

Draft Western District Plan

Submission_id: 31687

Date of Lodgment: 15 Dec 2017

Origin of Submission: Online

Organisation name: EG on behalf of Frasers Property Australia

Organisation type: Industry

First name: N/A

Last name: N/A

Suburb: 2000

Submission content: Please see attached documents.

Number of attachments: 2

15TH DECEMBER 2017

MR GEOFF ROBERTS
DEPUTY CHIEF COMMISSIONER, ECONOMIC COMMISSIONER AND INTERIM
WESTERN CITY DISTRICT COMMISSIONER
GREATER SYDNEY COMMISSION
submission@gsc.nsw.gov.au

Dear Geoff Roberts,

SUBMISSION TO DRAFT WESTERN CITY DISTRICT PLAN
Frasers Property Australia | Horsley Park 'Keyhole' Site

This submission has been prepared on behalf of Frasers Property Australia (Frasers) in relation to land at Horsley Park in response to the exhibition of the Draft Western City District Plan (draft WDCP). This submission puts forward several recommendations to the Greater Sydney Commission to reconsider the Site's potential as a valuable industrial site, in light of its strategic location, its proximity to existing roads, and the new proposed major freight infrastructure in the locale.

Frasers are currently investigating sites within Western Sydney for the purpose of Industrial and Employment land uses, and have identified opportunities at Horsley Park. The Site to which this submission relates to comprises of 24 now consolidated individual properties located between Chandos Road, Redmayne Road and the Horsley Drive, Horsley Park (the Site). The Site covers an area of 55 hectares. The Site is surrounded by land that forms part of the broader Western Sydney Parklands and is informally known as the "Keyhole" Site.

The Site is currently used and zoned for Rural Purposes but has obvious potential for employment generating uses in our view. The Site has been identified in the draft WDCP as either part of the Protected Natural Area or as part of the Metropolitan Rural Area. Either designations are not conducive to supporting industrial/employment generating development on this site, especially in light of the site being located in close proximity to the Freight Rail Investigation Corridor. This Corridor directly intersects part of the Site suited to industrial and employment uses in many aspects.

We have engaged MacroPlan Dimasi to prepare a Market and Strategic Review for the Site (Appendix 1), in order to provide an expert opinion on the most appropriate uses of the site for employment generating. MacroPlan Dimasi have concluded that the site is "ideally suited to an industrial and warehousing use given its location, adjacent to planned-freight infrastructure and would make a valuable contribution to the supply of industrial land in Western Sydney given the shortage of zoned, serviced and available industrial land". In particular the report notes that the Urban Development Institute of Australia (UDIA) have also estimated that Sydney currently has barely

EG Property Group

Governor Phillip Tower
Level 21, 1 Farrer Place
Sydney NSW 2000 Australia

T. +61 2 9220 7000
www.eg.com.au

enough "actual zoned and serviced" employment land, which is currently deemed to be in short supply. The current supply of such land can only meet a single year of high demand or 2 years supply at current average take-up rates. This compares to a supply standard of 5-7 years. The MacroPlan report also states that the UDIA has identified that up to 40% of the long-term industrial land supply within the Western Sydney Priority Growth Area, will be lost due to physical site constraints such as vegetation and flooding.

By making this submission, we wish to be considered in the process of providing new employment land within the context of the draft WDCP and also to have further input into the preparation and implementation of the Draft WCDP. We ask that this submission be included in the planning initiatives by the Commission for consultation and ultimately for the NSW Government's consideration. We therefore hereby request that this Site be identified for industrial and employment uses.

We are looking forward to your positive reply and call to action.

Yours sincerely,



SUBMISSION TO GREATER SYDNEY COMMISSION – DRAFT WESTERN CITY DISTRICT PLAN

December 2017

Author/s:

EG Property Group Pty Ltd



Prepared on behalf of:

Frasers Property Australia

EG PROPERTY GROUP PTY LTD ALL RIGHTS RESERVED.
ALL METHODS, PROCESSES, COMMERCIAL PROPOSALS AND OTHER CONTENTS
DESCRIBED IN THIS DOCUMENT ARE THE CONFIDENTIAL INTELLECTUAL
PROPERTY OF EG PROPERTY GROUP PTY LTD AND MAY NOT BE USED OR
DISCLOSED TO ANY PARTY WITHOUT THE PRIOR WRITTEN PERMISSION OF EG
PROPERTY GROUP PTY LTD.

FRASERS PROPERTY AUSTRALIA ARE INVESTING INTO WESTERN SYDNEY TO DEVELOP LAND FOR INDUSTRIAL USES

KEY OUTCOMES:

1. UNLOCKING THE POTENTIAL OF 55 HECTARES OF LAND AT HORSLEY PARK
2. LOCATED WITHIN 15 MNTS DRIVE TO WESTERN SYDNEY AIRPORT
3. REALISE THE SITE'S POTENTIAL TO PROVIDE INDUSTRIAL USES AND GENERATE EMPLOYMENT USES
4. CONSISTENT WITH THE OBJECTIVES OF THE GREATER SYDNEY COMMISSION AND ALIGNED WITH THE THREE CITIES VISION
5. CONSISTENT WITH THE STRATEGIC DIRECTION OF THE WESTERN CITY DISTRICT
6. SUPPORTING THE GOVERNMENT'S INVESTMENT INTO WESTERN SYDNEY AND THE \$3.6 BILLION WESTERN SYDNEY INFRASTRUCTURE PLAN

1. THE OPPORTUNITY

Western Sydney is undergoing rapid change, driven largely by the Federal Government's commitment to the Western Sydney Airport at Badgerys Creek and the \$3.6 billion Western Sydney Infrastructure Plan. The Department of Planning and Environment is also carrying out investigations into the Western Sydney Priority Growth Area to further inform planning and land use outcomes in Western Sydney. To date, the limited infrastructure and services in Western Sydney has prolonged the release of zoned land in the Broader WSEA.

In light of the above and the present and future transformation of Greater Sydney, the Greater Sydney Commission (the GSC) has been established to lead metropolitan planning for Greater Sydney. The GSC acknowledge that the future of Greater Sydney requires a resilient and collaborative approach to planning that supports population growth, while improving liveability. Consequently, the GSC have prepared and released an overarching plan, the draft Greater Sydney Region Plan that sets a vision and strategy for Greater Sydney and focuses on integration of land use, transport and Infrastructure planning.

To date, Western Sydney's ability to provide industrial and employment lands have not been fully realised due to various limitations such as the applicable planning controls and servicing of the land. A key principle of the Memorandum of Understanding between the Australian and State Government (2016) is to *engage the private sector to create better policy and regulatory settings for investment and to accelerate the delivery of key infrastructure by sharing costs between those who directly benefit and Taxpayers*. EG believes that this sets a consistent framework with the GSC Plans and identifies an opportunity for the GSC, Department of Planning and Environment and Local Council to implement such an approach.

1.1 LOCATION

Horsley Park is a semi-rural suburb in Western Sydney, located 39 kilometres west of the Sydney CBD and approximately 21 km west of Parramatta and 11 km north-west of Fairfield. The site is within a 15-minute drive to the proposed Western Sydney Airport at Badgerys Creek. See **Figure 1**. Horsley Park has access to good road networks that provide connectivity to Wetherill Park, Penrith, Blacktown, Liverpool and Sydney CBD. The roads include the Great Western Highway, Motorways and Major Roads such as the Horsley Drive.

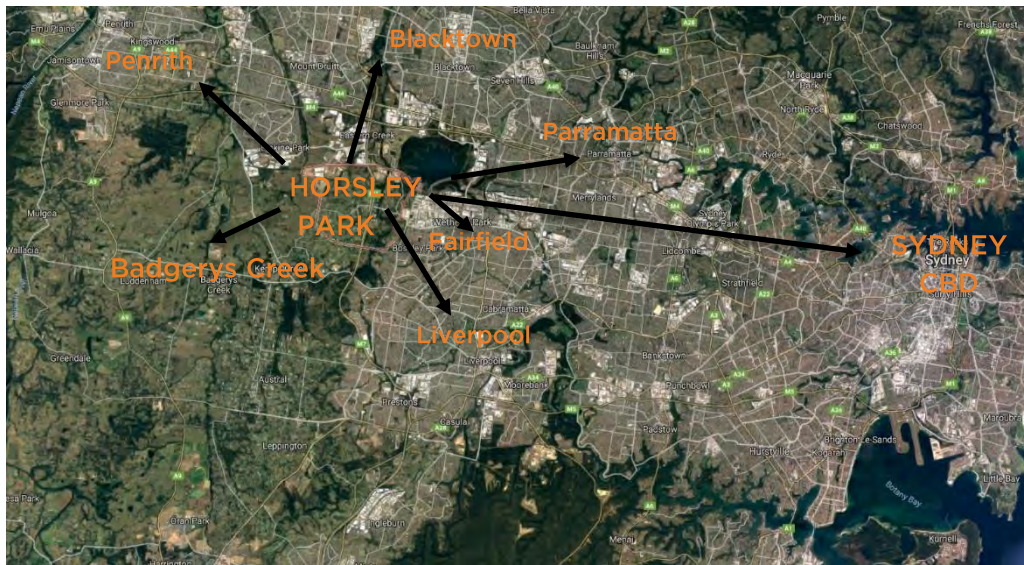


Figure 1 – Locational context map

Wetherill Park is predominately an industrial area and most of the residential dwellings are in the south-east corner of the suburb which adjoins Horsley Park. Both Horsley Park and Wetherill Park are located south of Prospect Reservoir.

1.2 SITE CONTEXT

The site consists of 24 individual lots with a total area of 55 hectares. Areas located between Chandos Road and Redmayne Road cover approximately 30 hectares and the remaining site which fronts the Horsley Drive covers a total of approximately 25 hectares. The site area excludes Redmayne Road which is a road that runs through the Site.

Located between Chandos Road, Redmayne Road and The Horsley Drive, Horsley Park, the site sits in a prime location with convenient access to major road and earmarked freight corridors and rail networks. This includes both the M7 Motorway and Wallgrove Road to the west of the site. The Horsley Drive Business Park which was recently developed on land owned by the Western Sydney Parklands Trust, is 2 km south-east of the site. The Western Sydney Parklands is adjacent to the site however, the site and other privately-owned properties (not included in the Western Sydney Parklands), is generally referred to as the Keyhole Site.

The site is predominately comprised of single rural residential dwellings on large lots. It appears that the site has been largely cleared of vegetation however, a number of the rural residential properties include dams at the front of the properties



Figure 2 – Site context map

2. REVIEW OF DRAFT WESTERN CITY DISTRICT PLAN

The vision for the Western Parkland City is a first in the history of planning for Greater Sydney. It is a vision that focuses west, with the development of the Western Sydney Airport and Badgerys Creek Aerotropolis as its catalyst.

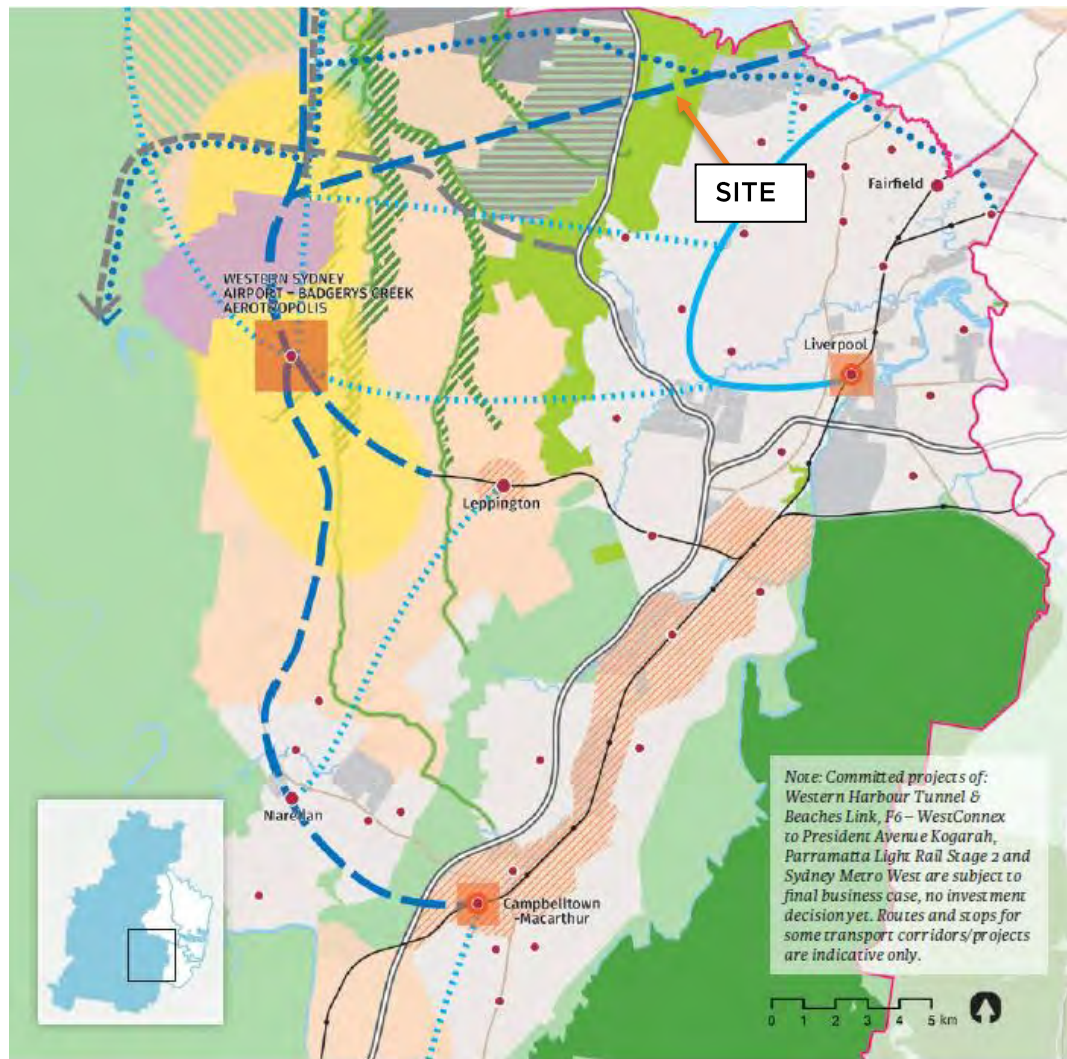
The draft WCDP replaces the draft West District Plan and draft South West District Plans which were released in November 2016. As can be seen in **Figure 3**, the Western City District includes Hawkesbury, Blue Mountains, Penrith, Liverpool, Fairfield, Camden, Campbelltown and Wollondilly Local Government Areas.



Figure 3 – Western City Districts

This submission puts forward several recommendations to the GSC to reconsider the site's potential from Metropolitan Rural Area, as proposed in the GSC Plan to a higher-and-better-use, as recommended in this submission. There is an opportunity for Frasers as industrial developers to develop an industrial precinct that will take advantage of the existing road network and the proposed freight and logistic networks. To deliver an industrial development across the 55 hectares, there is a need for the GSC, relevant planning authorities and Frasers to align and unlock the opportunity for the provision of industrial uses on land that is strategically located in the Western City District.

