

Friday, 26 February 2021

Greater Sydney Commission
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UDIA Submission on the Western Parkland City Initial Place-Based Infrastructure Compact

The Urban Development Institute of Australia, NSW (UDIA) is the leading industry body representing the interests of the urban development sector and has over 500 member companies in NSW. UDIA NSW advocates for the creation of Liveable, Affordable and Connected Smart Cities.

UDIA is pleased to provide a submission to the Greater Sydney Commission (GSC) on the *Western Parkland City Initial Place-Based Infrastructure Compact* (PIC) which has been prepared by the Greater Sydney Commission (GSC). This submission builds upon the UDIA document titled “Western Sydney Place infrastructure Compacts - UDIA NSW Response” that was provided to GSC in October 2020.

The PIC is critical to establish the planning and development of the Western Parkland City PIC and drive the place outcomes for Sydney’s third city. UDIA is supportive of the work undertaken in the PIC, albeit that much of the detail remains confidential, which provides the planning work to enable infrastructure to be delivered in a coordinated and efficient way. We provide the following recommendations for action by GSC:

- 1) GSC to achieve greater integration between transport and land use with any proposed future rail lines and public transport corridors by using the Urban AI model to test scenarios for growth and development in the Western Parkland City.
- 2) That a lead coordination agency has the power to direct service agencies to deliver projects in a coordinated manner to achieve growth in the key precincts of the Western Parkland City
- 3) That key service agencies commit to the Fit for Place program (Proposed Action 6) by aligning capital budget to deliver projects in a coordinated manner.
- 4) Ensure coordinated infrastructure delivery through key agencies working together and involving the development industry upfront.
- 5) To provide integrated water cycle management along targeted water and wastewater solutions that support development and minimise flooding constraints through a more balanced approach to the application of the PMF.
- 6) A holistic approach to taxes and charges is taken to deliver a competitive city with a charging system that provides certainty and allows for the integrate delivery of infrastructure and development.

- 7) That GSC adopts a realistic approach to deliver open space in the Western Parkland City that achieves amenity, reduces the urban heat island affect and supports the funding of open space in the short term.
- 8) That GSC and UDIA work together on the sequencing of the key precincts for jobs and housing to achieve the planning vision for the Western Parkland City.
- 9) Figure 10 (page 31 of the Draft PIC report) shows the potential future PIC areas, UDIA recommends that the next focus should be the South West Growth and the Greater Macarthur which will have an important impact on the planning and development of the Western Parkland City.
- 10) That GSC commits to the development of the Leppington Strategic Centres as an initial location for jobs in accordance with Action 1.

Introduction

UDIA supports the metropolitan planning vision for Sydney to create 30-minute cities that provide jobs close to where people live. Of the three metropolitan cities, the Western Parkland City will experience the most land use change, as agricultural land is gradually developed into urban land comprising residential, employment, infrastructure, recreational and environmental uses.

The Aerotropolis will emerge as a primary centre within the Western Parkland City, with the opportunity to create critical north-south public transport connections to existing centres in Penrith, Campbelltown, and Liverpool. There will be also new centres at Orchard Hills and Luddenham and new infrastructure including the Airport Metro, the East West Metro, the M9 and multiple arterial road upgrades, as well as key utility infrastructure, which are all needed to improve livability and ensure amenity for all residents.

UDIA is well positioned to inform government on the future planning and delivery of the Western Parkland City and in 2020 we undertook research into the main challenges facing the region as covered in “*Western Sydney Place infrastructure Compacts – UDIA NSW Response, October 2020*”. This submission helped UDIA to understand that there are currently significant socio-economic, health and urban liveability inequalities between the Western and Eastern Cities, summarised as follows in Figure 1.

