

Preliminary Assessment

Penrith Lakes Scheme

Submitted to
Department of Planning
On Behalf of Penrith Lakes Development Corporation

December 2006 ■ 06357

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1.0 Introduction

This preliminary assessment is submitted to the Department of Planning (hereafter referred to as 'the Department') to assist the Director General in determining the level and scope of the environmental assessment required to accompany a proposal for listing Penrith Lakes as a State Significant Site (SSS) under Schedule 3 of the Major Projects SEPP 2005 and Concept Plan application for the proposed development of Penrith Lakes.

The preliminary assessment has been prepared on behalf of the applicant, Penrith Lakes Development Corporation (PLDC) by JBA Urban Planning Consultants Pty Ltd, and is based on information provided by PLDC.

This preliminary assessment includes the following information relevant to the proposal:

- a description of the project;
- site description;
- planning provisions applying to the site;
- identification of the environmental issues associated with the project; and
- a list of other approvals required.

1.1 Project Background

PLDC was formed in 1980 as a joint venture of five gravel companies, which through acquisitions, have been reduced to three parties; namely Boral, Hanson and Readymix. During the 1980's the quarrying parties on the Penrith Lakes site entered into negotiations with the NSW Government to establish long term certainty for quarrying operations and a subsequent rehabilitation scheme. This scheme included the lakes concept aimed at creating a regional water-orientated recreation resource in the former quarry areas. The concept became known as the 'Penrith Lakes Scheme' (the Scheme) to be coordinated by the PLDC.

As a result of these discussions the PLDC was formed and in 1987 PLDC entered into a Deed of Agreement with the NSW Government. The 1987 Deed of Agreement sets out the processes dealing with the use of the land for quarrying, standards for rehabilitation and other matters related to quarrying operations. The Deed has been subject to variations over time. These variations have contemplated areas of land for development of recreational, residential and employment generating land uses. The main objective, however, is to provide a large water orientated recreation facility in Western Sydney.

In 1986 Sydney Regional Environmental Plan No.11 – Penrith Lakes (SREP 11) was made and is the main planning instrument currently applying to the site. The aim of the plan was to permit the implementation of the Scheme, to identify and protect items of environmental heritage and to identify land which could later be rezoned for urban purposes.

SREP 11 establishes the development controls for the extractive activities, the management and control of water resources and the rehabilitation of the site. SREP 11 also includes a Structure Plan which identifies the number, size and structure of the lakes, future urban areas, heritage items, open space, detention basins and the proposed realignment of Castlereagh Road. SREP 11 does not permit recreational or residential development of the site.

The ongoing quarrying activities have continued to extract sand and gravel and to form the lakes as identified in the Structure Plan. Part of Lake A has been formed and the Sydney International Regatta Centre (SIRC) has been established on the site. The SIRC was the location of the rowing competition at the Sydney 2000 Olympic Games.

In 2001, PLDC commenced further negotiations with the NSW Government on a range of commercial, planning and urban development matters. Recently PLDC, the Minister for Planning and the RTA have been negotiating the terms of a Planning Agreement.

A meeting was held between the Minister for Planning and PLDC on 26 October 2006, where it was outlined to the Minister that PLDC intended on lodging a Concept Plan application under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and amendment to Schedule 3 of the Major Projects SEPP. Subsequent to this, correspondence has been sent to the Minister for Planning seeking a declaration by Order of the Minister that all future development of urban land and open space over \$5 million proposed on the Penrith Lakes site is a project to which Part 3A applies. A copy of this correspondence is included at **Appendix A**.

A new draft SREP (Penrith Lakes Scheme) 2006 to permit housing and other uses was commenced by the Department of Planning (DoP) in 2000. A draft of the 2006 amending SREP has been prepared but not publicly exhibited. With the subsequent adoption of Part 3A of the Environmental Planning and Assessment Act 1979 ('the Act'), and in light of this application, amendments to the regional planning instrument is no longer necessary to effect the approvals sought.

The PLDC commenced work on a concept masterplan for the site in 2004 for the proposed urban areas, supported by various investigative studies. That masterplan is currently being reviewed and a new concept plan incorporating both the urban areas and parklands and lakes is currently being prepared.