The Western City Structure Plan is a refined Structure Plan which divides the District into Urban Area South and Urban Area North. The site falls within the Urban Area South which can be seen in **Figure 4**. The Structure Plan clearly demonstrates the potential land-uses within the District and has earmarked the site as Metropolitan Rural Area.



	Metropolitan City Centre		Land Release Area		Waterways		Rapid Bus
	Metropolitan City Cluster		Urban Renewal Area		Train Station		Motorway
	Health and Education Precinct		Priority Growth Area Investigation		Committed Train Link		Committed Motorway
	Strategic Centre		Urban Investigation Area		Train Link / Mass Transit Investigation 0-10 years		Road Investigation 0-10 years
	Local Centre		Urban Area		Train Link / Mass Transit Investigation 10-20 years		Road Investigation 10-20 years
	Economic Corridor		Protected Natural Area		Freight Rail Investigation		Green Grid Priority Project
	Trade Gateway		Metropolitan Rural Area		Light Rail		
	Western Sydney Employment Area		Major Urban Parkland and Reserve		Light Rail Investigation		
	Industrial Land		Visionary Parkland and Reserve		On Street Rapid Transit		

Figure 4 - Western City Structure Plan 2036 - Urban South Area
draft Western City District Plan 2017



MAXIMISE THE SITE'S POTENTIAL BEYOND METROPOLITAN RURAL AREA

Comment: Due to the natural surroundings of the site, it appears that the site's potential has been undermined and overlooked as an Urban Investigation Area or Industrial Land. In the exhibited plans, the site is earmarked as part of the Metropolitan Rural Area. We appreciate that the intention is to retain unique rural areas however, the site is in a location that will service a logical and efficient land-use that capitalises on both the existing and future infrastructure that surrounds the site.

Recommendation 1: The site is currently underutilised and limited by RU2 Rural Landscape zoning that applies to the site. The site is within close-proximity to existing industrial land-uses that successfully generate employment. Given its unique location, we recommend that the site be investigated for land-uses that will better service the Western City District.

Comment: The Structure Plan clearly outlines three areas that may be subject to investigation as future urban areas due to their proximity between existing urban areas and the emerging Western Sydney Parkland City. This includes areas to the east of the Western Sydney Airport Priority Growth Area. Specifically, Horsley Park and Mount Vernon located west of the M7 Motorway.

Recommendation 2: The planning approach to this site should be consistent with land west of the M7 Motorway and not encumbered by the Western Sydney Parklands. During the investigations into future urban areas, consideration should be given to the site's uniqueness and proximity to surrounding industrial land uses. The site's land-use should also be revisited during the investigations into the Freight and Rail Corridor that will provide connectivity from Parramatta to the Western Sydney Airport.

Comment: The Metropolitan Rural Area also has large areas of underutilised land that have the potential to be used more productively, as well as areas where natural hazards such as flooding need managing.

Recommendation 3: The site will not be of any significant benefit as a Metropolitan Rural Area.

Comment: The draft WCDP defines that the Metropolitan Rural Area has a diversity of farmland, bushland, mineral resources, rural towns and villages. These areas are predominately under the management of the Western Sydney Parklands, with areas that have supplied Greater Sydney's fresh food sector. This land has low environmental and recreational value as it is located on the periphery of the parklands.

Recommendation 4: To maximise the productive use of this site, it is recommended that this site is not generalised with the Western Sydney Parklands and the land managed by the Western Sydney Parklands Trust. The site has genuine potential

beyond the category of Metropolitan Rural Area which is more suitable for land within the Western Sydney Parklands. There is an opportunity to maximise the site's potential as it remains amongst existing industrial lands in Smithfield-Wetherill Park, the largest industrial and urban services precinct in the Western City District. This precinct employs more than 8,000 people across 526 hectares of developed land.

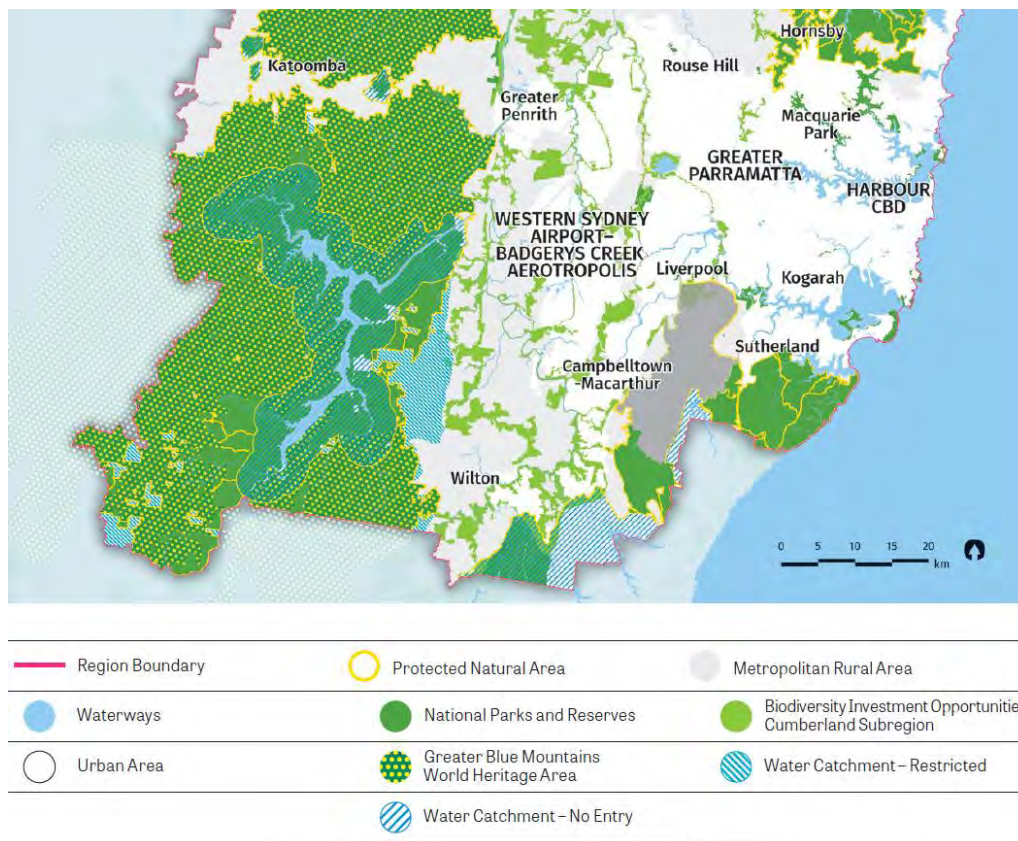


Figure 5 - Protected Natural Area and Metropolitan Rural Area draft Greater Sydney Region Plan 2017

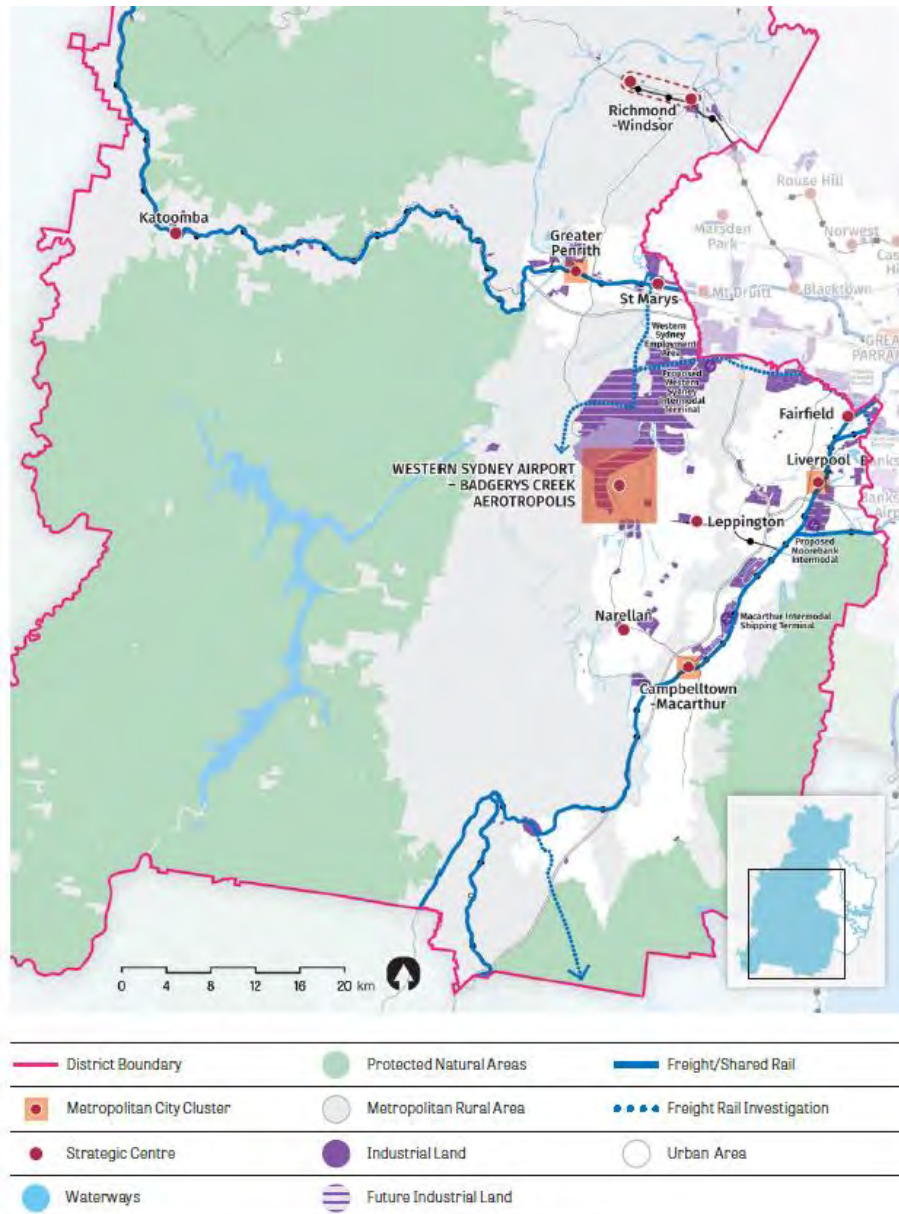


Figure 6 – Western City District Industrial and urban services land and freight assets draft Western City District Plan 2017



OPPORTUNITY TO REDUCE THE DEMAND FOR NEW INFRASTRUCTURE

Comment: The Draft WCPD highlights that employment and urban services land will be crucial for employment and economic activity within Western Sydney. With unprecedented infrastructure and provision of transport connections and corridors, the site is fortunately located within the Western City District. This District is a significant Strategic District that will need to rapidly respond to the key game-changer, the commitment from the Government to deliver the second airport in Western Sydney.

Recommendation 5: Horsley Drive Business Park is 2 km from the site and provides variety of warehouse and distribution centres. The Business Park was developed by Frasers, and is adequately serviced. There is an opportunity to utilise the existing infrastructure and investigate potential connections that promote shared use.

Comment: To date, planning authorities have been hesitant to genuinely consider the site's potential due to its proximity to Western Sydney Parklands the land that surrounds the site. It is assumed that the land may not be suitable, adequately serviced and require new infrastructure.

Recommendation 6: The site has access to major roads, The Horsley Drive, Redmayne Road and Chandos Road which provides connections to existing and future freight and logistic routes. As part of the Western Sydney Infrastructure Plan, the Horsley Drive is being expanded to accommodate the increased capacity and future road-users. The Structure Plan has highlighted investigations for both Train Link/Mass Link and Freight Rail to pass through the site. This is an opportunity to work collaboratively and position these transport corridors in a suitable position near or on the site which will be compatible with any future industrial development on the site. This will also connect the site to industrial land within its vicinity.



PLANNING FOR INDUSTRIAL AND URBAN SERVICES LAND IN WESTERN SYDNEY, THE WESTERN CITY DISTRICT

Comment: In A Plan for Growing Sydney, Western Sydney is recognised as being home to some of Sydney's most significant manufacturing and industrial activity. Around 70 per cent of jobs on existing industrial land are in Western Sydney. The GSC have built on the Plan for Growing Sydney and produced comprehensive plans for Western Sydney that recognises Western Sydney as one of the three cities. As such, the plans realise the potential to create cities that connect and deliver integrated land-use planning through a collaborative and coordinate approach.

Recommendation 7: It is recommended that planning for industrial land is managed by the planning authorities in a manner that accommodates willing industrial developers such as Frasers. Frasers are investing into the Western City District and although the site is suitable for industrial uses, these remain contingent on the plans for the site. As such, the delivery of an innovative and adaptable industrial precinct on the site requires involvement from key planning authorities.

Comment: Sydney's second airport at Badgerys Creek is within 15 km of the site and is a catalyst for Western Sydney that creates unprecedented opportunities for the Western City District. It is important that the relevant planning authorities apply planning controls that permit land uses that will service and are ancillary to the airport. In fact, a general test by planning authorities, is whether the site is suitable or within direct access to key economic infrastructure and its impact on industrial land.

Recommendation 8: It is recommended that the highest-and-best-use of this land is investigated. These investigations will identify an opportunity to plan for industrial land. This can only be successfully achieved if the planning authorities permit such land-uses. Frasers have the capabilities to deliver new industrial and employment opportunities on the site that will be consistent with the vision of creating a 30-minute city.

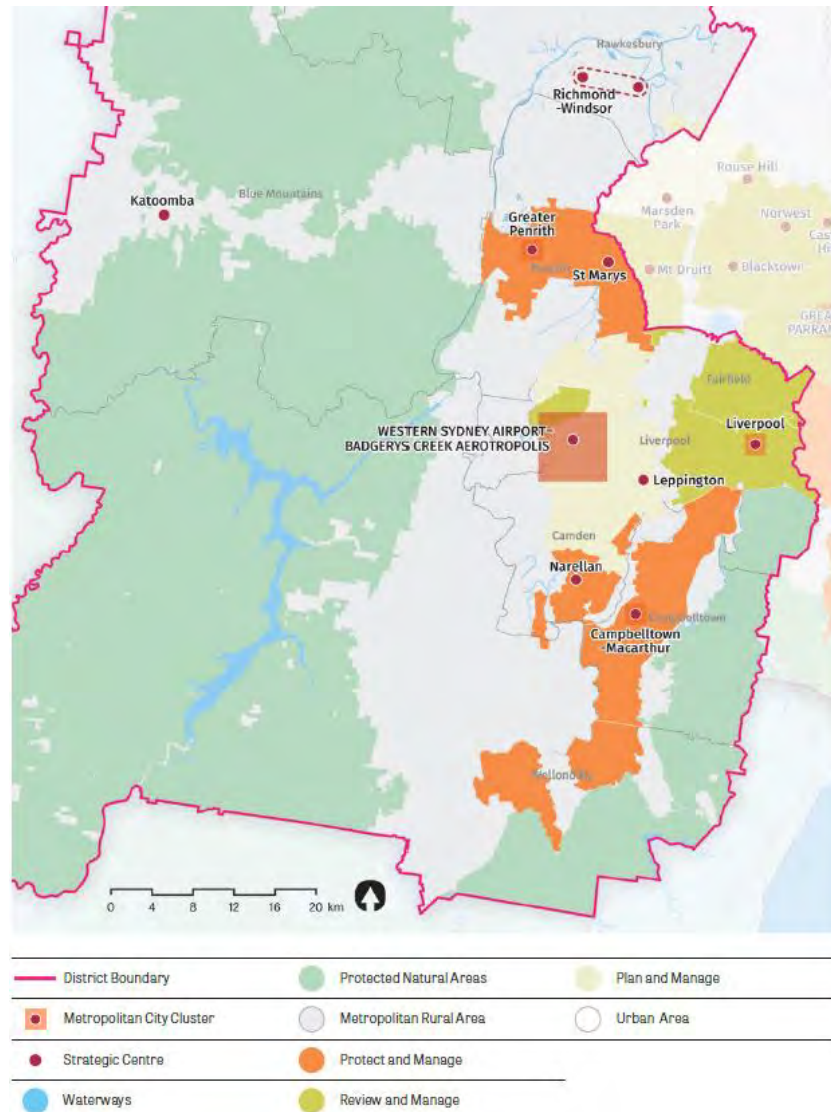


Figure 7 – Western City District Industrial and urban services land approaches.