	Western Sydney	Greater Sydney Metro	Western Sydney compared to Greater Sydney
Population Growth	2016: 740,000 2036: 1.1 million (+48%) <small>Greater Sydney Region Plan, March 2018</small>	2016: 1.3 million 2036: 1.7 million (+30%) <small>Greater Sydney Region Plan, March 2018</small>	+49%
Household Salary	\$1,505 <small>(Median weekly HH income, SW Sydney* 2016 – ABS)</small>	\$1,750 <small>(Median weekly HH income, Greater Sydney, 2016 – ABS)</small>	-14%
University Education	14.9% <small>(Highest level of educational attainment, SW Sydney, 2016 – ABS)</small>	28.3% <small>(Highest level of educational attainment, Greater Sydney, 2016 – ABS)</small>	-52%
Obesity Levels	56% <small>(Overweight or Obese, SW LHD 2017)</small>	46% <small>(Overweight or Obese, Sydney LHD 2017)</small>	+22%
Unemployment Average	6.2% <small>(Unemployment rate, SW Sydney, Sep 2019, - ABS)</small>	3.5% <small>(Unemployment rate, Greater Sydney, Sep 2019, - ABS)</small>	+77%
Car Dependency	83.5% <small>(% Total Trips by Vehicle, SW Sydney, 2017/18 – HTS, TfNSW)</small>	69% <small>(% Total Trips by Vehicle, SW Sydney, 2017/18 – HTS, TfNSW)</small>	+21%
Mortgage Stress	14.6% <small>(Wentworth Community Housing/Western Sydney Community Forum April 2019)</small>	11.8% <small>(Wentworth Community Housing/Western Sydney Community Forum April 2019)</small>	+24%
Rental Stress	32.8% <small>(Wentworth Community Housing/Western Sydney Community Forum April 2019)</small>	26.4% <small>(Wentworth Community Housing/Western Sydney Community Forum April 2019)</small>	+24%
Annual number of days above 35°C	26	6	+433%

Figure 1 – A Snapshot of Western Sydney as compared to Greater Sydney Metropolitan Area

Based on the above and from our research undertaken, we have identified the following key areas where the PIC can be improved to achieve the planning vision for the Western Parkland City which aims to achieve the place outcomes.

1. Better transport and land use integration

Recommendation 1. *GSC to achieve greater integration between transport and land use with any proposed future rail lines and public transport corridors by using the Urban AI model to test scenarios for growth and development in the Western Parkland City.*

For an extended period, Western Sydney has suffered with a lack of public transport and is therefore 21% more car dependant than the rest of Sydney. For the next 20 years Western Sydney is expected to have 55% more population growth and we must see intergenerational investment in rail and rapid bus transit to rival other globally competitive cities like Singapore, Hong Kong, London, and San Francisco.

The release of just five new stations on the West Sydney Airport Metro, which is 23 km in length, represents a lost opportunity to provide multiple locations for targeted growth and transit-oriented development at rail stations in the Western Parkland City.

UDIA contends that other proposed metro lines in the Western Parkland City must allow for the maximum possible amount of rail stations to support TOD development to deliver the 30-minute City vision, increase public transport use and provide a diverse housing product for existing and future residents.

Firstly, this requires improved agency coordination and industry involvement in current “closed door” approaches to strategic design and business case development for major transport infrastructure.

In 2018 UDIA launched the Urban AI pilot project focussed on the North-South Rail in Western Sydney with an ambition to explore how machine learning twinned with computational design modelling could contribute to better strategic transport and land-use decision making and future city communication (Refer to Figure 2).

