





Western Sydney Leadership <mark>Dialogue</mark>

Friday, 12 March 2021

Mr Andrew Jackson Director Western Sydney Planning Partnership

via NSW Planning Portal

# Joint Peak Body Group Submission on the Western Sydney Aerotropolis Draft Precinct Plans

Dear Mr Jackson,

The purpose of this letter is to provide a submission by the Joint Peak Body Group (JPBG) to the Planning Partnership on the *Western Sydney Aerotropolis Draft Precinct Plans*. The submission provides a collective response to the key issues that need to be addressed to achieve the planning vision for the key precincts in the Western Sydney Aerotropolis.

The JPBG includes the *Property Council of Australia, UDIA NSW, Business Western Sydney* and the *Western Sydney Leadership Dialogue*. Our combined membership spans landowners, developers, lessees, manufacturers, government agencies, universities, and consultants, who are presently involved in shaping the planning and delivery of the Western Parkland City and Aerotropolis.

We support the metropolitan planning vision for Sydney to create 30-minute cities that provide jobs close to where people live. This is especially relevant to the Western Parkland City that will provide up to 185,000 dwellings and a population of 1 million people with 200,000 jobs by 2041.

Of the three metropolitan cities, the Western Parkland City will experience the most land use change as agricultural land gradually transforms into urban land comprising residential, employment, infrastructure, recreational and environmental uses. The Aerotropolis will emerge as a primary centre within the Western Parkland City.

Over the exhibition period, the JPBG has been meeting to discuss the best approach to the future planning and delivery of the Aerotropolis. The JPBG has identified five primary areas of concern that must be addressed before the Precinct Plans for the Aerotropolis Core, Agribusiness, Badgerys Creek, Northern Gateway, and Wianamatta-South Creek are implemented and we comment under these headings and provide 10 recommendations as follows:

# 1. The role of the Precinct Plans

The JPBG recognises that the land use zoning for the Aerotropolis Precinct is covered under the *State Environmental Planning Policy Western Sydney Aerotropolis 2020* (the Aerotropolis SEPP) and the associated Structure Plan. Clause 40 covers precinct plans and master plans that require the Ministers approval. This clause also requires master planned development to be consistent with a precinct plan.

The JPBG considers that the planning regime for the Aerotropolis is quite bespoke. The use of Precinct Plans undermines the broad-based planning objectives of the main land use zones ("Enterprise" and "Mixed Use") which aims to attract "highest and best use" development. The Precinct Plans seem to lack flexibility, have too much statutory weight and will strongly dictate the form and type of proposed development. They are also highly prescriptive and detailed and contain excessive "finer grain" detail.

Flexibility is needed to meet market demand as it emerges, particularly as the roll-out of development is difficult to predict around a new airport in Australia. Flexibility could be achieved if the Aerotropolis SEPP allowed alternative development proposals provided they complied with the key objectives and principles. The use of *Clause 4.6 Exceptions to development standards* (Refer to the Standard LEP), or similar, would allow flexibility and reinforce the SEPP as the principal planning policy for the Aerotropolis.

Compliance with the Aerotropolis SEPP objectives and Structure Plan should be the main outcome for proposed development. Compliance with a precinct plan should only be a matter for consideration. This will add flexibility with the delivery of market tested proposals that comply with the Aerotropolis SEPP. Even the master planning process for large sites still requires compliance with a precinct plan. We also remind the Planning Partnership that there is no provision to vary a precinct plan, apart from a formal master planning/planning process, which can take up to 18 months.

The relationship between the SEPP and Precinct Plans also adds complexity, and there are inconsistencies between the planning documents. These inconsistencies must be corrected to minimise process complications once development is proposed.

Furthermore, the JPBG is concerned that once the Precinct development control plans are adopted, it will an extra assessment layer and more detailed planning provisions that a developer will need to comply with. (Refer to the Mamre Road DCP which contains 70 pages of planning controls). The recent public exhibition of the *Explanation of Intended Effect (March 2020)* for the <u>Draft</u> Place and Design SEPP also has the potential to add further assessment requirements for developers.

A more flexible planning process at the Aerotropolis is critical to enabling catalytic development. Experience suggests that zoned areas exceeding a two-kilometre radius from the airport are less likely to support an airport's primary function. Within this range, land should be reserved for larger-scale business parks not smaller site zones with narrow streets.