PLDC estimate that extractive quarrying operations will be completed by 2011 (depending on market demand) and that recreational and residential development on the site will commence prior to completion of quarrying.

As the lakes formation is part and parcel of the quarrying activities, the PLDC is seeking a development approval under Part 3A of the Act for the lakes, parklands and urban areas as early as possible. This will provide PLDC with the certainty it needs to commence the final stages of the resource extraction and further investment in the necessary infrastructure.

2.0 Project Description

2.1 Project Overview

The proposed development comprises approximately 1937 hectares of land at Penrith. The key parameters for the future development of the site have been established as follows:

- A significant open space and recreational area of 1500ha, being approximately 800ha of open space and public domain and 700ha of lakes.
- 410ha of land to be developed for residential (approximately 4900 dwellings), employment, community and tourism purposes. This includes 325ha for residential, 25ha for rural residential and 60ha for employment lands.

The planning and design concept for the Scheme includes:

- establishment of lakes;
- open space and recreational uses;
- creating a community of around 12,000 people;
- residential precincts in a park-like lakeside environment;
- rural residential;
- developable areas underpinned by flood control, flood evacuation and drainage and water quality management;
- a main village centre, a network of neighbourhood centres, schools and community facilities;
- integration of local shopping, tourist and community uses;
- an employment precinct centred around old Castlereagh Road;
- efficient road network and public transport;
- a connective street network, a series of accessible public open spaces, including continuous foreshore access; and
- water sensitive urban design.

In addition to the above, a number of existing uses will be retained on site including the Sydney International Regatta Centre and the identified heritage items on the site. It is proposed that an appropriate management regime will be implemented for the lakes and parklands and that ownership of the public open space will be vested in the NSW Government at the completion of the project.

Capital Investment Value

The estimated capital investment value of the project is in the order of \$1.5 billion.

2.2 Project Proposals

It is requested that the Director General issue the requirements for a comprehensive environmental assessment to accompany a proposal for the listing of the Penrith Lakes site as a State Significant Site under Schedule 3 of the Major Projects SEPP 2005 and establishment of the appropriate development controls for the site, and for the lodgement of a Concept Plan application for the whole of the site.

State Significant Site Listing

The current environmental planning instruments applying to the site reflect the existing extractive industry and lake formation activities. A new planning regime is required to rezone the site to upgrade its permissible land uses and to enable the development of the site including recreational, residential, and employment generating uses as well as the lakes and open space.

It is proposed that the Schedule 3 amendment introduce a new statutory planning framework for the site that includes:

- vision and aims for the Scheme;
- zoning and permissible uses; and
- key development controls.

Concept Plan Application

The Concept Plan will apply to the entire 1937ha Penrith Lakes site. The key parameters for the future development of the site are:

- 700ha of lakes;
- 800ha of recreational space, public domain and open space;
- 410ha of land for development for residential, rural residential, and employment other uses;
- residential precincts yielding a total 4900 dwellings; and
- a main village centre, a network of neighbourhood centres, schools and community facilities and public domain.

The Concept Plan will also be accompanied by a Planning Agreement, and a proposed governance arrangement and funding mechanism for the public open space and public domain with a 99 year leaseback from the NSW Government as the new owner of the parklands. A process for the subsequent approval of projects will also be identified.

2.3 Site Description

Site Location and Context

The Penrith Lakes site is located on the floodplain of the Nepean River, approximately 3km to the north of the Penrith CBD (**Figure 1**). It is located at the edge of the Sydney Basin adjacent to the Blue Mountains and bounded by the Nepean River to the west, Cranebrook Village and the Cranebrook Escarpment to the east, and rural land to the north. The site sits adjacent to existing rural land uses, villages and residential development.