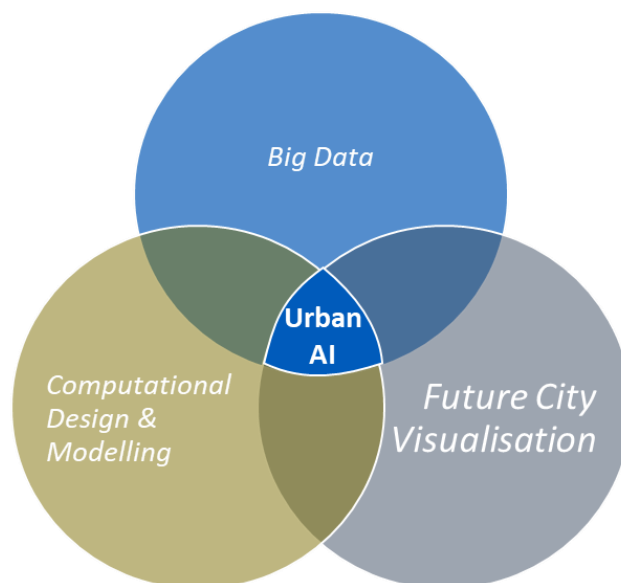


Figure 2 – UDIA NSW – Urban AI future city model

Using this data, the Urban AI model has more than 20,000 buildings forecast in TODs along the complete stretch of North-South rail corridor out to 2056, and showcases the strategic merit for up to three more stations in Stage 1 of the Metro project: a station at Western Sydney University’s joint campus with TAFE at Werrington, a second station at Orchard Hills and an employment hub station at Badgerys Creek North.

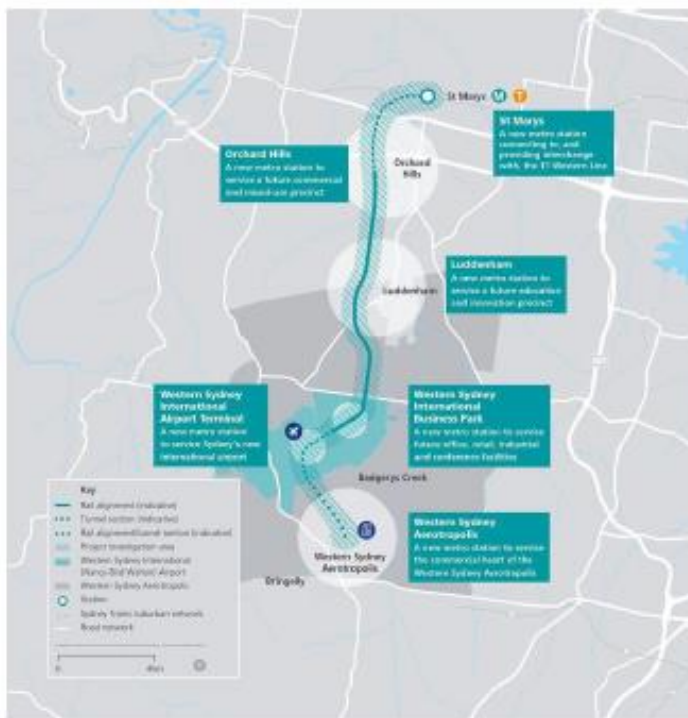


Figure 3: Sydney Metro Western Sydney Airport Line (31/6/2020) Figure 2: Urban AI N S Rail Line Possible



Figure 4: Urban AI N S Rail Line

Our Urban AI model can be used to test scenarios for the centres listed in the PIC Proposed Actions 1 and 2. Of note our Urban AI tested a scenario that could achieve 430,000 dwellings by 2056, plus 400,000 jobs. This is predicated on providing 18 stations, five new stations extending south from the WSIA and a further 7 stations, extending up to Marsden Park, which is 3 stations over what is currently proposed by TfNSW (Refer to Figures 3 and 4). Further under this scenario, the AI model stated that 3 square metres of open space could be provided for each person in the City.

2. Coordinated Infrastructure Delivery and the proposed Fit-for-Place Program

Recommendation 2. *That a lead coordination agency has the power to direct service agencies to deliver projects in a coordinated manner to achieve growth in the key precincts of the Western Parkland City*

Recommendation 3. *That key service agencies commit to the Fit for Place program (Proposed Action 6) by aligning capital budget to deliver projects in a coordinated manner.*

Recommendation 4. *Ensure coordinated infrastructure delivery through key agencies working together and involving the development industry upfront.*

A lot of hard work, diligence, innovation, and collaboration is needed to build a city with up to 2 million residents that will require a further 200,000 jobs by 2036.