PROMOTING EMPLOYMENT OPPORTUNITIES IN UNIDENTIFIED STRATEGIC LOCATIONS

Comment: The site is a significant landholding at Horsley Park that has access to City Clusters identified by the GSRP.

- To the north-west of the site is the Greater Penrith, Metropolitan City Cluster
- To the south-west of the site is Western Sydney Airport- Badgerys Creek Aerotropolis, Metropolitan City Cluster
- To the south-east of the site is Greater Parramatta, a Metropolitan City Centre and Liverpool, Metropolitan City Cluster
- To the south of the site is Campbelltown-Macarthur, Metropolitan City Cluster

Recommendation 9: Amending the site's use from Metropolitan Rural Area to land-uses that permit industrial development will promote employment opportunities. The site will support the role of the Metropolitan City Cluster's and mitigate any concerns for encroachment of residential uses on land that has the potential to service industrial lands. Further, the amendment will support supply chain connectivity between Horsley Park, Smithfield and Wetherill Park as the Horsley Drive extends across these suburbs.

Comment: It is important that the planning direction for the Western City District responds to this catalyst and delivers sustainable outcomes.

Recommendation 10: We recommend that the GSC takes a more considered approach to this site which is in a unique location, to unlock employment opportunities that have not been identified. This will continue to support the objectives of a productive District and prevent a reactive approach to utilities and service delivery.



BARRIERS TO GROWTH AND RECOGNISING SITE-SPECIFIC MERITS

Comment: The GSC and key planning authorities have created a strong vision for the Greater Sydney and more specifically the Western City District. These plans capture the overwhelming benefits of the Western Sydney Airport and the plans for the Western Sydney Priority Growth Area and future transport corridors. Due to the concentrated cluster around the Western Sydney Airport, areas that have the potential to deliver outcomes have been undermined.

Recommendation 11: We recommend that the GSC recognise site-specific merits in the next phase of refining and finalising the plans for the Western City District. There is sufficient merit on planning grounds to overcome any barriers to growth and potential of the site as an industrial/employment land that delivers industrial uses whilst protecting any environmental constraints. The merits include;

- i. suitability of the site for industrial uses
- ii. scale of development
- iii. access to roads and transport corridors
- iv. promoting job creation by providing industrial development
- v. consistent with DPE's Strategic Directions and Plans for Western Sydney – supporting employment uses and delivering industrial development
- vi. revitalisation of rural residential areas into new employment uses
- vii. supporting Federal, State and Local investment into Western Sydney
- viii. ensuring development occurs in a logical and cost-effective manner
- ix. conserving environmentally sensitive areas across each site

3. STRATEGIC PLANNING CONSIDERATIONS

Based on the realisation of the Western Sydney Priority Growth Area, Broader Western Sydney Employment Area and now the Vision for the Western Parkland City as put forward by the GSC, there is a genuine opportunity to plan for industrial zoned land that will permit development of industrial and warehouse distribution centres on the site. This however, is currently not permissible under the existing planning controls.

The site is bounded by the Western Sydney Parklands which is managed by the Western Sydney Parklands Trust however, the site remains under the governance of Fairfield City Council. The relevant planning instrument, *Fairfield Local Environmental Plan 2013* (Fairfield LEP), identifies the site as land zoned for RU2 - Rural Landscape. Objectives of the current RU2 zone include *'encourage land uses that are supportive of the facilities and services provided by the surrounding Western Sydney Parklands'*. There are no Floor Space Ratio controls that apply to the site however, maximum building height of 9 m applies to the site. Due to the investigations by the GSC, DPE and Local Council, we presume the current planning controls that currently apply to the site and broader Western Sydney will change to meet the objectives of more recent strategic plans.

The site is within a strategic area that has access to major road networks that provide connectivity to Wetherill Park, Penrith, Blacktown, Liverpool and Sydney CBD. The roads include the Great Western Highway, Motorways and Major Roads such as the Horsley Drive. This will prove to be beneficial to future employment lands and industrial uses.

3.1 GREATER SYDNEY REGIONAL PLAN VISION FOR A METROPOLIS OF THREE CITIES

The draft Greater Sydney Region Plan (draft GSRP) outlines how Greater Sydney will manage growth and change and guide infrastructure delivery. The GSC prepared the draft GSRP in conjunction with the NSW Government's Future Transport 2056 Strategy. At the core of the Plan is the Three Cities Vision which presents a 40-year vision and 20-year plan for Greater Sydney.

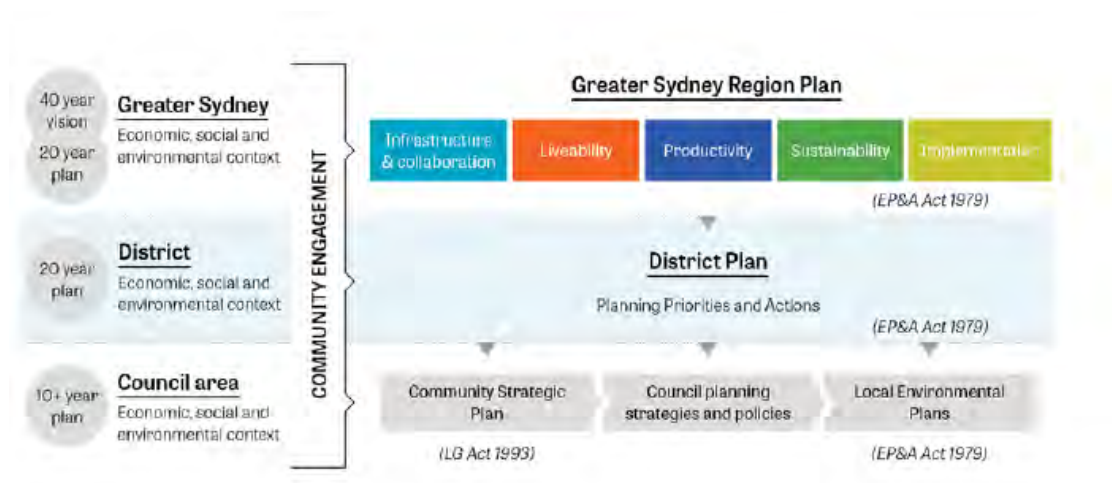
The GSC envisage to *deliver a metropolis of three 30-minute cities that connect housing, jobs, education, health and other services with transport connections.*

This vision is built around the 10 directions for a Greater Sydney which establishes a framework for Greater Sydney to be implemented at a state and local level with government agencies such as the DPE and Transport for NSW.

The 10 Directions reflect the strategic direction of Frasers objective to develop industrial land within the Western City District. The following Directions are the key directions that are essential to the outcomes of this submission:

- ✓ Direction 1 – A city supported by infrastructure
- ✓ Direction 2 – A city for people
- ✓ Direction 4 – A city of great places
- ✓ Direction 5 – Jobs and skills for the city
- ✓ Direction 6 – A well connected city
- ✓ Direction 7 – A city in its landscape
- ✓ Direction 8 – An efficient city
- ✓ Direction 9 – A resilient city
- ✓ Direction 10 – A collaborative city

These Directions are tied to 4 key themes that aim to achieve the metropolis of the three cities. **Figure 8** below outlines the 4 key themes that will be incorporated into the District Plans and local plans.



*Figure 8 – Relationship of regional, district and local plans
draft Western City District Place*

The three cities are the Western Parkland City, Central River City and Eastern Harbour City. The Western City District is within the Western Parkland City and benefits from having 4 Metropolitan City Cluster's. These can be seen in **Figure 9** and include:

1. Western Sydney Airport – Badgerys Creek Aerotropolis
2. Greater Penrith
3. Campbelltown-Macarthur
4. Liverpool



*Figure 9 – Three Cities
draft Greater Sydney Region Plan*

THE GREATER SYDNEY STRUCTURE PLAN 2056

The elements in the draft Plan are integrated layers and draw on components from *Future Transport 2056*. These include:

- Landscape elements
- Economic agglomerations
- Mass transit and strategic road networks
- Government-led housing supply program areas

The draft Greater Sydney Structure Plan is guided by the three cities vision and the listed elements. The Structure Plan has integrated this approach and set out the following vision for the Western Parkland City: *The emerging Western Parkland City with the Western Sydney Airport and Badgerys Creek Aerotropolis will grow a strong trade, logistics, advanced manufacturing, health, education and science economy within a Western Economic Corridor and will be the most connected place in Australia.*

The draft Structure Plan can be seen in **Figure 10** and earmarks:

- The economic corridor is concentrated around the Western Sydney Airport and Mass Transit Investigation area;
- Western Sydney Employment Area is identified as per the Western Sydney Employment Area;
- Western Sydney Parklands as protected natural area and open space;
- Areas adjoining the M7 Motorway and south of the Western Sydney Employment Area is identified as an urban investigation area.

Comment: In this overarching Structure Plan, the site has been blended into the Western Sydney Parklands as Protected Natural Area and Open Space. It also appears that investigations may be underway for a Freight Rail which goes through the site.

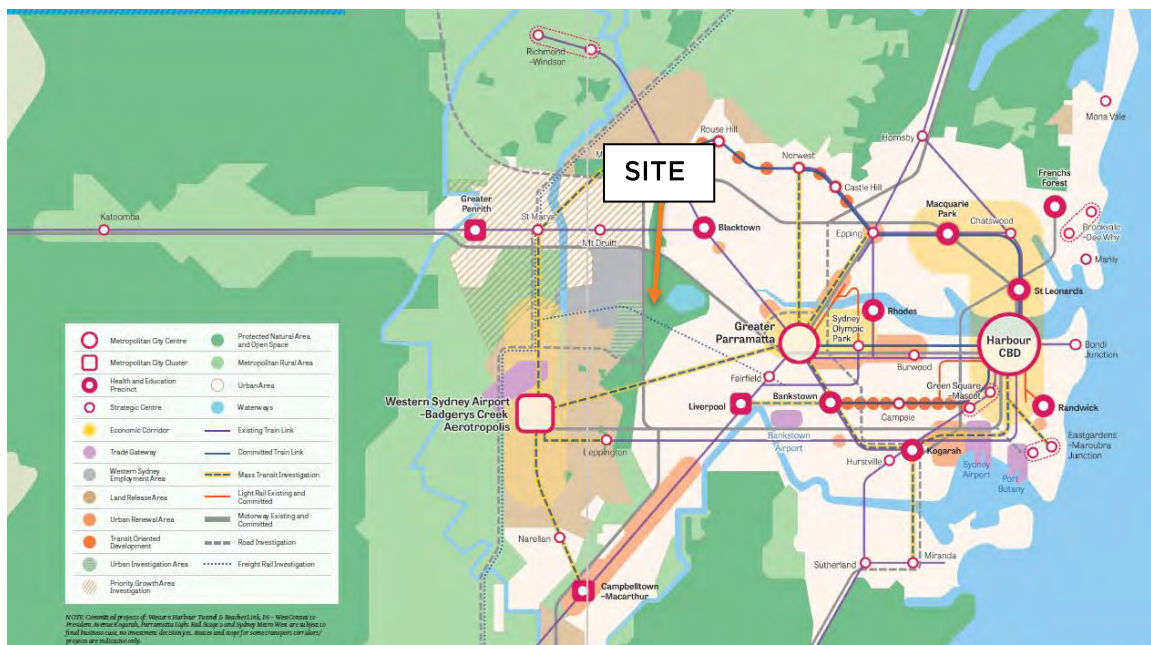


Figure 10 – Greater Sydney Structure Plan

3.2 WESTERN CITY DEAL

In October 2016, the Prime Minister Malcolm Turnbull and the NSW Premier Mike Baird, signed a Memorandum of Understanding (Memorandum) to establish and implement a partnership to work together on City Deals in New South Wales – starting with the Western Sydney City Deal. This includes local government areas of Wollondilly, Camden, Campbelltown, Liverpool, Fairfield, Penrith, Blue Mountains and Hawkesbury will work together with the Commonwealth and NSW Governments to deliver a City Deal.

The City Deal outlines a set of fundamental objectives to deliver change for Western Sydney including:

1. *An increase in infrastructure investment, including transformative public transport projects to unlock the economic potential of the region, reduce congestion and support local needs.*
2. *A program of employment and investment attraction to support the development of the region through reduced business regulation, investment in skills and removing barriers to employment, including a focus on youth and Indigenous employment.*
3. *Improving housing affordability through support for increase supply and housing diversity, including improvements to planning and zoning regulations and higher density developments in appropriate locations.*
4. *Improved environmental and liveability outcomes, including streamlined and coordinated biodiversity conservation, support for clean air, green spaces, vibrant arts and cultural experiences.*
5. *Coordination between governments to deliver regulatory reforms that integrate infrastructure, land use, housing and environmental planning decisions to facilitate growth.*

One of the many benefits of this unprecedented partnership between the Australian and State Government, is that the City Deal establishes a commitment to the Western Sydney Airport and unlock the opportunities of other key infrastructure investments to catalyse jobs growth and better transport links.

APPENDIX 1 – MACROPLAN REPORT

MARKET AND STRATEGIC REVIEW, INDUSTRIAL USE OF LAND AT KEMPS CREEK AND HORSLEY PARK

In this report MacroPlan considers the relevance of the use of two properties at Mamre Road, Kemps Creek and the Horsley Drive, Horsley Park for industrial purposes from both a market and strategic land use perspective.

Our assessment considers:

- The current planning framework that applies to the subject land;
- The site context and relationship of the subject lands to surrounding land uses;
- The current supply and take-up rates for new industrial land in western Sydney; and
- Relevant market indicators.

Based on this reconnaissance our report finds that the subject lands are suited to an industrial use and would provide a valued contribution to the supply of industrial land in western Sydney.

Subject Lands

The subject sites and their locational and planning context are described below. Whilst each of the sites are comprised of several existing allotments, our reconnaissance assumes that their potential development for industrial purposes will follow an 'acquire-consolidate-redevelop' model, allowing for their shape, size and road frontages to be tailored to meet market need. Our assessment therefore is not hindered by the current configuration or fragmentation of the land.

Site 1 – 657-703 & 757-769 Mamre Road, Kemps Creek

Site 1 consists of two separately titled allotments (Lot 34 DP1118173 & Lot 22 DP258414). It has an area of approximately 45 hectares and a combined frontage to Mamre Road of approximately 600 metres, in two separate sections.