For example, the maximum building height across Enterprise Zoning (other than the local centre) is limited to 20 m and does not reflect the intent of the flexible zoning. This is overly restrictive and demonstrates a significant lack of understanding of current market trends and demand for high bay sheds, other innovative building typologies and uses that would leverage the proximity to the airport.

The Planning Partnership may benefit through the involvement of a specialist airport planning consultant to help better inform the planning and infrastructure delivery at the Aerotropolis and provide flexibility for a market response, the creation of place and best-practice design outcomes.

Other suggested planning process options for consideration include:

- 1) Undertake a closer assessment of the land constraints to better understand each precinct.
- 2) Enhance the planning function of the Structure Plan (and SEPP) as a primary plan which development must comply with, over and above the detailed requirements of the Precinct Plan.
- 3) Allow for a process to vary the Precinct Plan within the SEPP, provided development is consistent with the Structure Plan and SEPP objectives.
- 4) Further assessment of the Precinct Plan to ensure consistency with the Structure Plan.

Recommendation 1. The Planning Partnership reviews the planning hierarchy and makes provision for increased flexibility and alignment across planning instruments using the options put forward in Section 1 of this submission.

Recommendation 2. That the Planning Partnership engages airport planners to provide specialist planning and infrastructure advice on precincts surrounding the airport.

# 2. The proposed Blue Green Grid

Whilst the JPBG generally supports several of the open space and environmental place objectives for the Aerotropolis, we have concerns with the proposed Blue-Green grid.

The JPBG questions the nexus between an employment area and the demand for open space and recreation facilities, which has not been addressed in the Draft Aerotropolis Precinct Plan. The JPBG generally supports the provision of open space in accordance with the NSW Premiers Priorities which aims to increase the proportion of homes in urban areas within 10 minutes' walk of quality green, open and public space by 10% by 2023. Open space should only be provided in the Aerotropolis and Northern Gateway Precincts to service future residential areas. The JPBG cautions the need for substantial open space (regional or local) in the Enterprise zoned areas and in the Agribusiness Precinct.

The JPBG understands that about 1400 hectares (about 14 per cent of the total Aerotropolis area) are in the Wianamatta-South Creek Precinct, which is identified as having "minimal" jobs potential and no capacity for additional dwellings. This is a very generous provision for earmarking private land to achieve ecological outcomes in the Aerotropolis through the creation of large riparian corridors.

Additional "green corridors" and "green fingers" contained within precinct plans further encroach on land zoned for employment and enterprise, and when blended with fine grain street layouts, minimum landscaped areas, and maximum block sizes, it undermines the potential for large-scale logistics investment, a first-mover to support the Airport. The Planning Partnership should review the amount of land for proposed "green corridors" and "green fingers" which are excessive for a proposed city.

The proposed Blue-Green Grid is undermined due to the poor quality of existing soils, which have been extensively modified by over 200 years of agricultural use. The "water in landscape" approach is also excessive because it relies on ephemeral creeks (farm dams) to achieve ecological outcomes.

Based on feedback received from JPBG members, the assessment of undisturbed soil networks is presenting challenges, with developers unable to achieve viable cut and fill ratios while providing environmental outcomes and broader open space planning for the precinct. An efficient precinct planning process is therefore needed to support this development type.

Further investigation around the undisturbed soil network and existing creeks / waterways (some being ephemeral) is required to achieve practical planning outcomes. The Planning Partnership should also allow a degree of flexibility for the environmental and conservation areas which allows for stormwater basins and wetlands and even sports fields and parks to ensure the land is efficiently utilised as much as practical.

Once the ideal amount of land for open space and environmental conservation is confirmed, Government should then focus on a funding and delivery program to realise the planning vision for the Aerotropolis. A preferred State Government funding program should not be reliant on developer contributions but also incentivises landowners to dedicate their land for open space and environmental conservation purposes. Once the land is secured, a governance and maintenance program should be developed, like what is occurring at the Western Sydney Parklands. This approach will ensure that the proposed open space and environmental lands contribute to the planning outcomes for the Aerotropolis and future uses for the community. Recommendation 3. Review the amount of land proposed for open space to better accord with *Premier's Priorities.* 

Recommendation 4. Ground-truth existing creeks, waterways, and dams to confirm their viable contribution to the Blue Green Grid.