To support the drive to deliver the Western Parkland City, we need key government agencies to work together to achieve integrated planning outcomes which consider the needs of both transport and land use and a strong spirit of collaboration between key government agencies and industry stakeholders. When key agencies do not engage, the result is substandard planning and infrastructure outcomes which occurred with the Western Sydney Airport Metro between DPIE and Transport for NSW.

By engaging with the industry at the early stages of the design process, we can better inform government of potential growth scenarios and achieve more efficient infrastructure delivery. Regular and consistent engagement can instil developer confidence and broader agency commitment to the planning vision as part of their strategic direction and capital planning.

Furthermore, the utilities need to deliver in an integrated manner, this means an implementation plan with regular accountability is critical. For that, we recommend that an Urban Development Program (UDP) is established from the PIC(s). This would develop a 'one-source-of truth' of forward residential and employment development supply locations, yields and timings with requisite enabling infrastructure to better inform growth planning and growth servicing across the Greater Sydney region.

UDIA has developed a UDP Pilot for the South West Growth Centre collaborating with DPIE and local government which can help to inform government about the delivery of targeted infrastructure to support housing growth. We believe an effective UDP program needs to be enabled to better inform the cost benefit analysis of proposed infrastructure which ensures the maximum potential for investment to enable future development.

UDIA's Urban Pinboard UDP (see figure 5) tool has been developed to provide scenario analysis to better inform the infrastructure funding frontier. UDIA would be pleased to continue to work with government to further develop the Urban Pinboard UDP tool with the objective of enabling better collaboration between government and industry to find infrastructure funding and develop solutions.