Site 1 is currently used for the purposes of rural-residential living and associated activities. Land adjoining the site is used for similar purposes whilst land immediately north of the nearby Sydney Water pipeline is presently used for industrial purposes and/or is undergoing land use change for this purpose. The extension of such uses south of the pipeline on Mamre Road is therefore a logical expansion of the adjacent 'employment' designation of land.

The site is predominantly zoned for rural purposes (RU2 Rural Landscape) and is included in the frame of the Western Sydney Priority Growth Area (WSPGA), having previously been identified as part of the expanded Western Sydney Employment Area (WSEA).

Site 2 – Keyhole Site, Various Lots, Horsley Park

Site 2 consists of 24 separate properties situated between Chandos Road and the Horsley Drive, Horsley Park (spanning across Redmayne Road). The site has a total area in the order of 55 hectares, with frontage to the three roads mentioned above.

Site 2 is used and zoned for rural purposes. The land is known as the 'keyhole site' as it is surrounded by lands that form part of the broader Western Sydney Parklands.

Current Planning Framework

The **Draft Greater Sydney Regional Plan (DGSRP)** applies to the metropolitan region and sets the planning framework for the five districts which comprise the broader region. The draft Plan seeks to:

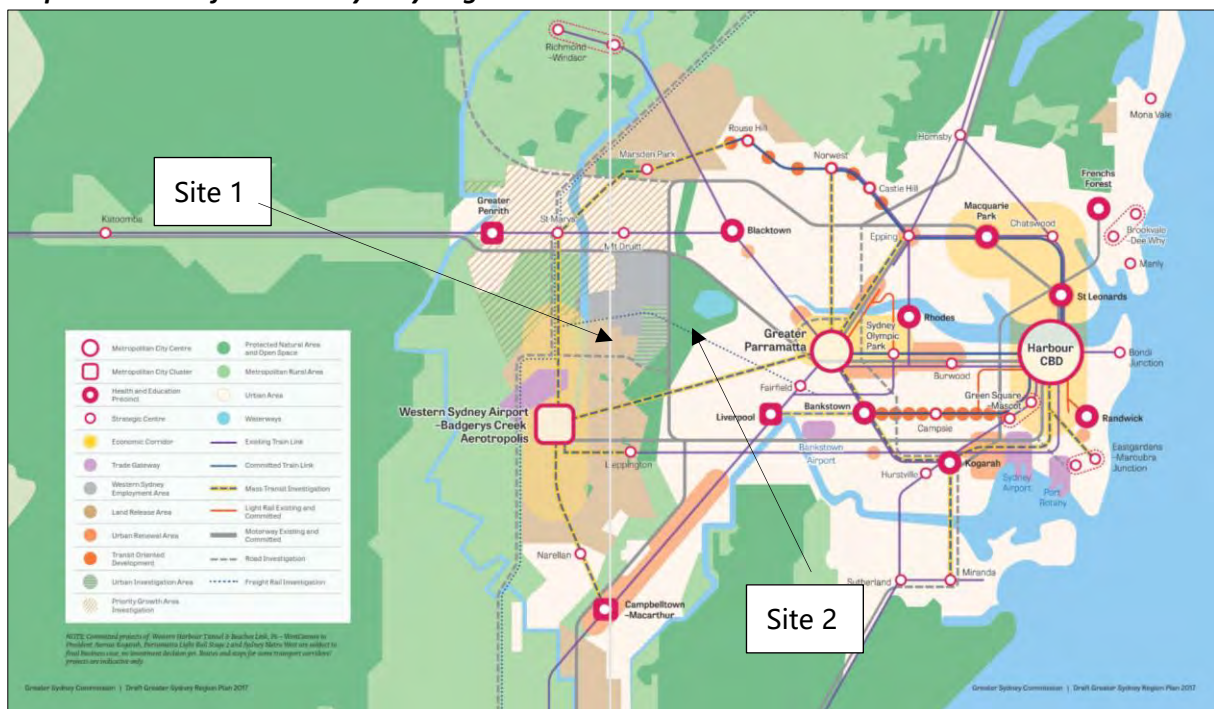
- set a 40-year vision (up to 2056) and establish a 20-year plan to manage growth and change for Greater Sydney in the context of economic, social and environmental matters;

The draft Plan has been prepared in accordance with section 75AC of the Environmental Planning and Assessment Act 1979. This requires the draft Plan to include or identify:

- the basis for strategic planning in the region, having regard to economic, social and environmental matters;
- a vision statement;
- objectives consistent with that vision;
- strategies and actions for achieving those objectives; as well as an outline of the basis on which the implementation of those actions will be monitored and reported.

The following map extract from the DGSRP identifies the approximate location of Site 1 and Site 2 under the draft plan.

Map Extract: Draft Greater Sydney Regional Plan



Source: Greater Sydney Commission, 2017

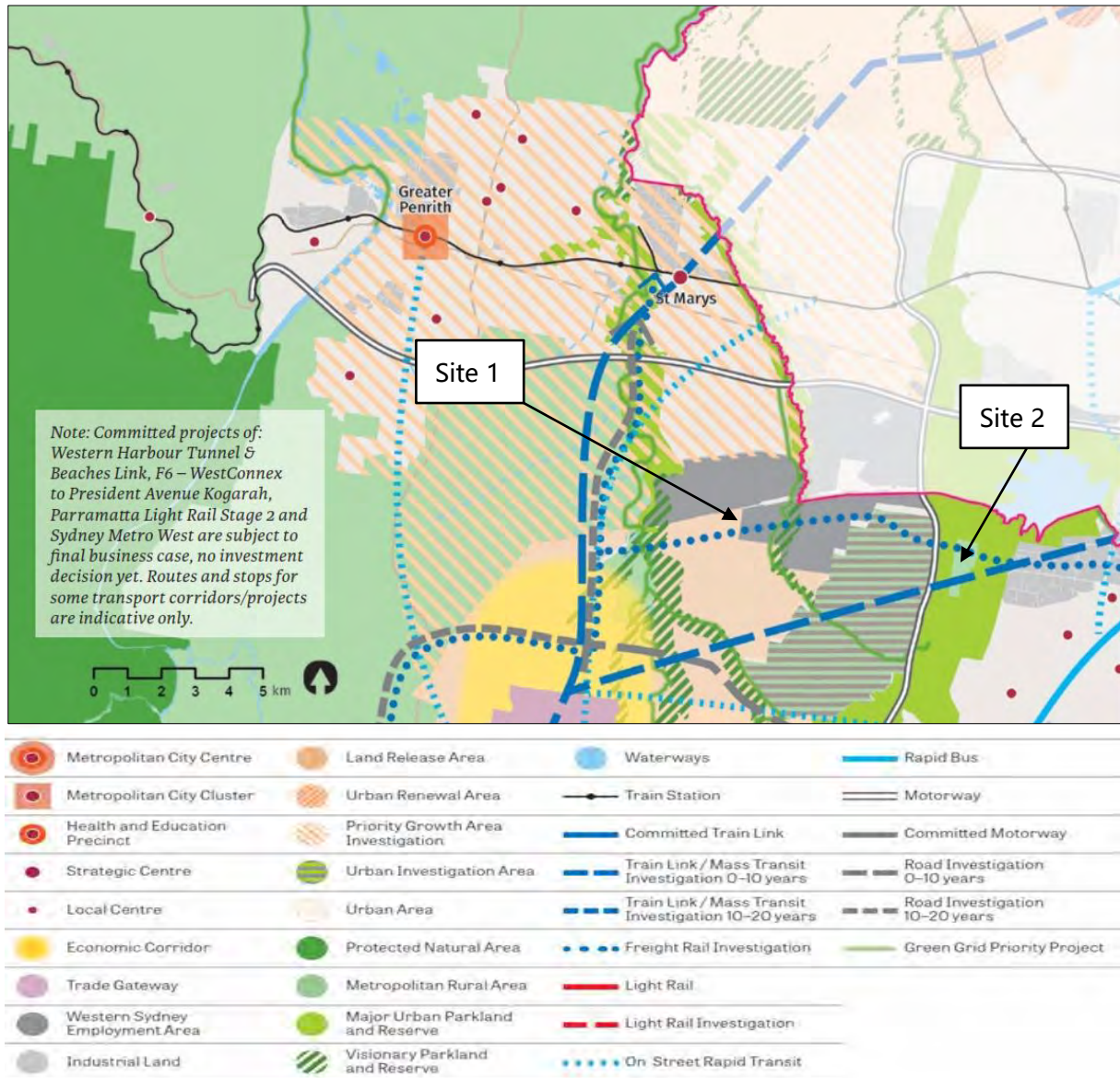
As can be seen, Site 1 is situated east of the Western Sydney Airport and is located either in the designated 'Western Sydney Employment Area' or in its adjacent 'Land Release Area'.

Site 2 is identified as being part of a 'Protected Natural Area & Open Space'. We note that the regional plan does not show the current configuration of the keyhole site within the Western Sydney Parklands.

The subject lands are also covered by the recently exhibited **Draft Western City District Plan (DWSDP)** which seeks to provides district level guidance relevant to the implementation of the broader regional plan.

A map extract from the DWSDP with Site 1 and 2 identified on it follows:

Map Extract: Draft Western City District Plan



Source: Greater Sydney Commission, 2017

The sites are more clearly identified on the DWCDP plans, particularly site 2.

Key Findings of Relevance to Subject Land

Our findings with respect to the current regional and district planning frameworks relevant to the subject sites are detailed below.

Site 1 – Mamre Road – Planning Implications:

- The subject land is identified either as part of the ‘Western Sydney Employment Area’ or within an adjacent ‘Land Release Area’ – either designation signifies that there would be limited departmental, agency or other stakeholder resistance to the site’s use for urban purposes. We note that Site 1 has previously been identified as part of the intended expansion of the WSEA.
- The DWCDP identifies a ‘Freight Rail Investigation’ corridor in proximity to and/or directly transecting part of the subject land – this would suggest that the site is more suited to an industrial/employment end use rather than to other urban forms.

Site 2 – Keyhole Site – Planning Implications:

- The subject land is identified as either part of a Protected Natural Area or the Metropolitan Rural Area – either designation is not conducive to industrial/employment generating development. We note however, the encroachment of recent industrial development into similarly designated land immediately west of the Wetherill Park Industrial Estate, a short distance from the subject lands.
- We note also the fact that the original Western Sydney Parkland (WSP) designation did not, and currently does not, apply to the subject lands. Further, we note that a key approach of the Parklands Trust is to identify lands within its control that are suited to commercial use. Given the current zoning of the keyhole site and its non-inclusion in the WSP, there would seem to be little reason as to why this land ought to be considered differently from other WSP lands that have been identified for commercial use. The Parklands already co-exists with a range of commercial undertakings, including land used for industrial, retail, tourism and other business purposes.
- The DWCDP identifies a ‘Freight Rail Investigation’ corridor and ‘Train Link / Mass Transit Investigation’ corridor in proximity to and/or directly transecting part of the keyhole site. These provisions further highlight the site’s suitability for more intensive urban development.
- We also note that the suggested Metropolitan Rural Area designation is contrary to the broader intent of this classification and would appear, at best, to represent a de facto reservation without acquisition. The land, clearly, has not been designated as public land previously.

Industrial Land Market - Western Sydney

Whilst western Sydney has long been regarded as a bastion for industrial development, recent reports¹ have highlighted the dearth of available employment land across the region.

Assuming a median annual industrial GFA supply of 500,000m², the UDIA has estimated that Sydney currently has enough ‘actual zoned and serviced’ employment land (i.e. short-term supply) to meet a single year of high demand or 2 years supply at average take-up rates. This compares to a supply standard of 5-7 years.

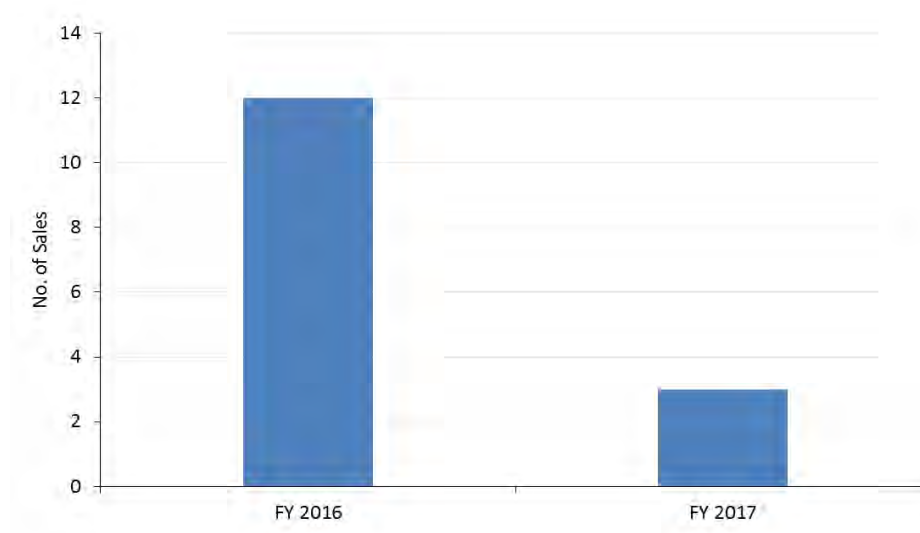
¹ UDIA, *Building Jobs for NSW*, 2017

Further, the UDIA has identified that a large proportion of the 2,270ha of zoned employment lands that are expected to be available in the medium term (i.e. lands that are zoned but are yet to be serviced) will be lost to site constraints (including vegetation and flooding in Western Sydney).

A good deal of land within the Western Sydney Employment Area is so constrained. Indeed, the UDIA report points to the fact that only 10% of the rezoned land in the WSEA Precinct situated south of the Sydney Water Warragamba pipeline has secured development consent for employment generating development in the 8 years since rezoning occurred. Additionally, there have been significant access and servicing constraints in relation to the delivery of these lands subsequent to the issue of development consent.

Similarly, UDIA estimates that up to 40% of the long-term industrial land supply (i.e. identified but not yet zoned) within the Western Sydney Priority Growth Area will be lost to site constraints.

A recent market report by Colliers² confirms the lack of serviced land in Sydney's west. The lack of supply is reflected in the substantial reduction in sales in the Eastern Creek region, close to the subject sites, between FY 2016 and FY2017, as depicted in the chart below.



Colliers find that this lack of supply in combination with large investments in transport infrastructure has caused land values to rise by over 40 percent over the past year.

Conclusion

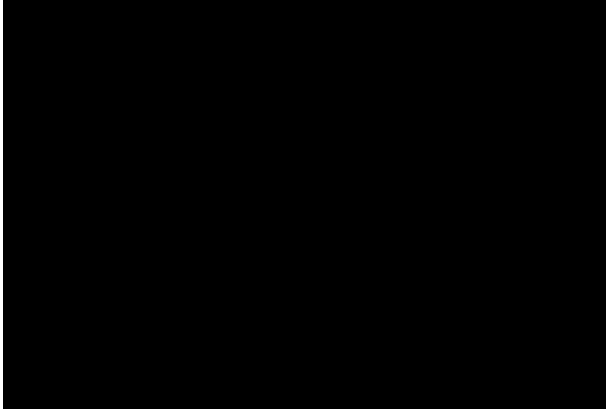
Both of the subject sites investigated in this report are geographically suited to an industrial land use zoning. They are near to other industrial land, of substantial size and are adjacent to planned freight and/or transit infrastructure.