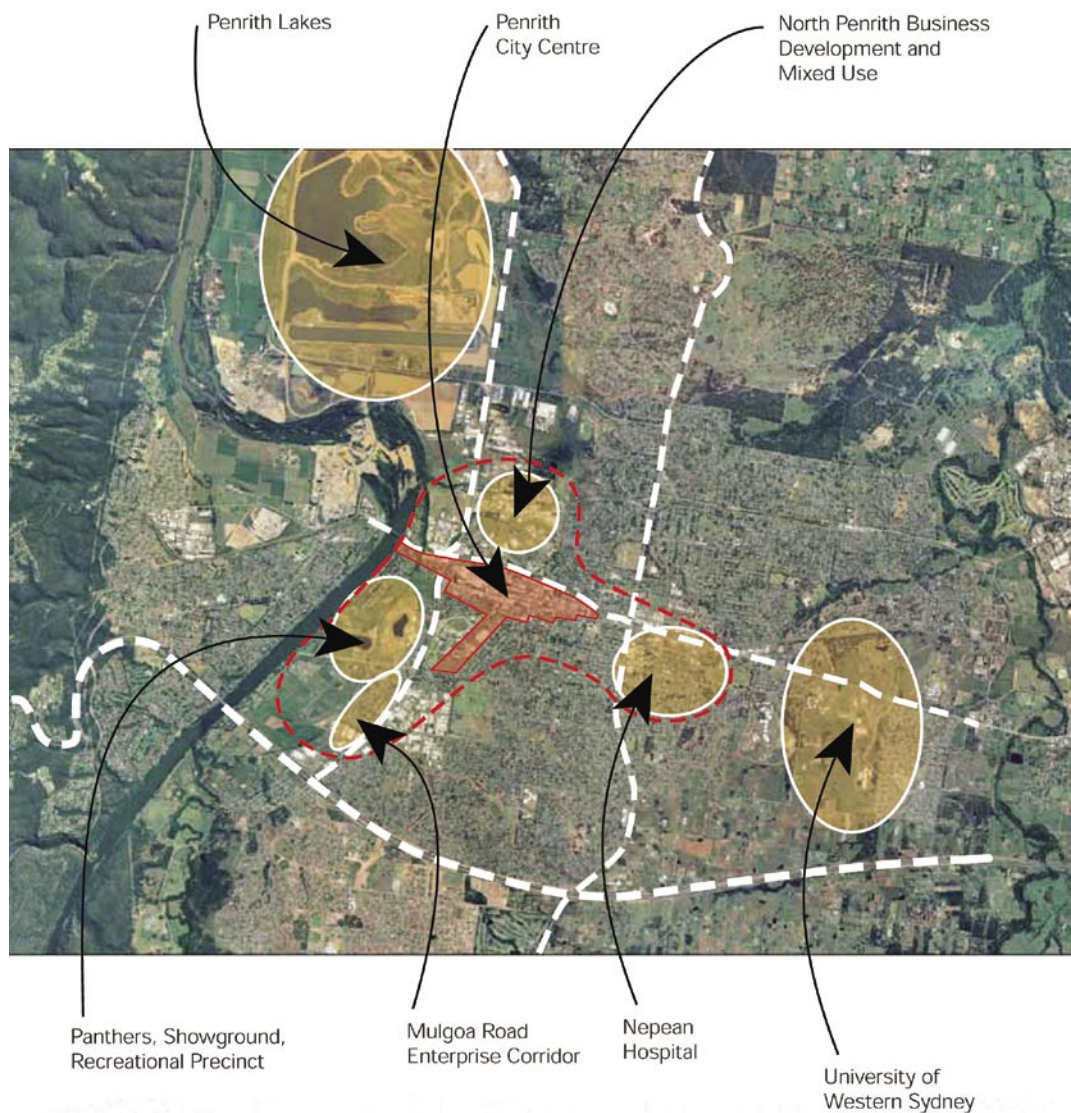


Figure 1 – Site Location and Context (Source: Department of Planning)

The site has been heavily quarried and has limited vegetation remaining (refer **Figure 2**). Part of the site, adjacent to the SIRC has been landscaped and revegetated. There is urban development to the east and south of the site and predominately rural and agricultural uses to the north of the site.

The Penrith Lakes Scheme is easily accessed by the M4 and in close proximity to Penrith CBD, a key regional city within metropolitan Sydney.



The Site

Figure 2 – Existing Development

Site Description

The total site comprises land owned by PLDC, the NSW Government and other private landowners. However, the majority of the site is owned by PLDC. The land to which the proposed Concept Plan and Schedule 3 listing applies and ownership details are listed in **Appendix B**. Land owners consent for lands not owned by PLDC is currently being sought.