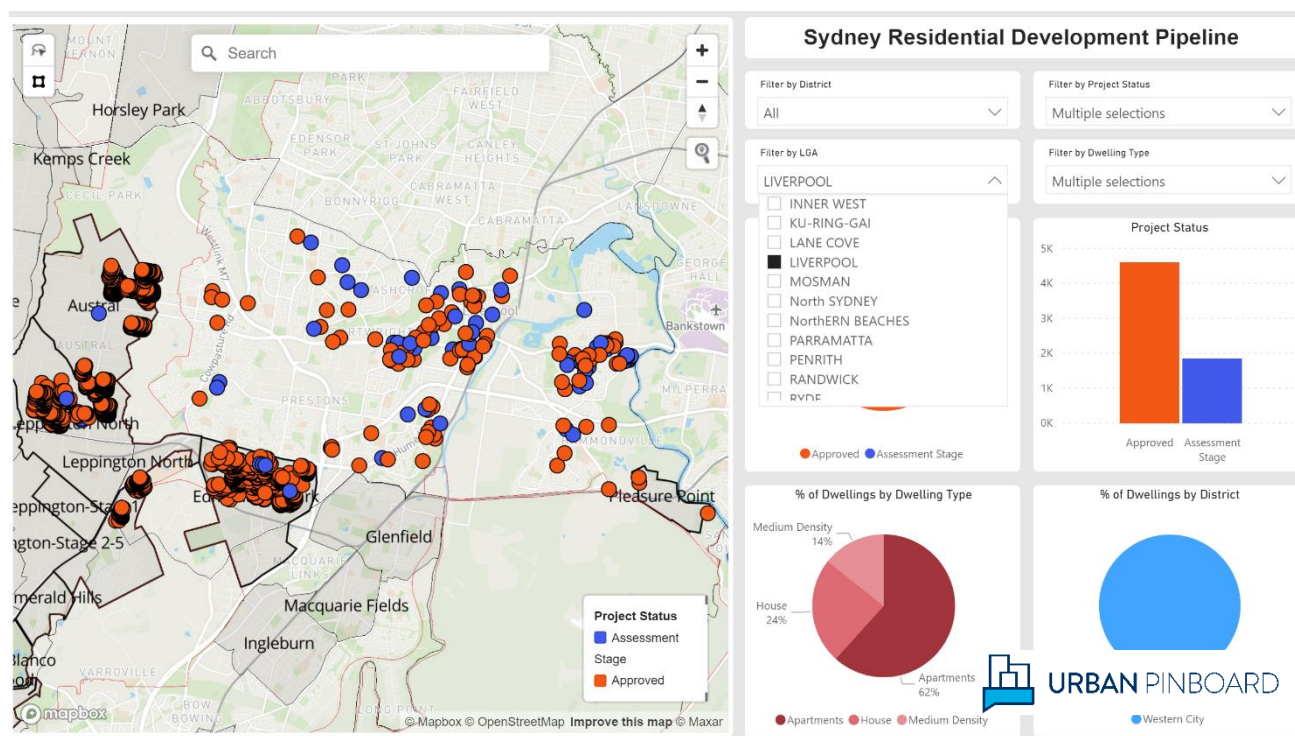


Figure 5 – UDIA NSW – Urban AI future city model

The Fit for Place Program

Further to the above UDIA supports the 'Fit-for-Place' Program (as per Proposed Action 6), which seeks to coordinate the location of public, private and not-for profit investment.

A key issue is whether the Western Parkland City Authority and the Department of Planning, Industry and Environment as the responsible agencies can dictate coordinated infrastructure outcomes with service agencies such as TfNSW and Sydney Water.

A key test of Fit-for-Place program objective will be to achieve integrated transport and planning outcomes along the proposed metro rail lines, both east and south of the Aerotropolis Precinct. The main aim will be to achieve the maximum number of stations which will become targeted locations for housing and jobs. Any such lead coordination agency must be able to direct a service provider to commence the design, planning and delivery of an infrastructure item to support a growth precinct.

At the same time, a service agency must commit to the coordinated infrastructure program by aligning program budgets and supporting the planning vision overall for each precinct to support the timely release of housing and jobs.

3. Water management, flooding and PMF

Recommendation 5. To provide integrated water cycle management along targeted water and wastewater solutions that support development and minimise flooding constraints through a more balanced approach to the application of the PMF.

Water management

UDIA advocates for a “Water in the West” strategy approach which is underpinned by a flowing South Creek, green places and riverside development.

This requires an integrated water cycle management approach that allows for innovation to drive water reuse outcomes for residential, business, irrigation and environmental flows.

Stakeholder collaboration again is important to ensure a management approach is applied by State and local government with a suitable regulatory framework.

Our key areas of concern are:

- 1) The ability to discharge water into South Creek; the EPA’s South Creek Bubble Licence restricts discharge to the current level. As development occurs, treated wastewater and stormwater run-off inevitably increases and they need somewhere to go. Otherwise, growth enabled by development will not occur in Western Sydney.
- 2) The expectations for recycled water - the industry requests clarification regarding the implementation of water recycling and if there is the need for purple pipe for recycled wastewater, stormwater harvesting and/or purified recycled water for drinking, as well as the types of water uses that will be needed and supported.
- 3) Demand forecasting for water uses due to the industrial, advanced manufacturing, logistics and residential nature of the greenfield zone. We believe there needs to be greater collaboration between industry and utilities on the types of uses that will occur and technically can occur to inform future water planning.
- 4) Interim water management solutions are needed to ensure the industry is able to deliver development from day one, and this must be supported by the PIC.

UDIA expects the established parts of the GPEC precinct to be less impacted by water servicing issues and to use established water infrastructure initially.

Flooding and PMF

The development sector and local government across the Parkland City remains concerned with the uncommercial and unreasonable approach to flood management in the Western City. The approach driven by hidden secret flood modelling risks sterilising large portions of the Aerotropolis and GPEC regions.

UDIA understands overly cautious assumptions in the modelling means that development across the region is sterilised. Whilst we have strongly advocated alongside affected local councils for a solution, we believe there is a long way to go to properly address this issue. We are seeking the release of flood modelling to work with government on reasonable infrastructure outcomes that support development and release areas for growth.