The shortage of zoned, serviced and available industrial land in western Sydney is reflected in fast-rising land values. The shortage of land and the constrained nature of land that is zoned or intended to be zoned for industrial purposes emphasise the need for new industrial land to be identified.

² Colliers – Industrial Market Report, Q2 2017

In light of these considerations the subject sites, in our opinion, would provide a valued contribution to the supply of industrial land in western Sydney.

Yours sincerely,



15TH DECEMBER 2017

MR GEOFF ROBERTS
DEPUTY CHIEF COMMISSIONER, ECONOMIC COMMISSIONER AND INTERIM
WESTERN CITY DISTRICT COMMISSIONER
GREATER SYDNEY COMMISSION

submission@gsc.nsw.gov.au

Dear Geoff Roberts,

SUBMISSION TO DRAFT WESTERN CITY DISTRICT PLAN
Frasers Property Australia | Kemps Creek (Lot 34 DP1118173 & Lot
22 DP258414)

This submission has been prepared on behalf of Frasers Property Australia (Frasers) in relation to land at Horsley Park in response to the exhibition of the Draft Western City District Plan (draft WDCP). This submission puts forward several recommendations to the Greater Sydney Commission to reconsider the Site's potential as a valuable industrial site, in light of its strategic location, its proximity to existing roads, and the new proposed major freight infrastructure in the locale.

Frasers are currently investigating land within Western Sydney for the purposes of Industrial Land Uses and have identified a logical opportunity a Kemps Creek. The site to which this submission relates to consists of 2 parcels of land located at 657-703 Mamre Road and 757-769 Mamre Road, Kemps Creek (the Site) (Lot 34 DP 1118173 & Lot 22 DP258414). Together the sites cover a total area of 52 hectares. The site is currently predominantly zoned for rural purposes (RU2 Rural Landscape) and is included as part of the "Western Sydney Employment Area" or within an adjacent "Land Release Area". The draft WCDP identifies a "Freight Rail Investigation" corridor in proximity to and/or directly transecting part of the subject land, suggesting that the site is more suited to an industrial/employment use rather than other urban uses.

The Site is currently used and zoned for Rural Purposes but has obvious potential for employment generating uses in our view. The Site has been identified in the draft WDCP as either part of the Protected Natural Area or as part of the Metropolitan Rural Area. Either designations are not conducive to supporting industrial/employment generating development on this site, especially in light of the site being located in close proximity to the Freight Rail Investigation Corridor. This Corridor directly intersects part of the Site suited to industrial and employment uses in many aspects.

We have engaged MacroPlan Dimasi to prepare a Market and Strategic Review for the Site (Appendix 1), in order to provide an expert opinion on the most appropriate uses

EG Property Group

Governor Phillip Tower
Level 21, 1 Farrer Place
Sydney NSW 2000 Australia

T. +61 2 9220 7000
www.eg.com.au

of the site for employment generating. MacroPlan Dimasi have concluded that the site is “ideally suited to an industrial and warehousing use given its location, adjacent to planned-freight infrastructure and would make a valuable contribution to the supply of industrial land in Western Sydney given the shortage of zoned, serviced and available industrial land”. In particular the report notes that the Urban Development Institute of Australia (UDIA) have also estimated that Sydney currently has barely enough “actual zoned and serviced” employment land, which is currently deemed to be in short supply. The current supply of such land can only meet a single year of high demand or 2 years supply at current average take-up rates. This compares to a supply standard of 5-7 years. The MacroPlan report also states that the UDIA has identified that up to 40% of the long-term industrial land supply within the Western Sydney Priority Growth Area, will be lost due to physical site constraints such as vegetation and flooding.

By making this submission, we wish to be considered in the process of providing new employment land within the context of the draft WDCP and also to have further input into the preparation and implementation of the Draft WCDP. We ask that this submission be included in the planning initiatives by the Commission for consultation and ultimately for the NSW Government’s consideration. We therefore hereby request that this Site be identified for industrial and employment uses.

We are looking forward to your positive reply and call to action.

Yours sincerely,

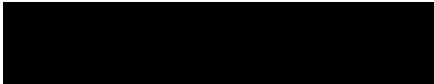


SUBMISSION TO GREATER SYDNEY COMMISSION – DRAFT WESTERN CITY DISTRICT PLAN

December 2017

Author/s:

EG Property Group Pty Ltd



Prepared on behalf of:

Frasers Property Australia

EG PROPERTY GROUP PTY LTD ALL RIGHTS RESERVED.
ALL METHODS, PROCESSES, COMMERCIAL PROPOSALS AND OTHER CONTENTS
DESCRIBED IN THIS DOCUMENT ARE THE CONFIDENTIAL INTELLECTUAL
PROPERTY OF EG PROPERTY GROUP PTY LTD AND MAY NOT BE USED OR
DISCLOSED TO ANY PARTY WITHOUT THE PRIOR WRITTEN PERMISSION OF EG
PROPERTY GROUP PTY LTD.

FRASERS PROPERTY AUSTRALIA ARE INVESTING INTO WESTERN SYDNEY TO DEVELOP LAND FOR INDUSTRIAL USES

KEY OUTCOMES:

- 1. UNLOCKING THE POTENTIAL OF 52 HECTARES OF LAND AT KEMPS CREEK**
- 2. LOCATED WITHIN 10 MINUTES DRIVE TO WESTERN SYDNEY AIRPORT**
- 3. REALISE THE SITE'S POTENTIAL TO PROVIDE INDUSTRIAL USES AND GENERATE EMPLOYMENT USES**
- 4. RESPONDING TO THE PLANS FOR THE BROADER WESTERN SYDNEY EMPLOYMENT AREA**
- 5. CONSISTENT WITH THE OBJECTIVES OF THE GREATER SYDNEY COMMISSION AND ALIGNED WITH THE THREE CITIES VISION**
- 6. CONSISTENT WITH THE STRATEGIC DIRECTION OF THE WESTERN CITY DISTRICT**
- 7. SUPPORTING THE GOVERNMENT'S INVESTMENT INTO WESTERN SYDNEY AND THE \$3.6 BILLION WESTERN SYDNEY INFRASTRUCTURE PLAN**

1. THE OPPORTUNITY

Western Sydney is undergoing rapid change, driven largely by the Federal Government's commitment to the Western Sydney Airport at Badgerys Creek and the \$3.6 billion Western Sydney Infrastructure Plan. The Department of Planning and Environment is also carrying out investigations into the Western Sydney Priority Growth Area to further inform planning and land use outcomes in Western Sydney. To date, the limited infrastructure and services in Western Sydney has prolonged the release of zoned land in the Broader WSEA.

In light of the above and the present and future transformation of Greater Sydney, the Greater Sydney Commission (the GSC) has been established to lead metropolitan planning for Greater Sydney. The GSC acknowledge that the future of Greater Sydney requires a resilient and collaborative approach to planning that supports population growth, while improving liveability. Consequently, the GSC have prepared and released an overarching plan, the draft Greater Sydney Region Plan that sets a vision and strategy for Greater Sydney and focuses on integration of land use, transport and Infrastructure planning.

To date, Western Sydney's ability to provide industrial and employment lands have not been fully realised due to various limitations such as the applicable planning controls and servicing of the land. A key principle of the Memorandum of Understanding between the Australian and State Government (2016) is to *engage the private sector to create better policy and regulatory settings for investment and to accelerate the delivery of key infrastructure by sharing costs between those who directly benefit and Taxpayers*. EG believes that this sets a consistent framework with the GSC Plans and identifies an opportunity for the GSC, Department of Planning and Environment and Local Council to implement such an approach.

1.1 LOCATION

Kemps Creek is a semi-rural suburb in Western Sydney, located 39 kilometres west of the Sydney CBD and approximately 21 km west of Parramatta and 11 km north-west of Fairfield. The site is within a 10-minute drive to the proposed Western Sydney Airport at Badgerys Creek. See **Figure 1**. Kemps Creek has access to good road networks that provide connectivity to Wetherill Park, Penrith, Blacktown, Liverpool and Sydney CBD. The roads include the Great Western Highway, Motorways and Major Roads such as the Horsley Drive.

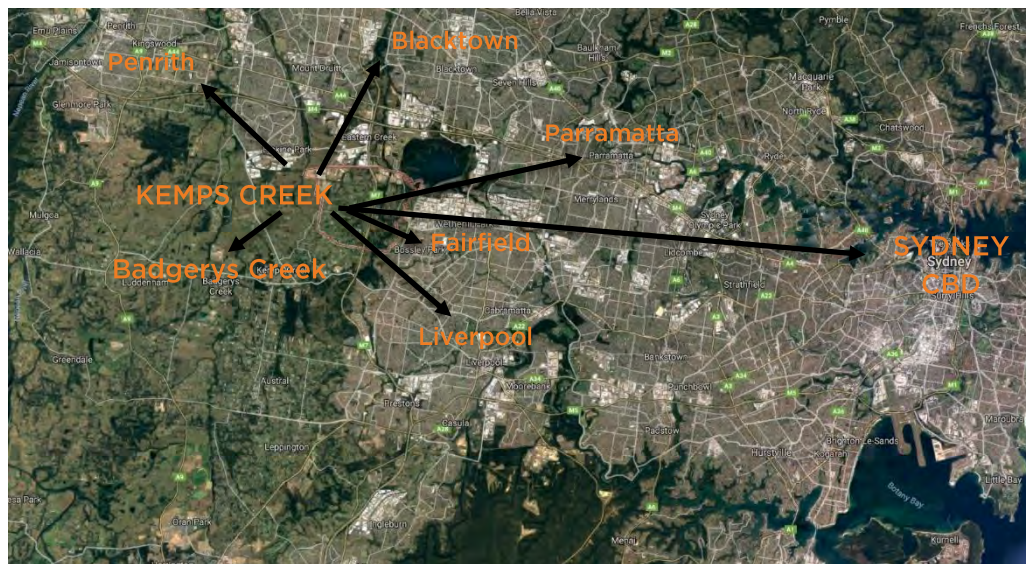
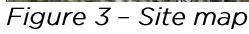


Figure 1 – Locational context map



2. REVIEW OF DRAFT WESTERN CITY DISTRICT PLAN

The vision for the Western Parkland City is a first in the history of planning for Greater Sydney. It is a vision that focuses west, with the development of the Western Sydney Airport and Badgerys Creek Aerotropolis as its catalyst.

The draft WCDP replaces the draft West District Plan and draft South West District Plans which were released in November 2016. As can be seen in **Figure 4**, the Western City District includes Hawkesbury, Blue Mountains, Penrith, Liverpool, Fairfield, Camden, Campbelltown and Wollondilly.



Figure 4 – Western City Districts

This submission puts forward several recommendations to the GSC to reconsider the site's potential from Land Release Area, as proposed in the GSC Plan to a higher-and-better-use, as recommended in this submission. There is an opportunity for Frasers as industrial developers to develop an industrial precinct that will take advantage of the existing road network and the proposed freight and logistic networks. To deliver an industrial development across the 52 hectares, there is a need for the GSC, relevant planning authorities and Frasers to align and unlock the opportunity for the provision of industrial uses on land that is strategically located in the Western City District.

The Western City Structure Plan is a refined Structure Plan which divides the District into Urban Area South and Urban Area North. The site falls within the Urban Area South which can be seen in **Figure 5**. The Structure Plan clearly demonstrates the potential land-uses within the District and has earmarked the site as Land Release Area.

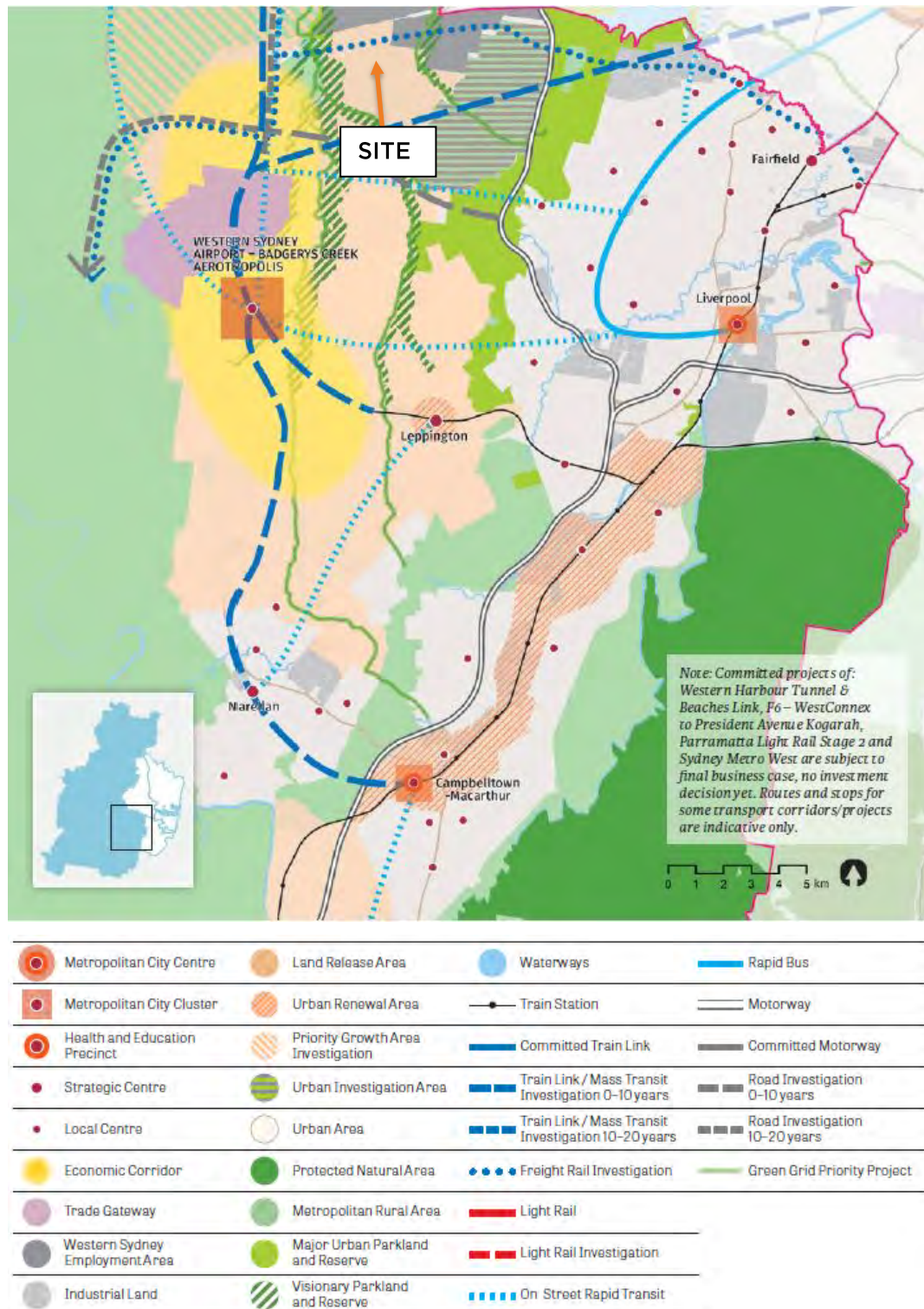


Figure 5 – Western City Structure Plan 2036 – Urban South Area
draft Western City District Plan 2017



LOGICAL STAGING OF LAND RELEASE FOR EMPLOYMENT LANDS WITHIN THE BROADER WESTERN SYDNEY EMPLOYMENT AREA

Comment: The new Western Sydney Airport in Badgerys Creek and \$3.6 billion worth of funding for the Western Sydney Infrastructure Plan are catalytic factors to improve planning controls and development outcomes in Western Sydney. The planning investigations into the Broader WSEA by DPE indicate the genuine shift and demand for industrial uses in Western Sydney. The site is identified as land under Precinct 11 Broader Western Sydney Employment Area of the SEPP (Western Sydney Employment Area) 2009 however, this has not been clearly addressed within the GSC Plans.

