demanded by tenants of new warehouse sites.

Trunk Drainage Infrastructure

The Property Council notes the indicative status of the trunk drainage infrastructure identified in Figure 6 and we encourage further consultation between the State Government and industry in considering the final alignment of this key infrastructure.

We also note there appears to be an inconsistency between the Draft Plan and Penrith City Council's draft Section 7.11 Contributions Plan for the precinct regarding the private/public ownership of this infrastructure. This will need to be resolved prior to finalisation of the Draft Plan.

2.4 Flood Prone Land (DCP section 2.7)

The Draft Plan's desire for naturalised, open drainage channels is likely to be difficult to achieve and this section will require ongoing revision as development occurs across the precinct. While we appreciate the aspiration for natural channels, other solutions should also be considered on their merits and in the context of achieving the best development outcome across the precinct.

Additionally, Control 16, which limits flood detention to each lot, should be reconsidered as it has the potential to inhibit the creation of single solutions across a group of lots.

2.5 Subdivision (DCP section 3.1)

Control 8 in this section of the Draft Plan provides for larger lots adjoining the intermodal terminal and integrated freight network to maximise the future developability of this portion of the precinct. The Property Council agrees with the principle underpinning this approach and requests the Department insert a specific lot size into this control to provide better clarity to industry.

2.6 Views and Visual Impacts (DCP section 3.2)

The rezoning of the Mamre Road Precinct was approved for the purposed of delivering muchneeded warehousing, logistics and employment lands to the wider Sydney Region. This was confirmed in the Mamre Road Discussion Paper from November 2019 which stated:

"The amendments proposed in this discussion paper seek to implement this framework by proposing to rezone the precinct for industrial purposes with a focus on servicing the growing freight and logistics market. The vision for the precinct is to provide industrial sized floorplates which are necessary for freight and logistics uses."

All stakeholders involved in the public consultation process can reasonably expect the Mamre Road Precinct to have a decidedly industrial character. This involves large warehouses, significant earthworks and variations to the existing topography. The precinct also sits in the context of the Western Sydney Employment Area and the initial precincts of the Western Sydney Aerotropolis, which for the most part will generate development of a similar nature.

This aspect of the Development Control Plan needs to be reviewed to reflect the initial aspirations for the precinct, while noting the need for a sensitive interface between the precinct and residential properties at Mount Vernon.

2.7 Transport Network (DCP section 3.4)

The Property Council understands landowners are working with the NSW Government on the evolving transport network needs of the precinct and we encourage this portion of the DCP to be updated as more information becomes available.

2.8 Building Height (DCP section 4.2.1)

The Property Council welcomes the flexible approach to determining building heights as outlined in the Draft Plan. We note that Control 5 within this section seeks to restrict building heights to prevent building overshadowing of footpaths during the middle of the day. This should not be a key consideration of the DCP and should be removed. We are confident sufficient sunlight outcomes will be achieved within this precinct through the controls elsewhere within the draft, which include building setbacks, provision of open space, wide riparian and road corridors.

We also note that within this section there are controls relating to sloping sites. It is reasonable to expect the employment precinct to feature large buildings on a single level, and this will

require some variation to the current topography. This issue should be the subject of further discussions between the Department and landowners prior to finalisation of the DCP.

2.9 Landscaping (DCP section 4.2.3)

The Property Council understands the need to make provision for landscaping within industrial estates as part of a variety of measures to improve public amenity and improve local temperature outcomes within the precinct.

The proposed 40% tree canopy target is not supported in the form outlined within the Draft Plan. In our submission to the NSW Government Architect's *Greener Places – Design Guide* we recommended that canopy targets be aspirational only and should not become numerical requirements embedded into the planning system through LEPs and DCPs.

We would propose the target be dropped, with an emphasis on ensuring suitable landscape outcomes in public spaces, building setbacks, road reserves and environmental conservation zones.

2.10 Building Design (DCP section 4.2.4)

The release of the Mamre Road Precinct was announced with the intent of catering to the increasing demand for logistics and distribution space which as occurred as a result of population growth and shifting trends toward e-commerce and new needs for supply chain resilience. While a standard of visual appeal should be factored into a building's design, this should not be considered as the highest objective for building design. Many of the provisions of this portion of the Draft Plan result in a significant increase in the building's cost, with negligible improvement to building amenity in an industrial precinct characterised by warehousing and logistics.

Specifically, we would like to propose the following amendments:

- Limiting the application of Control 15 (glazed facades) to the office components of a building only. In its present form, the increase in glass cover is likely to contradict the sustainability and environmental performance goals of the draft DCP.
- Controls 21 and 22 (uninterrupted expanses of wall) needs to be limited to apply to the street-level appeal of a building, and the option of varying colours rather than building material needs to be included as an option to consider in achieving this outcome. Continuous walls are an operational necessity for warehousing and distribution and it is unreasonable to impose requirements which drive up costs in portions of a building where those benefits will not be fully realised.

2.11 Earthworks and Retaining Walls (DCP section 4.4)

The Property Council appreciates the intent of this portion of the Draft Plan as it seeks to minimise the negative impact created by an over-reliance on cut and fill across the precinct, however a number of controls within this section have been identified by members as impractical.

We recommend the Department include this portion of the Draft Plan as an item for further consultation with precinct landowners.