4. Taxes and Charges

Recommendation 6. A holistic approach to taxes and charges is taken to deliver a competitive city with a charging system that provides certainty and allows for the integrate delivery of infrastructure and development.

UDIA advises that there is major reform on in the review of taxes and charges related to urban development that will shape future outcomes and development processes. This includes the review into developer contributions and the forthcoming response by Government to the Productivity Commissioner's 29 recommendations. There is also the review by the NSW Treasurer into stamp duty and possible introduction of a land tax.

Collectively these reviews will have an impact on the ability to fund and sequence infrastructure in the Western Parkland City. UDIA supports a wholistic approach to developer contributions, development levies and property taxes to ensure ongoing developer confidence and housing affordability.

The delivery of the employment land, which is predominately based on a leasing model is even less able to afford expensive upfront development contributions and the uncapping of contribution creates significant uncertainty.

The boundaries of the PIC areas suggest there will be multiple SICs required across the precincts and presently there is only two SICs within the PIC area. With four precincts now rezoned and services expected imminently the key barrier for industry will be the impact of infrastructure contributions.

Developers are making commercial decisions based on historical assumptions, and we support an opportunity through the review into developer contributions to address previous challenges with the current contributions system in line with broader taxation reforms taking place.

5. Greening and Open Space

Recommendation 7. That GSC adopts a realistic approach to deliver open space in the Western Parkland City that achieves amenity, reduces the urban heat island affect and supports the funding of open space in the short term.

UDIA understands that there is strong emphasis on open space and biodiversity that will underpin the development of the Western Parkland City primarily to reduce the urban heat island effect and enhance amenity for residents, workers, and visitors.

Greater investment in open space in the Western Parkland City is required from DPIE beyond what existing open space programs deliver. Significant acquisition of land for open space is required to achieve the place outcomes for the Western Parkland City, which covers the bulk of land acquisition (over 7,000 hectares) required. To achieve this UDIA supports Proposed action 7: Forward public land and property program to achieve this.

Proposed urban tree canopy targets also need to be realistic and address what is possible in new release areas as compared to existing urban areas. There will also be challenges in achieving urban tree cover in employment zones.

Again, strong collaboration between what a council will deliver with open space and what the State government will deliver and how the community will use the open space over time. The ultimate responsibility to manage the regional open space areas will also be critical to ensure it contributes to recreational and environmental outcomes.

6. Sequencing

Recommendation 8. *That GSC and UDIA work together on the sequencing of the key precincts for jobs and housing to achieve the planning vision for the Western Parkland City.*

UDIA notes the centres that will be targeted for initial release for jobs and housing as presented in Proposed Actions 1 and 2. UDIA has also done work in this area which is presented in Table 1.

Table 1 – UDIA Proposed Sequencing for the Western Parkland City

Current	Phase 1	Phase 2	Future
Edmonson Park Austral Leppington North Mamre Road	Glenfield Aerotropolis Core Northern Gateway Western Sydney Airport Agribusiness Winnamatta-South Creek	Kemps Creek Rossmore Badgerys Creek	North Luddenham Agriculture
Jordan Springs Ropes Crossing	Australian Defence Orchard Hills Penrith Lakes Penrith Centre	St Marys Mount Druitt	Kingswood and Werrington

UDIA is keen to work with GSC in this area to better align the centres and areas nominated in the PIC Proposed Actions 1 and 2. This will allow GSC need to fully investigate the potential offered by the centres and areas within the Western Parkland City to achieve the Proposed Actions 1 and 2 to provide jobs and housing for existing and future residents at key locations.