3.0 Relevant Planning Instruments and Controls

3.1 Overview of Planning Instruments Applying to the Site

The following existing planning instruments, development control plans and planning policy documents are of key relevance to the proposed development:

- State Environmental Planning Policy (Major Projects) 2005;
- State Environmental Planning Policy 11: Traffic Generating Development;
- State Environmental Planning Policy 55: Remediation of Land;
- Draft State Environmental Planning Policy 66: Integration of Land Use and Transport;
- Sydney Regional Environmental Plan No. 11: Penrith Lakes Scheme; and
- Penrith Local Environmental Plan 1991 (Environmental Heritage Conservation).

3.2 Key Planning Controls

State Environmental Planning Policy (Major Projects) 2005

The Major Projects SEPP identifies certain categories of development and certain specified sites that are subject to assessment and determination under Part 3A of the EP&A Act. The Minister for Planning is the consent authority for Part 3A projects.

The Penrith Lakes site is identified at Clause 6 of Schedule 2 of the Major Project SEPP. Developments for the purposes of extraction, rehabilitation or lakes formation (including associated infrastructure) is subject to the provisions of Part 3A of the Act. The provisions do not currently apply to development of the site for recreation and urban purposes.

Sydney Regional Environmental Plan No. 11 - Penrith Lakes Scheme

The main planning instrument applying to the site is Sydney Regional Environmental Plan No 11 - Penrith Lakes Scheme (SREP 11). It permits among other activities extractive industries (the major current use), restoration and lakes creation. The REP contains a Structure Plan, which is to be utilised as a key matter for consideration for the consent authority when granting consent (**Figure 3**). The Structure Plan identifies the number, size and structure of the lakes, future urban areas, heritage items, open space, detention basins and the proposed realignment of Castlereagh Road.