Recommendation 1: The site is currently underutilised and limited by RU2 Rural Landscape zoning and E2 Environmental Conservation that applies to the site. The site is within close-proximity to existing industrial land-uses that successfully generate employment. This includes the Erskine Park Employment Lands. Given its unique location, we recommend that the site be investigated for land-uses that will better service the Western City District. Further, the site is in a location that will service a logical and efficient land-use that capitalises on both the existing and future infrastructure that surrounds the site.

Comment: The site has been earmarked as a land release area within the draft WCDP. In the Plan, land release areas are identified as areas to 'house the District's new residents' and supporting diversity of household types.

Recommendation 2: We agree that the changing population will require diverse housing and access to services. In our view, the site is not compatible for residential uses as it sits amongst industrial estates to the north. Further, the site sits in a prime location within the Broader Western Sydney Employment Area and has convenient access to major roads. This includes areas earmarked for freight corridors and rail networks that will efficiently service industrial lands and provide connections to the future Intermodal Terminal facility.

Comment: Although the site is described as Land Release Area that may potential translate to residential land, the WCDP has identified the site as future industrial land. See Figure 6.

Recommendation 3: Should this interpretation of the plans be accurate, we are highly supportive of industrial land on the site. The site is in a logical position to service industrial lands that will be used more productively.

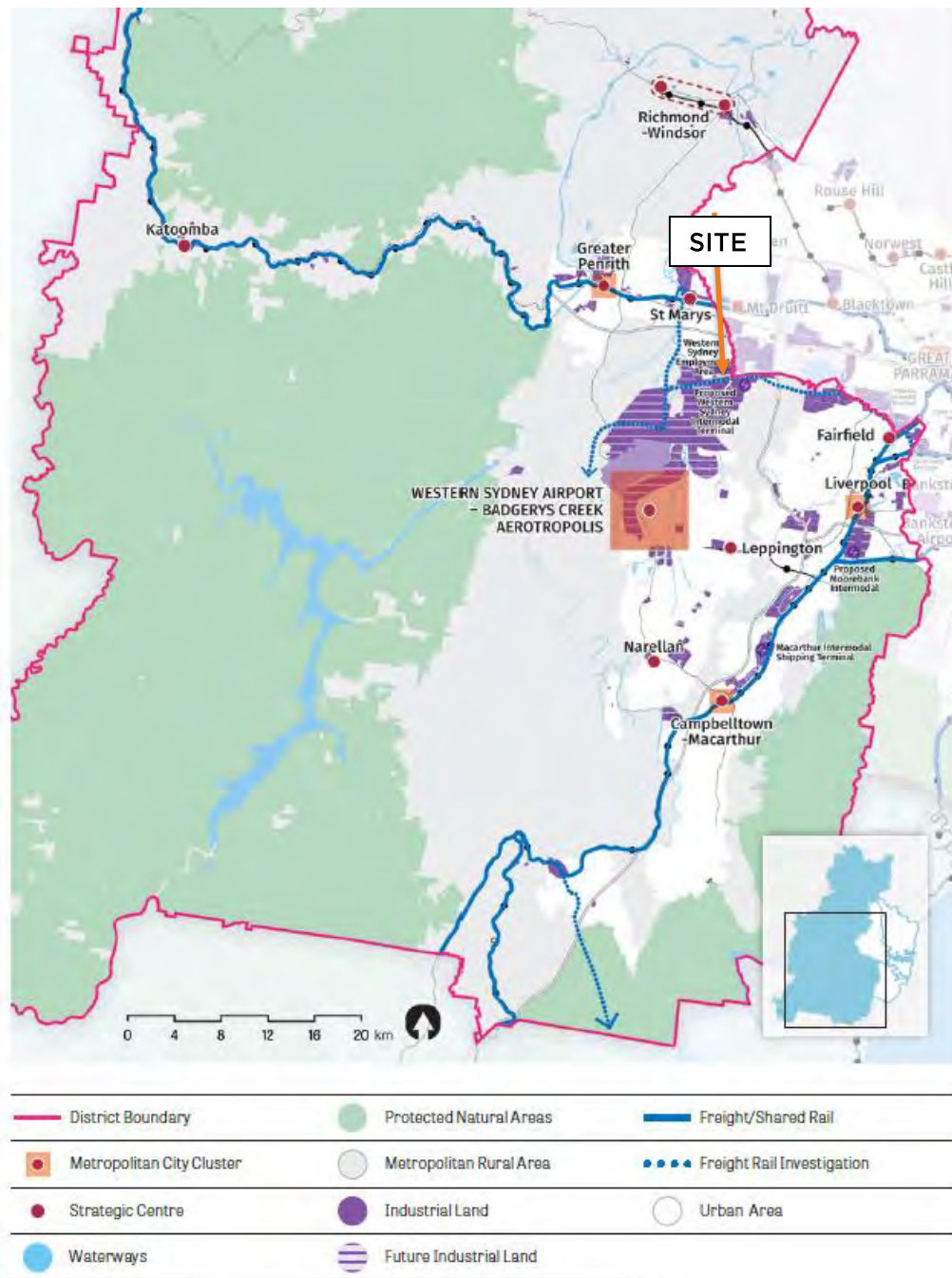


Figure 6 – Western City District Industrial and urban services land and freight assets
draft Western City District Plan 2017



OPPORTUNITY TO CREATE INDUSTRIAL USES ADJACENT TO EXISTING INDUSTRIAL LAND AT KEMPS CREEK

Comment: The Draft WCPD highlights that employment and urban services land will be crucial for employment and economic activity within Western Sydney. With unprecedented infrastructure and provision of transport connections and corridors, the site is fortunately located within the Western City District. This District is a significant Strategic District that will need to rapidly respond to the key game-changer, the commitment from the Government to deliver the second airport in Western Sydney.

Recommendation 4: There is an opportunity to utilise the existing infrastructure and investigate potential connections that promote shared use. To maximise the productive use of this site, it is recommended that the sites strategic merits are realised to provide compatible industrial lands within the Broader Western Sydney Employment Area. The site has genuine potential beyond residential land uses and will maximise the productive use of this site.

Comment: It is assumed that the land may not be suitable, adequately serviced and require new infrastructure.

Recommendation 5: The site has access to major roads, Mamre Road which is forms part of major road upgrades to be widened to a 6 lane Arterial road. The road upgrades will accommodate future employment lands. This is an opportunity to work collaboratively and position these transport corridors in a suitable position near the site which will be compatible with any future industrial development on the site. This will also connect the site to industrial land within its vicinity. The District Plan should also give regard to a staged progression of services being a natural extension of the Erskine Park industrial precinct.



PLANNING FOR INDUSTRIAL AND URBAN SERVICES LAND IN WESTERN SYDNEY, THE WESTERN CITY DISTRICT

Comment: The GSC have built on the Plan for Growing Sydney and produced comprehensive plans for Western Sydney that recognises Western Sydney as one of the three cities. As such, the plans realise the potential to create cities that connect and deliver integrated land-use planning through a collaborative and coordinate approach. In the WCDP industrial land approaches map, the site is identified as area to 'plan and manage'.

Recommendation 6: It is recommended that planning for industrial land is managed by the planning authorities in a manner that accommodates willing industrial developers such as Frasers. With close proximity to the M4 (4km North), Great Western Highway (4.5km North), M7 (7km East) and M5 motorway, the site provides superior access to the Sydney CBD, Port Botany, Major Intermodal Terminals and the future Badgery's Creek Airport. Frasers have the experience to deliver an innovative and adaptable industrial precinct on the site however, this requires support from key planning authorities.

Comment: Sydney's second airport at Badgerys Creek is within 15 km of the site and is a catalyst for Western Sydney that creates unprecedented opportunities for the Western City District. It is important that the relevant planning authorities apply planning controls that permit land uses that will service and are ancillary to the airport. In fact, a general test by planning authorities, is whether the site is suitable or within direct access to key economic infrastructure and its impact on industrial land.

Recommendation 7: It is recommended that the highest-and-best-use of this land is investigated. These investigations will identify an opportunity to plan for industrial land. This can only be successfully achieved if the planning authorities permit such land-uses. Frasers have the capabilities to deliver new industries and employment opportunities on the site that will be consistent with the vision of creating a 30-minute city.

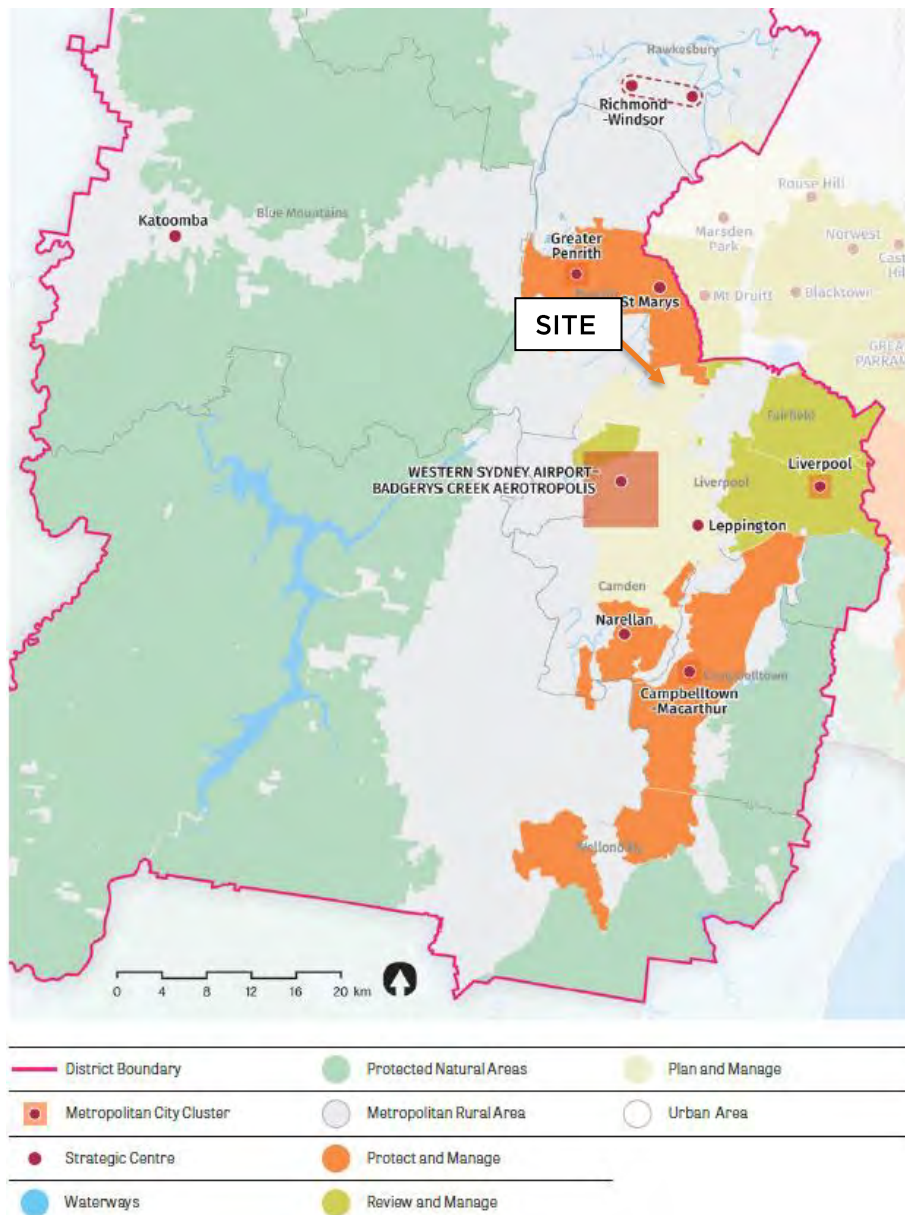


Figure 7 - Western City District Industrial and urban services land approaches draft Western City District Plan.



PROMOTING EMPLOYMENT OPPORTUNITIES AND RECOGNISING SITE-SPECIFIC MERITS

Comment: It is important that the planning direction for the Western City District responds to this catalyst and delivers sustainable outcomes. The site is a significant landholding at Kemps Creek that has access to City Clusters identified by the GSRP.

- To the north-west of the site is the Greater Penrith, Metropolitan City Cluster
- To the south-west of the site is Western Sydney Airport- Badgerys Creek Aerotropolis, Metropolitan City Cluster
- To the south-east of the site is Greater Parramatta, a Metropolitan City Centre and Liverpool, Metropolitan City Cluster
- To the south of the site is Campbelltown-Macarthur, Metropolitan City Cluster

Recommendation 8: We recommend that the GSC takes a more considered approach to this site which is in a unique location, to unlock employment opportunities that have not been identified. This will continue to support the objectives of a productive District and prevent a reactive approach to utilities and service delivery. Further, the amendment will support supply chain connectivity between Badgerys Creek, Kemps Creek, Horsley Park, Penrith and Wetherill Park. We support the GSC plans to implement industrial lands in suitable locations that are serviced by road networks and future transport connections that efficiently service future employment lands.

Comment: The GSC and key planning authorities have created a strong vision for the Greater Sydney and more specifically the Western City District. These plans capture the overwhelming benefits of the Western Sydney Airport and the plans for the Western Sydney Priority Growth Area and future transport corridors. Due to the concentrated cluster around the Western Sydney Airport, areas that have the potential to deliver outcomes have been undermined.

Recommendation 9: We recommend that the GSC recognise site-specific merits in the next phase of refining and finalising the plans for the Western City District. There is sufficient merit on planning grounds to overcome any barriers to growth and potential of the site as an industrial/employment land that delivers industrial uses whilst protecting any environmental constraints. The merits include;

- i. suitability of the site for industrial uses
- ii. scale of development
- iii. access to roads and transport corridors
- iv. promoting job creation by providing industrial development
- v. consistent with DPE's Strategic Directions and Plans for Western Sydney – supporting employment uses and delivering industrial development
- vi. revitalisation of rural residential areas into new employment uses
- vii. supporting Federal, State and Local investment into Western Sydney
- viii. ensuring development occurs in a logical and cost-effective manner
- ix. conserving environmentally sensitive areas across each site

Comment: The site is within proximity to the South Creek. As part of the Vision for Greater Sydney, South Creek is to 'transform its water management and support creek-facing employment hubs'.