7. The focus area of the PIC

Recommendation 9. *Figure 10 (page 31 of the Draft PIC report) shows the potential future PIC areas, UDIA recommends that the next focus should be the South West Growth and the Greater Macarthur which will have an important impact on the planning and development of the Western Parkland City.*

Recommendation 10. *That GSC commits to the development of the Leppington Strategic Centres as an initial location for jobs in accordance with Action 1.*

The Aerotropolis, Greater Penrith (GPEC) and Austral to Leppington corridor are the three main target areas for the PIC to transform Western Sydney into the GSC's vision for the Western Parkland City.

UDIA contends that the focus on the PIC area must not be exclusive, rather centred on the overall impact for whole of the Western Parkland City. Infrastructure planning must be completed comprehensively so we can deliver the vision for a smart, green, and productive world leading future city.

UDIA is concerned that there is a move away from the South West Growth Centre which has a SIC funding program to part-fund infrastructure. The commitment and drive to develop Leppington as a strategic town centre, now sits in a “too hard basket” to initiate employment and achieve land use integration at major interchange in South West Sydney. It is noted that the PIC identifies Leppington North is one of the cheaper precincts to accommodate a new resident/job. UDIA supports a greater committed to delivering Leppington Strategic Centre for jobs in accordance with Action 1.

Further it is unclear how future growth planned for the Greater Macarthur precinct will integrate with Western Parkland City, especially since the M9 Outer Sydney Orbital connects the Western Parkland City to the Hume Highway and the Appin Township.

8. Response to Key Actions

Recommendation 11. GSC to address our responses to the proposed actions in the PIC

Other than the recommendations contained in this submission, UDIA generally supports the proposed actions contained in the PIC. A general response to other key actions is provided in Table 1.

Table 2 – UDIA response to proposed PIC actions (not addressed above)

Proposed Action	UDIA response
Proposed action 7: Forward public land and property program	<p>This action is critical to support the acquisition of over 7,000 hectares of land needed to service the Western Parkland City of which most will be required for waterway open space and environmental conservation purposes.</p> <p>This action should commence in the initial stages to yield considerable savings to the overall infrastructure cost.</p>
Proposed action 8: Shifting to place-based strategic business cases (SBC)	<p>This action is critical to achieve delivery time savings on key state infrastructure which is already nominated in key plans, strategies, and policies.</p> <p>Noted that and place-based SBC, must integrate with capital prioritisation and budget decisions from the key agencies.</p>
Proposed action 9: Whole-of-water cycle and stormwater management reform as part of place-making	<p>This outcome can only be achieved through the success of Action 7 firstly but also applying a more practical approach to PMF and flooding (Refer to Section 6).</p>

9. Conclusion

UDIA supports the work undertaken by GSC to plan for the growth and infrastructure delivery using a PIC based on the six place outcomes for the Western Parkland City.

UDIA is well versed in the key issues affecting the region and our research and our Urban Pinboard future city models can inform government of better ways to achieve land use integration, coordination between key government agencies and the development industry and how to sequence and plan for key precincts.

UDIA supports better integration of the Western Parkland City with the South West Growth Centre and broader Greater Macarthur area which are key regions that impact on future planning and infrastructure delivery.

A robust government coordination agency is needed within Government that can direct key service agencies to align delivery programs and target infrastructure for the key precincts as they redevelop. In turn, the key service agencies must also commit to the Fit-for-place program or substandard planning outcomes will occur. This approach will provide the best possible outcome for future metro rail infrastructure and the realisation of targeted growth at planned stations.

The remaining proposed actions in the PIC are supported, provided key issues are addressed especially with the forward funding of infrastructure to acquire lands and achieve the planning vision for the Western Parkland City.

The UDIA is keen to collaborate with GSC on the Western Parkland City PIC and we seek a meeting to further present our ideas and future city technology tools for better ways to achieve the planning vision.

Please contact Mr Kit Hale on 02 9262 1214 or khale@udiansw.com.au to arrange a meeting to discuss the issues raised in this submission on the Western Parkland City Initial Place-Based Infrastructure Compact.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Steve Mann', with a stylized flourish at the end.

Steve Mann
Chief Executive
UDIA NSW