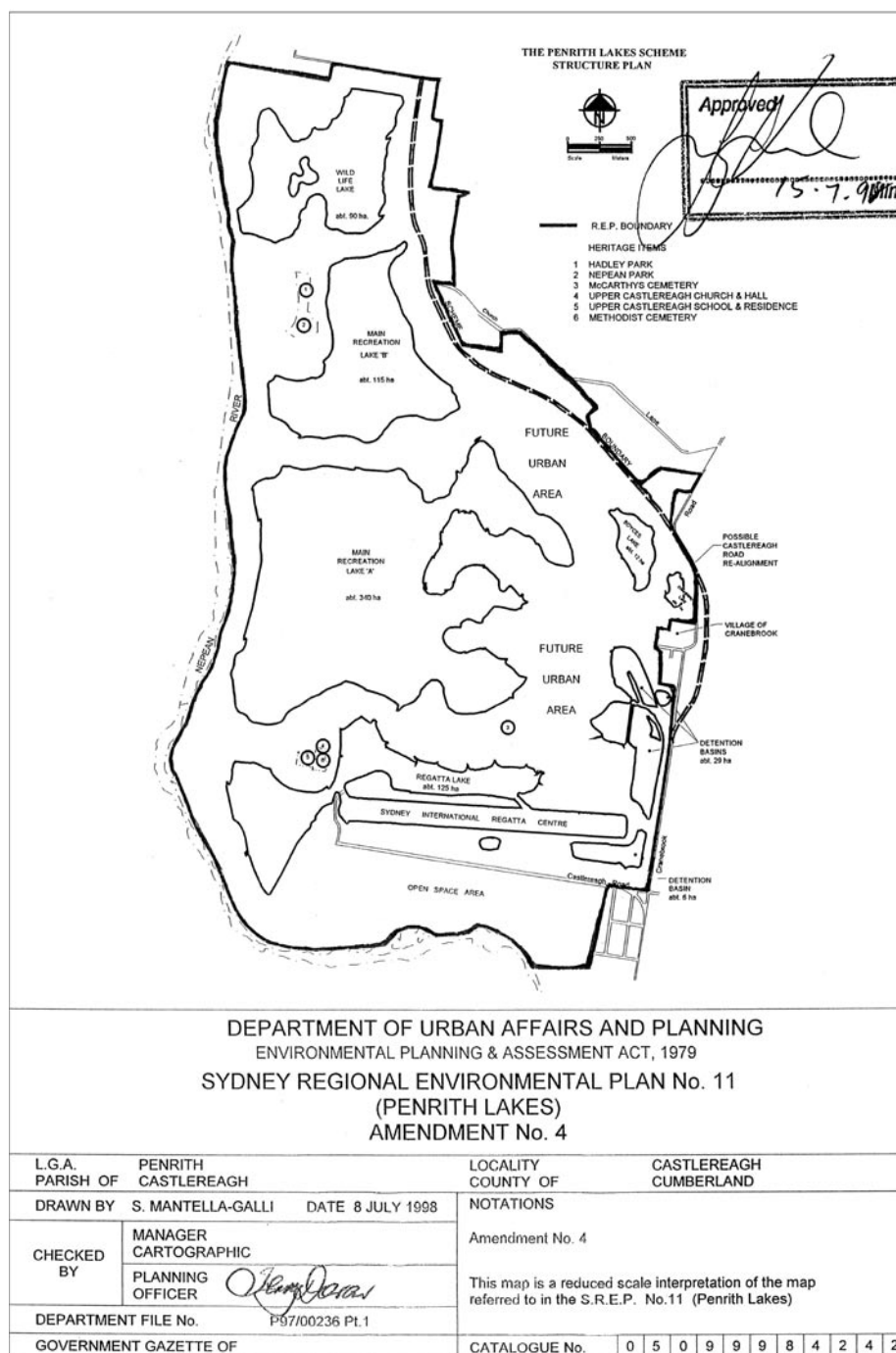


Figure 3 – Current REP Structure Plan

As SREP 11 does not permit recreational uses or urban development, a draft State Regional Environmental Plan (Penrith Lakes Scheme) 2006 (draft SREP), was prepared by the Department of Planning (DoP) to do so. The draft SREP has not been publicly exhibited and is not expected to proceed in light of the proposed application under Part 3A of the Act. Future controls for the land, including some of those proposed in the draft SREP, will instead be incorporated into site-specific controls in Schedule 3 of the Major Projects SEPP.

4.0 Views of Council and Agencies

The proposed development of the Penrith Lakes site has a long history involving Penrith Council, the State Government and other agencies over many years. This history can be briefly summarised as follows:

Controlling Agreements between PLDC and the NSW Government

The Penrith Lakes redevelopment has been the subject of many discussions between PLDC and the State Government for over 20 years, from the 1987 Deed of Agreement which formalised the on-going quarry operations to the current Draft Voluntary Planning Agreement, which seeks to set out the respective responsibilities of the NSW Government and the landowner for a range of facilities, services and infrastructure to support the urban development and parklands within the Scheme.

Penrith City Council

PLDC has maintained a mutually supportive relationship with the Penrith City Council and Council has included the Penrith Lakes Scheme in its strategic planning. PLDC and Council have jointly funded an employment strategy, whilst Penrith City Council has also been actively involved with the project through its representation on the Water Committee.

PLDC and Council have also established a Planning Management Group which meets monthly to jointly resolve planning issues and to ensure Council's needs are incorporated into the plans. In addition, PLDC requested that Council designate a specific council executive to be an on-going member of PLDC's Client Team responsible for the day to day briefing and monitoring of the development of the Concept Plan.

Water Committee

Technical advice has been provided by various government agencies throughout the quarrying and rehabilitation activities on the site through a specialist Water Committee. The Water Committee was established to examine the quarrying and rehabilitation works and determine if PLDC fulfilled its obligations under the 1987 Deed. The Committee recommended some changes to the lakes configuration, changes to lakes uses and changes to associated infrastructure. The recommendations were submitted to NSW Government in May 2005.

It is understood that the NSW Government reviewed and endorsed the Water Committee findings, subject to reasonable commercial arrangement being entered into, to accommodate the changes. The Water Committee comprised members as shown in **Table 1**.