Recommendation 10: This is a credible concept for South Creek by the GSC which will revitalise the land around South Creek, such as these sites at Kemps Creek. This will create a unique industrial hub that provides visual amenity and recreational spaces. We recommend that the sites potential to implement and deliver the South Creek Corridor Plan is realised in the finalisation of these plans. Such an approach will be consistent with the South Creek urban design principles which includes, 'orient urban systems towards the creek corridor'.

New business and industrial areas

- Creek-facing employment hubs
- Realigned car parking
- Recreation spaces for workers
- Accessible transit plaza
- Pedestrian only promenade



*Figure 8 – South Creek urban design principals
draft Western City District plan*

3. STRATEGIC PLANNING CONSIDERATIONS

Based on the realisation of the Western Sydney Priority Growth Area, Broader Western Sydney Employment Area and now the Vision for the Western Parkland City as put forward by the GSC, there is a genuine opportunity to plan for industrial zoned land that will permit development of industrial and warehouse distribution centres on the site. This however, is currently not permissible under the existing planning controls.

The site falls under the governance Penrith City Council. The relevant planning instrument, *Penrith Local Environmental Plan 2010* (Penrith LEP), identifies the site as land zoned for RU2 - Rural Landscape and E2 Environmental Conservation. There are no Floor Space Ratio controls that apply to the site however, maximum building height of 9 m applies to the site. Due to the investigations by the GSC, DPE and Local Council, we presume the current planning controls that currently apply to the site and broader Western Sydney will change to meet the objectives of more recent strategic plans.

The site is identified as unzoned land under the WSEA SEPP 2009, industrial lands have been developed subject to proponent-led applications.

The site is within a strategic area that has access to major road networks that provide connectivity to Badgerys Creek, Wetherill Park, Penrith, Blacktown, Liverpool and Sydney CBD. The roads include the Great Western Highway, Motorways and Major Roads such as the Horsley Drive. This will prove to be beneficial to future employment lands and industrial uses.

3.1 GREATER SYDNEY REGIONAL PLAN VISION FOR A METROPOLIS OF THREE CITIES

The draft Greater Sydney Region Plan (draft GSRP) outlines how Greater Sydney will manage growth and change and guide infrastructure delivery. The GSC prepared the draft GSRP in conjunction with the NSW Government's Future Transport 2056 Strategy. At the core of the Plan is the Three Cities Vision which presents a 40-year vision and 20-year plan for Greater Sydney.

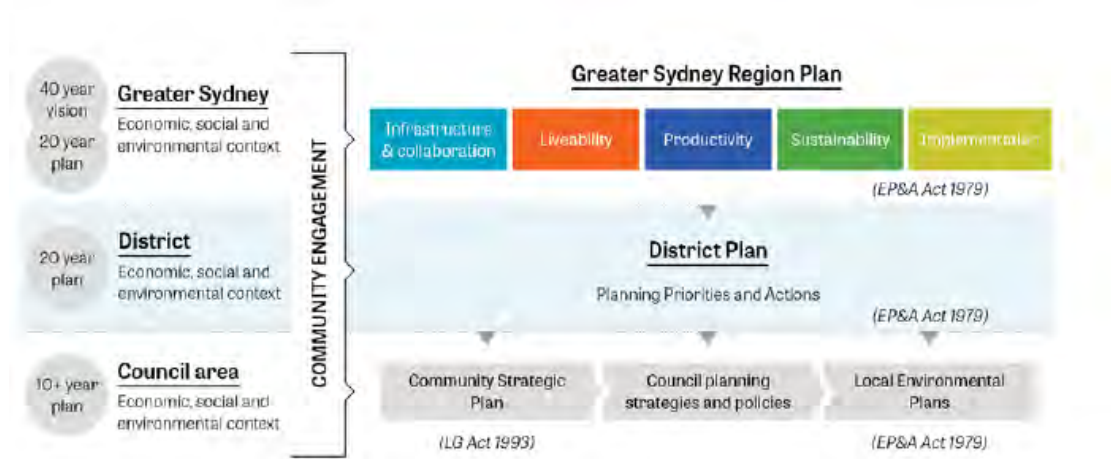
The GSC envisage to *'deliver a metropolis of three 30-minute cities that connect housing, jobs, education, health and other services with transport connections.'*

This vision is built around the 10 directions for a Greater Sydney which establishes a framework for Greater Sydney to be implemented at a state and local level with government agencies such as the DPE and Transport for NSW.

The 10 Directions reflect the strategic direction of Frasers objective to develop industrial land within the Western City District. The following Directions are the key directions that are essential to the outcomes of this submission:

- ✓ Direction 1 – A city supported by infrastructure
- ✓ Direction 2 – A city for people
- ✓ Direction 4 – A city of great places
- ✓ Direction 5 – Jobs and skills for the city
- ✓ Direction 6 – A well connected city
- ✓ Direction 7 – A city in its landscape
- ✓ Direction 8 – An efficient city
- ✓ Direction 9 – A resilient city
- ✓ Direction 10 – A collaborative city

These Directions are tied to 4 key themes that aim to achieve the metropolis of the three cities. **Figure 9** below outlines the 4 key themes that will be incorporated into the District Plans and local plans.



*Figure 9 – Relationship of regional, district and local plans
draft Western City District Place*

The three cities are the Western Parkland City, Central River City and Eastern Harbour City. The Western City District is within the Western Parkland City and benefits from having 4 Metropolitan City Cluster's. These can be seen in **Figure 10** and include:

1. Western Sydney Airport – Badgerys Creek Aerotropolis
2. Greater Penrith
3. Campbelltown-Macarthur
4. Liverpool

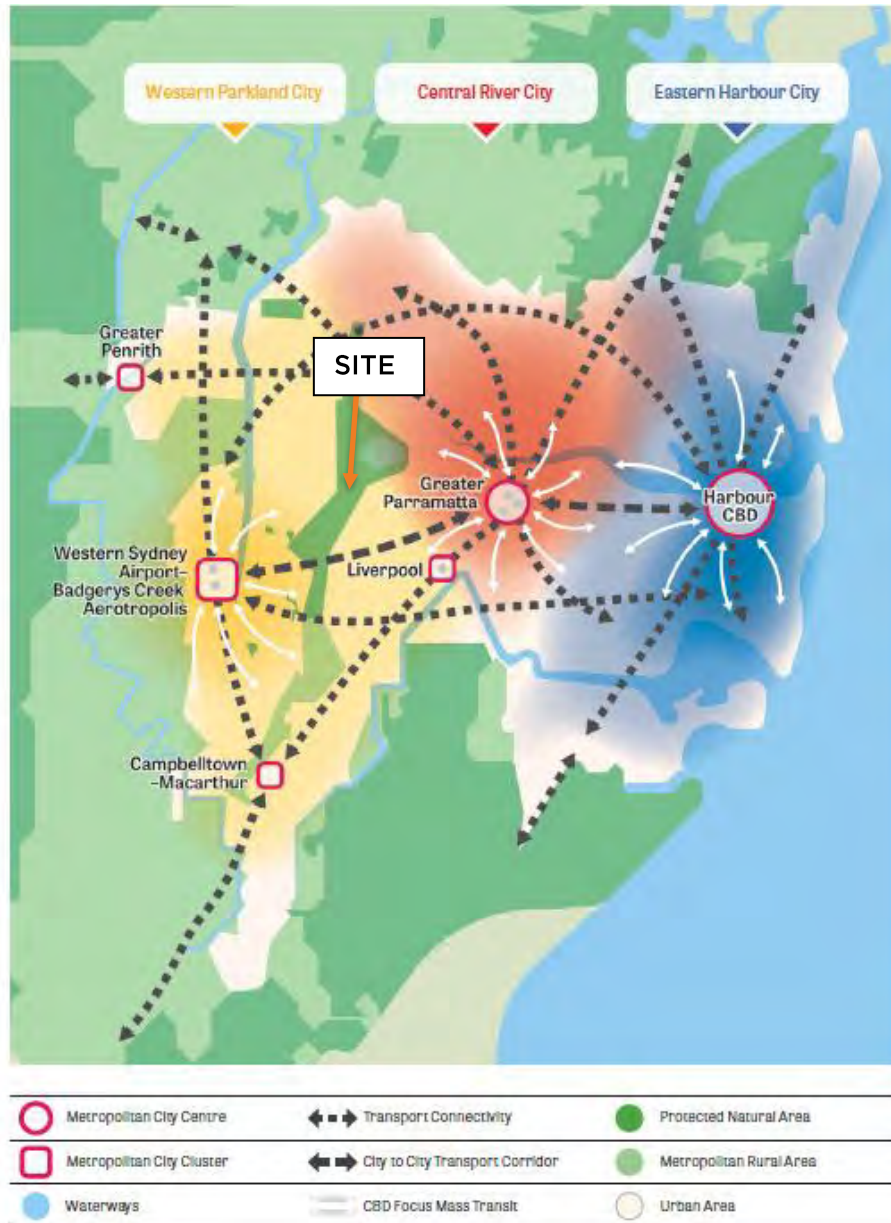


Figure 10 – Three Cities
draft Greater Sydney Region Plan

THE GREATER SYDNEY STRUCTURE PLAN 2056

The elements in the draft Plan are integrated layers and draw on components from *Future Transport 2056*. These include:

- Landscape elements
- Economic agglomerations
- Mass transit and strategic road networks
- Government-led housing supply program areas

The draft Greater Sydney Structure Plan is guided by the three cities vision and the listed elements. The Structure Plan has integrated this approach and set out the following vision for the Western Parkland City: *The emerging Western Parkland City with the Western Sydney Airport and Badgerys Creek Aerotropolis will grow a strong trade, logistics, advanced manufacturing, health, education and science economy within a Western Economic Corridor and will be the most connected place in Australia.*

The draft Structure Plan can be seen in Figure X and earmarks:

- The economic corridor is concentrated around the Western Sydney Airport and Mass Transit Investigation area;
- Western Sydney Employment Area is identified as per the Western Sydney Employment Area;
- Western Sydney Parklands as protected natural area and open space;
- Areas adjoining the M7 Motorway and south of the Western Sydney Employment Area is identified as an urban investigation area.

Comment: In this overarching Structure Plan, the site earmarked for land release area. It also appears that investigations may be underway for a Freight Rail near the site.

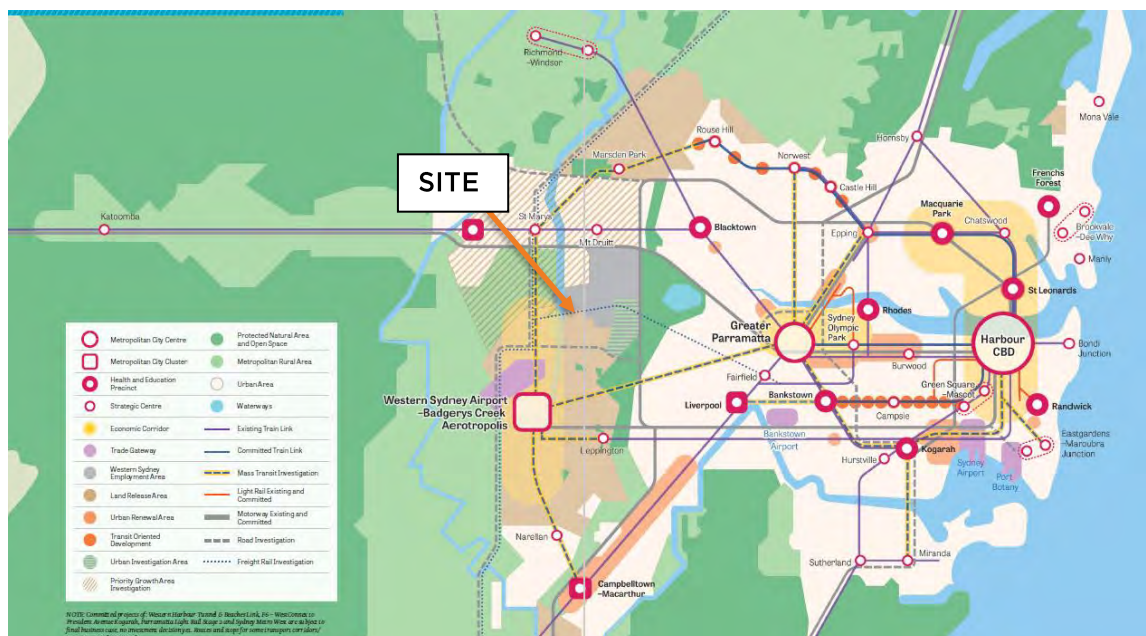


Figure 11 – Western City Districts
draft Greater Sydney Region Plan

3.2 WESTERN CITY DEAL

In October 2016, the Prime Minister Malcolm Turnbull and the NSW Premier Mike Baird, signed a Memorandum of Understanding (Memorandum) to establish and implement a partnership to work together on City Deals in New South Wales – starting with the Western Sydney City Deal. This includes local government areas of Wollondilly, Camden, Campbelltown, Liverpool, Fairfield, Penrith, Blue Mountains and Hawkesbury will work together with the Commonwealth and NSW Governments to deliver a City Deal.

The City Deal outlines a set of fundamental objectives to deliver change for Western Sydney includes:

- 1. An increase in infrastructure investment, including transformative public transport projects to unlock the economic potential of the region, reduce congestion and support local needs.*
- 2. A program of employment and investment attraction to support the development of the region through reduced business regulation, investment in skills and removing barriers to employment, including a focus on youth and Indigenous employment.*
- 3. Improving housing affordability through support for increase supply and housing diversity, including improvements to planning and zoning regulations and higher density developments in appropriate locations.*
- 4. Improved environmental and liveability outcomes, including streamlined and coordinated biodiversity conservation, support for clean air, green spaces, vibrant arts and cultural experiences.*
- 5. Coordination between governments to deliver regulatory reforms that integrate infrastructure, land use, housing and environmental planning decisions to facilitate growth.*

One of the many benefits of this unprecedented partnership between the Australian and State Government, is that the City Deal establishes a commitment to the Western Sydney Airport and unlock the opportunities of other key infrastructure investments to catalyse jobs growth and better transport links, which is significant for the development of new industrial and employment land.

APPENDIX 1 – MACROPLAN REPORT

MARKET AND STRATEGIC REVIEW, INDUSTRIAL USE OF LAND AT KEMPS CREEK AND HORSLEY PARK

In this report MacroPlan considers the relevance of the use of two properties at Mamre Road, Kemps Creek and the Horsley Drive, Horsley Park for industrial purposes from both a market and strategic land use perspective.

Our assessment considers:

- The current planning framework that applies to the subject land;
- The site context and relationship of the subject lands to surrounding land uses;
- The current supply and take-up rates for new industrial land in western Sydney; and
- Relevant market indicators.

Based on this reconnaissance our report finds that the subject lands are suited to an industrial use and would provide a valued contribution to the supply of industrial land in western Sydney.

Subject Lands

The subject sites and their locational and planning context are described below. Whilst each of the sites are comprised of several existing allotments, our reconnaissance assumes that their potential development for industrial purposes will follow an 'acquire-consolidate-redevelop' model, allowing for their shape, size and road frontages to be tailored to meet market need. Our assessment therefore is not hindered by the current configuration or fragmentation of the land.