Recommendation 5. Seek to provide flexibility without the sterilisation of a significant amount of land for environmental outcomes.

Recommendation 6. Investigate financial incentives for private landowners and/or direct funding programs to acquire land for environmental conservation.

Recommendation 7. Provide flexibility by allowing parks, sports fields and detention basins in proposed open space areas.

Recommendation 8. Develop a governance framework to oversee the management of the regional open space at the Aerotropolis.

## 3. Consultation processes and preferred outcomes

While initial engagement occurred on the Structure Plan, this was not carried through with the preparation of the precinct plans, which were largely prepared in isolation by separate planning consultants. This situation made it difficult to resolve broader planning and development issues across the Aerotropolis, as each consultant tended to focus on their own precinct study area.

The JPBG supports meaningful engagement with the Planning Partnership to fully understand the concerns from landowners and developers to achieve the following outcomes:

- efficient allocation of transport corridors and maximum use of developable land;
- better integrated opportunities to manage stormwater runoff; and
- green space and precinct objectives as identified in the Western Sydney Aerotropolis Plan.

We encourage the Planning Partnership to adopt a more collaborative process to allow stakeholder feedback into the final precinct plans. This will correct inconsistencies and achieve a more workable development outcome within each precinct.

Recommendation 9. The Planning Partnership undertakes further consultation with the landowner groups to address inconsistencies and inefficiencies in the individual precinct plans.

#### 4. Governance and responsibility for planning outcomes

The JPBG understands that there are several agencies involved in the planning of the Aerotropolis. This includes the Planning Partnership, the Western Parkland City Authority, the NSW Department of Planning, Industry and Environment and the Greater Sydney Commission. There are also two local councils (Liverpool City and Penrith City) and key fringe agencies such as Transport for NSW (Sydney Metro), the Western Sydney Airport Corporation, the NSW Department of Education, NSW Department of Health and Sydney Water.

With so many agencies involved, cross agency coordination is critical to provide industry with the confidence that the planning and delivery of infrastructure will not occur in isolation. The JPBG supports a more wholistic approach with specific infrastructure solutions rather than isolated outcomes which

can lead to protracted and cost heavy solutions, especially when multiple sites are required to provide linear infrastructure.

The JPBG supports a lead coordination agency such as the Western Parkland City Authority to direct agencies to deliver key infrastructure projects. The lead agency would also be responsible for an infrastructure phasing plan (IPP) to coordinate infrastructure and utilities beyond what is presented in the PIC for the Western Parkland City. An IPP servicing strategy will especially help fringe agencies and utility providers to better plan and provide amenity for future employees and residents in the Aerotropolis.

Concern is also raised with the business case process for major transport infrastructure. This is mostly a "closed book" process with very limited stakeholder / landholder input or scrutiny of outcomes. This occurred with the West Sydney Airport Metro, the Airport Ring Road, the East-West Rail Link, and the M9 Outer Sydney Orbital. Government should seek to provide more industry involvement in the business case process to fully test scenarios and better integrate land use and transport.

The integrated delivery of infrastructure and precinct release must be the sole outcome for Government and the JPBG requests ongoing and collaborative involvement on the planning and delivery of major infrastructure that will service the Aerotropolis.

Recommendation 10. The Planning Partnership to adopt a more integrated process with key government agencies and allow greater stakeholder input with proposed infrastructure.

Recommendation 11. That Western Parkland City Authority is nominated as the lead delivery agency to coordinate the delivery of the Aerotropolis.

Recommendation 12. Provide opportunity for early industry involvement in the business case process for major transport infrastructure.

## 5. Proposed road widths

The JPBG is concerned with the typical road cross sections, which are wider than the draft *Western Sydney Street Design Guidelines 2020*. The significant area taken up for road reservations is concerning, especially in areas close to the airport. This can lead to high infrastructure costs, a potential loss of developable land and a further increase in the urban heat island effect.

The JPBG recommends that the cross sections are reassessed against the key principles of canopy cover, connectivity, and having regard to the commercial realities of development. This will achieve a more balanced outcome with land use in the key precincts.