Table 1 – Water Committee

Organisation	Name
Department Planning (former DIPNR)	Doug Rhodes (Chair) Geoff Hawkins Terry Doran Kevin Flynn (SIRC) Fiona Campbell (Committee Support) Brian Walters (Expert Panel Support)
Penrith Lakes Development Corporation	John Kuner Peter McGhee Rebecca Wright
Stocklands	Paul Jones
Penrith City Council	Roger Nethercote Craig Ross Paul Battersby
Department of Environment and Conservation	Tim Gilbert Richard Bonner
NSW Fisheries	Scott Carter
Sydney Water Corporation	Gordon Cameron

Expert Panel

The Government's Independent Expert Panel was engaged by the Water Committee to provide specialist technical advice and to undertake the review. The Independent Expert Panel specifically addressed technical and environmental issues having regard to the Scheme's regional context and implications for the Hawkesbury-Nepean Catchment. The Expert Panel comprised the following members:

Table 2 – Expert Panel

Member	Expertise
Bob Wilson	Chair
Dr David Barnes	Water and Wastewater Engineering
Dr Keith Bishop	Fish Ecology
Dr Tony Church	Water Ecology
Dr Ivor Gowns	Macroinvertebrate Biology
Dr Eleni Taylor-Wood	Vegetation
Ian Varley	Hydrology
Dr Robin Wamer	Geomorphology
Greg McNally	Groundwater
Paul Robilliard	Urban Planning
Nihal Vilharana	Geotechnical Engineering

It is recommended that where appropriate a Committee or Panel continue to provide technical and expert advice on relevant matters.

5.0 Preliminary Assessment

Various environmental studies and assessments have been undertaken to date to support development of the Penrith Lakes Scheme, both to inform the preparation of the draft SREP and development of the site 'masterplan'. A list of the recent studies undertaken is attached at **Appendix C**.

It is therefore anticipated that the Director General's requirements will require the proponent to review and build upon this previous work to bring it up to date to the 2006 Concept Plan proposal. The parameters of this work to date broadly informs this section of the preliminary assessment.

The information below has been prepared to assist the Director General in identifying the general requirements and key environmental issues associated with the project.

5.1 Metropolitan Strategy

The Penrith Lakes Scheme site is of both State and Regional importance, being identified in the Metropolitan Strategy (City of Cities, A Plan for Sydney's Future, 2005) and the subject of state and regional environmental planning policies. Penrith is located in the North West subregion in the Sydney Metropolitan Strategy. Within the North West Subregion, the Strategy is planning for an additional:

- 140,000 new dwellings (with over 300,000 people) to 2031;
- 99,000 new jobs to 2031.

The Metropolitan Strategy identified a network of six key regional cities to drive the State's economic growth and Penrith is designated as one of the regional cities. Penrith was identified as a regional city due to:

- its status as the largest centre in outer and north western Sydney;
- its large and growing regional catchment area;
- its location in relation to natural assets including the Nepean River and Blue Mountains;
- high forecast employment growth;
- its potential to attract further additional economic, cultural and social activity because of existing and new assets in and around the centre; and
- its focus for rail and other transport links.

The recently released Penrith City Centre Plan (by the Department of Planning as part of the Metropolitan Strategy's Implementation project) identifies Penrith Lakes as one of the several large urban development areas and sites which will further contribute to Penrith's role as a regional centre.

The development of the Penrith Lakes Scheme has the potential to:

- contribute to the long term supply of employment land and employment opportunities;
- contribute to the long term supply of residential dwellings;
- provide new and enhanced opportunities for access to a major new area of public open space and lakes that are of both State and regional significance providing both passive and active recreation opportunities on a major scale;
- provide the opportunity for new residents, workers and visitors to have access to recreation facilities as well as jobs, services and public transport; provide major new flood mitigation and flood evacuation infrastructure;
- improve transport links and reduce the existing isolation of Penrith Lakes from Penrith CBD and surrounding locality;
- achieve a comprehensive rehabilitation of that part of the site currently used as a quarry and integrate the site with the surrounding area; and
- create a significant new recreation and tourist destination and augment the existing recreation facilities.

There are a limited number of sites in single ownership and readily available in the Sydney Region that are capable of, and suitable for, delivering large scale open space and recreation facilities, along with almost 5,000 dwellings and significant infrastructure improvements. The redevelopment of the Penrith Lakes has the potential to be a major driver in the targeted growth of Western Sydney, consistent with the Metropolitan Strategy for the region, and is to provide a very large recreational resource for the existing and future regional population.