Site 1 – 657-703 & 757-769 Mamre Road, Kemps Creek

Site 1 consists of two separately titled allotments (Lot 34 DP1118173 & Lot 22 DP258414). It has an area of approximately 45 hectares and a combined frontage to Mamre Road of approximately 600 metres, in two separate sections.

Site 1 is currently used for the purposes of rural-residential living and associated activities. Land adjoining the site is used for similar purposes whilst land immediately north of the nearby Sydney Water pipeline is presently used for industrial purposes and/or is undergoing land use change for this purpose. The extension of such uses south of the pipeline on Mamre Road is therefore a logical expansion of the adjacent 'employment' designation of land.

The site is predominantly zoned for rural purposes (RU2 Rural Landscape) and is included in the frame of the Western Sydney Priority Growth Area (WSPGA), having previously been identified as part of the expanded Western Sydney Employment Area (WSEA).

Site 2 – Keyhole Site, Various Lots, Horsley Park

Site 2 consists of 24 separate properties situated between Chandos Road and the Horsley Drive, Horsley Park (spanning across Redmayne Road). The site has a total area in the order of 55 hectares, with frontage to the three roads mentioned above.

Site 2 is used and zoned for rural purposes. The land is known as the 'keyhole site' as it is surrounded by lands that form part of the broader Western Sydney Parklands.

Current Planning Framework

The **Draft Greater Sydney Regional Plan (DGSRP)** applies to the metropolitan region and sets the planning framework for the five districts which comprise the broader region. The draft Plan seeks to:

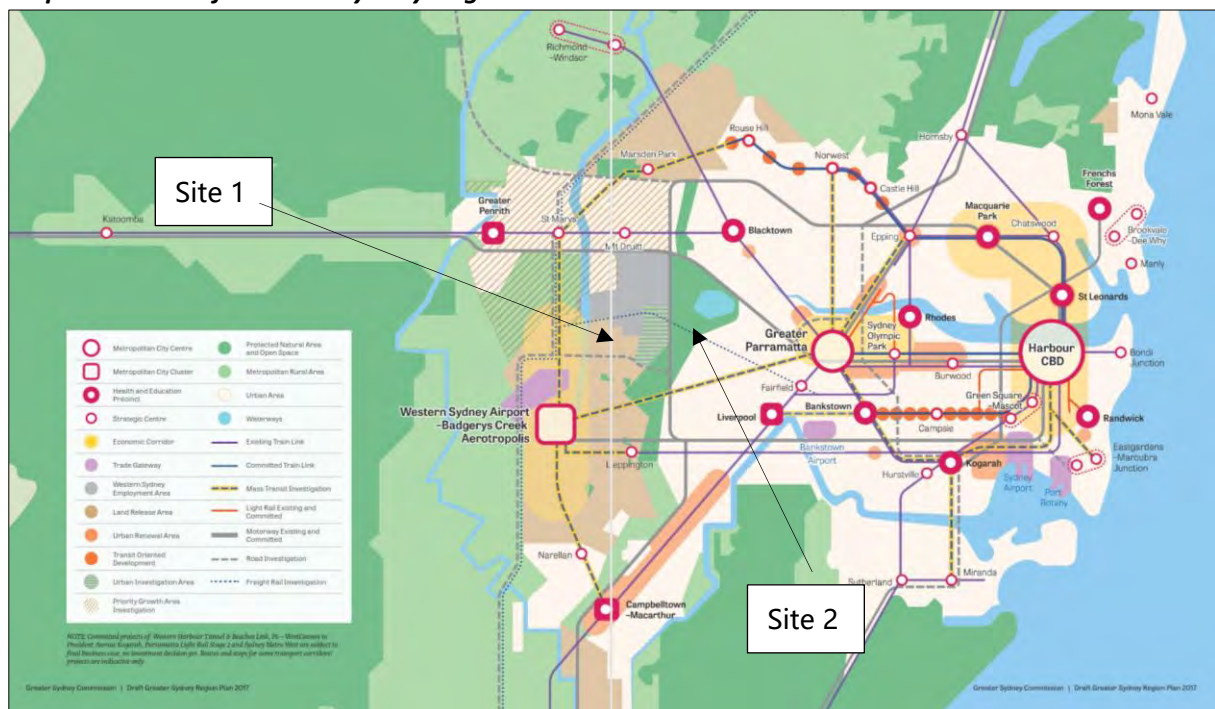
- set a 40-year vision (up to 2056) and establish a 20-year plan to manage growth and change for Greater Sydney in the context of economic, social and environmental matters;

The draft Plan has been prepared in accordance with section 75AC of the Environmental Planning and Assessment Act 1979. This requires the draft Plan to include or identify:

- the basis for strategic planning in the region, having regard to economic, social and environmental matters;
- a vision statement;
- objectives consistent with that vision;
- strategies and actions for achieving those objectives; as well as an outline of the basis on which the implementation of those actions will be monitored and reported.

The following map extract from the DGSRP identifies the approximate location of Site 1 and Site 2 under the draft plan.

Map Extract: Draft Greater Sydney Regional Plan



Source: Greater Sydney Commission, 2017

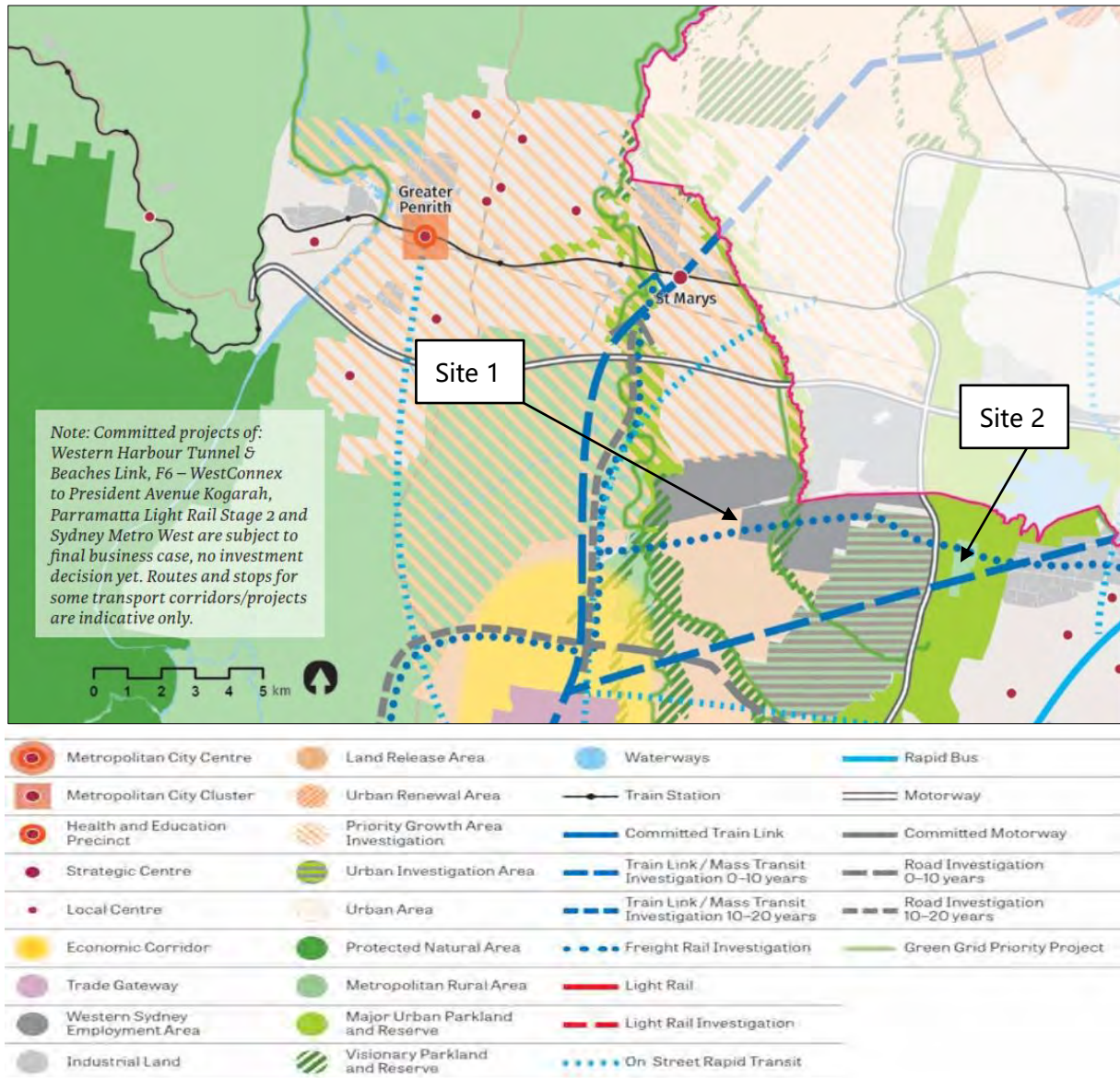
As can be seen, Site 1 is situated east of the Western Sydney Airport and is located either in the designated 'Western Sydney Employment Area' or in its adjacent 'Land Release Area'.

Site 2 is identified as being part of a 'Protected Natural Area & Open Space'. We note that the regional plan does not show the current configuration of the keyhole site within the Western Sydney Parklands.

The subject lands are also covered by the recently exhibited **Draft Western City District Plan (DWSDP)** which seeks to provides district level guidance relevant to the implementation of the broader regional plan.

A map extract from the DWSDP with Site 1 and 2 identified on it follows:

Map Extract: Draft Western City District Plan



Source: Greater Sydney Commission, 2017

The sites are more clearly identified on the DWCDP plans, particularly site 2.

Key Findings of Relevance to Subject Land

Our findings with respect to the current regional and district planning frameworks relevant to the subject sites are detailed below.

Site 1 – Mamre Road – Planning Implications:

- The subject land is identified either as part of the ‘Western Sydney Employment Area’ or within an adjacent ‘Land Release Area’ – either designation signifies that there would be limited departmental, agency or other stakeholder resistance to the site’s use for urban purposes. We note that Site 1 has previously been identified as part of the intended expansion of the WSEA.
- The DWCDP identifies a ‘Freight Rail Investigation’ corridor in proximity to and/or directly transecting part of the subject land – this would suggest that the site is more suited to an industrial/employment end use rather than to other urban forms.

Site 2 – Keyhole Site – Planning Implications:

- The subject land is identified as either part of a Protected Natural Area or the Metropolitan Rural Area – either designation is not conducive to industrial/employment generating development. We note however, the encroachment of recent industrial development into similarly designated land immediately west of the Wetherill Park Industrial Estate, a short distance from the subject lands.
- We note also the fact that the original Western Sydney Parkland (WSP) designation did not, and currently does not, apply to the subject lands. Further, we note that a key approach of the Parklands Trust is to identify lands within its control that are suited to commercial use. Given the current zoning of the keyhole site and its non-inclusion in the WSP, there would seem to be little reason as to why this land ought to be considered differently from other WSP lands that have been identified for commercial use. The Parklands already co-exists with a range of commercial undertakings, including land used for industrial, retail, tourism and other business purposes.
- The DWCDP identifies a ‘Freight Rail Investigation’ corridor and ‘Train Link / Mass Transit Investigation’ corridor in proximity to and/or directly transecting part of the keyhole site. These provisions further highlight the site’s suitability for more intensive urban development.
- We also note that the suggested Metropolitan Rural Area designation is contrary to the broader intent of this classification and would appear, at best, to represent a de facto reservation without acquisition. The land, clearly, has not been designated as public land previously.

Industrial Land Market - Western Sydney

Whilst western Sydney has long been regarded as a bastion for industrial development, recent reports¹ have highlighted the dearth of available employment land across the region.

Assuming a median annual industrial GFA supply of 500,000m², the UDIA has estimated that Sydney currently has enough ‘actual zoned and serviced’ employment land (i.e. short-term supply) to meet a single year of high demand or 2 years supply at average take-up rates. This compares to a supply standard of 5-7 years.

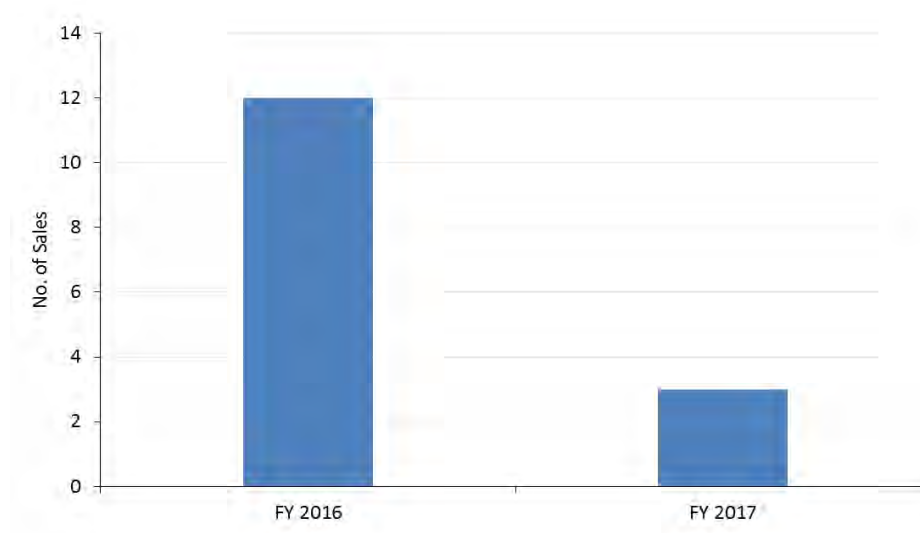
¹ UDIA, *Building Jobs for NSW*, 2017

Further, the UDIA has identified that a large proportion of the 2,270ha of zoned employment lands that are expected to be available in the medium term (i.e. lands that are zoned but are yet to be serviced) will be lost to site constraints (including vegetation and flooding in Western Sydney).

A good deal of land within the Western Sydney Employment Area is so constrained. Indeed, the UDIA report points to the fact that only 10% of the rezoned land in the WSEA Precinct situated south of the Sydney Water Warragamba pipeline has secured development consent for employment generating development in the 8 years since rezoning occurred. Additionally, there have been significant access and servicing constraints in relation to the delivery of these lands subsequent to the issue of development consent.

Similarly, UDIA estimates that up to 40% of the long-term industrial land supply (i.e. identified but not yet zoned) within the Western Sydney Priority Growth Area will be lost to site constraints.

A recent market report by Colliers² confirms the lack of serviced land in Sydney's west. The lack of supply is reflected in the substantial reduction in sales in the Eastern Creek region, close to the subject sites, between FY 2016 and FY2017, as depicted in the chart below.



Colliers find that this lack of supply in combination with large investments in transport infrastructure has caused land values to rise by over 40 percent over the past year.

Conclusion

Both of the subject sites investigated in this report are geographically suited to an industrial land use zoning. They are near to other industrial land, of substantial size and are adjacent to planned freight and/or transit infrastructure.

The shortage of zoned, serviced and available industrial land in western Sydney is reflected in fast-rising land values. The shortage of land and the constrained nature of land that is zoned or intended to be zoned for industrial purposes emphasise the need for new industrial land to be identified.

² Colliers – Industrial Market Report, Q2 2017

In light of these considerations the subject sites, in our opinion, would provide a valued contribution to the supply of industrial land in western Sydney.

Yours sincerely,