Reservations, for future undefined infrastructure, within the Precincts Plans are excessive and will undermine the extent developable land required for employment outcomes. Likewise, the extent of local and collector road infrastructure provision shown in the plans is excessive.

In some instances, there are 3-4 expensive crossings over motorways and creeks exist over 1 kilometre when there may only be a need for 1 or 2. The Precinct Plan must recognise the Aerotropolis will be delivered through development cycles. The JPBG recommends an approach to road network planning that balances a vision for place and consideration for economic drivers and market demands.

# Recommendation 13. The road reservations and grids for the precinct roads to be reviewed by the Planning Partnership.

## 6. Conclusion

The Western Sydney International Airport and Aerotropolis are a once in a lifetime opportunity to support the long-term development of the Sydney region and achieve the planning vision for the Western Parkland City. The JPBG is willing to assist government on this journey in a consultative manner to achieve the best possible outcome for landowners, the development industry, and government.

Critical to the Aerotropolis's success is having a planning regime which is flexible, which can attract those catalytic industries and compete with other business centres and industrial precincts.

Whilst the natural environmental objectives for the Aerotropolis Precinct are laudable, further assessment of these designated areas and overall function needs investigation to provide viable outcomes for environmental conservation matched with development. The JPBG supports a review of open space to ensure it meets the NSW Premiers Priorities.

Working with the industry will help achieve more workable solutions for the precinct plans in the Aerotropolis. This can only lead to better integrated planning outcomes and delivery of the right infrastructure at the right time and at the right location.

Governance will also be vital going forward to ensure that the key government departments and transport and utility agencies, are involved and integrated to ensure the right infrastructure is delivered at the right time. A lead agency is also supported to achieve maximum efficiency and greater integration.

The development of the Aerotropolis will occur over a significant period and it is important that the decisions made today lead to the development of the precinct as the foundation to achieve the broad planning vision for the Aerotropolis and the Western Parkland City.

To address this, JPBG makes the following recommendations, detailed above:

- 1) The Planning Partnership reviews the planning hierarchy and makes provision for increased flexibility and alignment across planning instruments using the options put forward in Section 1 of this submission.
- 2) That the Planning Partnership seeks to engage airport planners to provide specialist planning and infrastructure advice on precincts surrounding the airport.
- 3) Review the amount of land proposed for open space to better accord with Premier's Priorities.
- 4) Ground-truth existing creeks, waterways, and dams to confirm their viable contribution to the Blue Green Grid.
- 5) Seek to provide flexibility without the sterilisation of a significant amount of land for environmental outcomes.
- 6) Investigate financial incentives for private landowners and/or direct funding programs to acquire land for environmental conservation.
- 7) Provide flexibility by allowing parks, sports fields and detention basins in proposed open space areas.

- 8) Develop a governance framework to oversee the management of the regional open space at the Aerotropolis.
- 9) The Planning Partnership undertakes further consultation with the landowner groups to address inconsistencies and inefficiencies in the individual precinct plans.
- 10) The Planning Partnership to adopt a more integrated process with key government agencies and greater stakeholder input with proposed infrastructure.
- 11) That Western Parkland City Authority is nominated as the lead delivery agency to coordinate the delivery of the Aerotropolis.
- 12) Provide opportunity for early industry involvement in the business case process for major transport infrastructure.
- 13) The road reservations and grids for the precinct roads to be reviewed by the Planning Partnership.

The JPBG requests a meeting with the Planning Partnership to further present our concerns so please contact either of the following persons to arrange a meeting to discuss the issues raised in this submission.

- Mr David White of UDIA NSW on 0415 914 612 or <u>dwhite@udiansw.com.au</u>
- Mr Ross Grove of the Property Council of Australia on 0412 897 130 on <u>RGrove@propertycouncil.com.au</u>

Please note that separate submissions on the Western Sydney Aerotropolis Precinct Plans may be submitted by each of the JPBG members in support of this submission.

Yours sincerely,

Jane Fitzgerald Executive Director (NSW) Property Council of Australia





Steve Mann Chief Executive UDIA NSW

David Borger Executive Director Business Western Sydney





Adam Leto Executive Director Western Sydney Leadership Dialogue



Cc. Hon Rob Stokes MP, Minister for Planning and Public Spaces and Hon Stuart Ayres MP, Minister for Jobs, Investment Tourism and Western Sydney