5.2 Compliance with Statutory Plans

The current planning instruments affecting the Penrith Lakes relate primarily to the quarrying activities and formation of lakes on the site. A new planning regime is required to facilitate the development of the site for recreational, residential, employment and open space uses. Hence the Concept Plan application to progress development on the site will be lodged concurrent with an application for amendment of Schedule 3 of the Major Projects SEPP to list the site as a State Significant Site (SSS).

5.3 Approvals and Permits

The proposed development may require approvals and permits under the following Acts:

- Roads Act 1993
- Heritage Act 1977
- National Park and Wildlife Act 1974
- Water Management Act 2000
- Rural Fires Act 1977
- Fisheries Management Act 1994
- Protection of the Environment Operations Act 1997

Once specific project details are known, the required permits and approvals will be confirmed. Any further necessary approvals and permits required will be identified as part of any future application.

5.4 Overview of Potential Environmental Impacts

The key environmental considerations associated with the proposed development are as follows:

- Site Suitability
- Urban Structure
- Transport and Access
- Infrastructure and Servicing
- Landform and Topography (including rehabilitation issues)
- Flood Management (including flood evacuation)
- Water Management (including water quality)
- European Heritage and Aboriginal Archaeology
- Social Infrastructure and Community services
- Air Quality Impacts
- Employment Generating Uses and Economic Development
- Open Space Management
- Planning Agreement
- Development Staging and Delivery
- Zoning and Development Controls

Site Suitability

The environmental assessment will determine the suitability and capacity of the site for a range of uses considering the site's regional context and environmental, economic and social opportunities and constraints.

The land uses considered include:

- open space, lakes and recreation;
- residential of varying densities; and
- employment generating uses such as retail, commercial, industrial and tourism.

The existing planning provisions under SREP 11 are reflective of the current and historic quarry use of the site. In order to facilitate future development of the site after quarry activities cease, a new planning regime is required.

The suitability of the site for the proposed development will be tested and demonstrated by a range of technical assessments undertaken to inform the rezoning of the site, its urban structure, master planning and design.\

Urban Structure

Analysis will be undertaken to identify the broad urban structure including:

- land uses (residential, employment, community etc);
- recreation and open space;
- road layout, hierarchy and local access points;
- access and circulation;
- drainage and flood evacuations; and
- staging.

Transport and Access

A transport and access study will be undertaken to assess:

- Regional traffic implications including traffic capacity at key intersections;
- the site's connectivity with Penrith city centre;
- public transport connections to the site and Penrith city centre;
- transport and traffic planning within the site;
- direct connections to the site and to the regional open space; and
- pedestrian and cycling connections to the local area and key transport nodes (i.e. routes and facilities).

Infrastructure and Servicing

The site is already serviced by electricity, water, stormwater and other services. However the existing infrastructure is not adequate to service the proposed recreational and urban development.

An infrastructure report will be prepared to address the infrastructure requirements and the design and location of critical infrastructure services on and adjacent to the site.

Landform and Topography

A series of site investigations have been undertaken to determine the landform, final surface levels and fill volumes required for the site. Additional site investigations will be undertaken to assess:

- geotechnical engineering and slope stability; rehabilitation (compaction)
- ground and environmental conditions of the former quarry sites;
- drainage and hydrology;
- geology, soils and sub-surface conditions;
- flood extents and final surface levels of urban lands and road levels of flood evacuation routes;
- cut and fill volumes;
- groundwater;
- views and vistas to and from the site; and
- landscape design, especially with respect to future land formation.

European Heritage and Aboriginal Archaeology

The site includes a number of heritage items identified within REP No. 11 and Penrith Local Environmental Plan 1991 (Environmental Heritage Conservation), with the 'Upper Castlereagh Public School and Residence' also listed on the State Heritage Register.

Studies assessing the heritage and archaeological values of the site have been conducted on the site to date and will be revisited to ensure the Concept Application is consistent with the key recommendations of these studies. The updated assessments may need to consider:

- how the site incorporates items of historical significance, including appropriate curtilages;
- how the proposal responds to and re-establishes the site's historic connection to its surrounds, through physical, visual and social means;
- the site's past as part of any future proposal, including consideration of the heritage themes of the site such as rural landscaping and quarrying;
- key views to and from the site (district and local), understanding previous and current built form to demonstrate the appropriateness of the key views identified; and
- the heritage impacts of the proposal, make recommendations to mitigate any unavoidable negative impacts.

Social and Recreation Infrastructure and Community Services

A series of reports addressing social infrastructure for the Scheme have been prepared. An updated social infrastructure and community services study will be undertaken to assess:

- the recreation needs of the new and existing community;
- provision of community and cultural facilities to meet the needs of existing and new residents and workers;
- integration of existing recreational facilities (eg SIRC) with new facilities and community;
- demand for and provision of health, education and emergency services facilities; and
- details of the funding mechanism for social infrastructure (capital investment and on-going maintenance).

Air quality Impacts

A series of investigations have been undertaken to assess air quality impacts. The key issues to be considered in any further environmental assessment include:

- potential air quality impacts of remaining quarrying activities on the staging of residential development;
- mitigation measures to prevent impacts on dust sensitive industries in the employment land; and
- recommendations during staging of development.

Employment Generating Uses and Economic Development

Several studies have been undertaken to determine the employment lands requirements and employment generating land uses. These studies will be revised based on the final scale of the urban area and anticipated population. The key issues to be considered include:

- the estimated number of jobs;
- the retail, commercial and tourist related floorspace required to service the new community and visitors to Penrith Lakes;
- the amount of industrial land required; and
- economic impact of the development.

Open Space Management

The Concept Plan will also outline a proposed method of administering the regional open space and public domain by an appropriate public agency to ensure its on-going management, resourcing and maintenance.

Planning Agreement

The environmental assessment will be accompanied by a Planning Agreement which will detail the scope and timing of contributions for the delivery of the necessary infrastructure, regional open space, community facilities, affordable housing and other matters.

Development Staging and Delivery

Consideration will need to be given to the staging and delivery of development at Penrith Lakes. The staging of development components will need to have regard to:

- the remaining sequence of extraction and rehabilitation;
- staging and delivery of residential precincts and associated services and facilities; and
- market demand, especially for employment uses.

Zoning and Development Controls

It is proposed that the Schedule 3 amendment introduce a new statutory planning framework for the site that includes:

- vision and aims for the Scheme;
- zoning and permissible uses;
- density targets; and
- key development controls

The proposed development controls will, where appropriate, be based on the Standard LEP Template and draft REP. It is anticipated that more detailed controls, such as landscape, street and urban design guidelines be included as part of the Concept Plan.

Approvals Strategy

The Concept Plan will detail the approvals strategy for the various project components including lakes formation, recreational and open space and urban development.

6.0 Conclusion

The Penrith Lakes Scheme provides a unique opportunity to deliver a significant, large scale regional open space and recreational facility, along with major residential and employment areas.

As the key planning instrument is limited to the extraction of material and lake formation, the PLDC is seeking approval for a Concept Plan and Schedule 3 amendment for the site to provide certainty, and allow the first stages of urban development to occur.

It is intended that the Concept Plan address the broad parameters of the Penrith Lakes Scheme and detail the preferred approvals strategy for future project components including lakes formation.

Upon receipt of the Concept Plan approval subsequent Project Applications will be lodged for the detailed design of each of the major components and stages.

The information contained in this preliminary assessment is to assist the Director General in determining the level and scope of any requirements for an environmental assessment to accompany:

- the lodgement of a Concept Plan under Part 3A of the EP&A Act; and
- an amendment of Schedule 3 of the Major Projects SEPP, to introduce new zoning and planning controls for the whole of the site.

Having regard to the above and in accordance with provisions in Part 3A of the EP&A Act, it is requested that the Director General issue the environmental assessment requirements for the Concept Plan and State Significant Site study.

Letter to Minister for Planning

06357
20 November 2006

The Honourable Frank Sartor MP
The Minister for Planning
Level 33
Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister,

DEVELOPMENT OF PENRITH LAKES

We are writing on behalf of Penrith Lakes Development Corporation Ltd (PLDC), the proponent for the redevelopment of the Penrith Lakes site. Penrith Lakes is identified in Schedule 2 (Part 3A projects specified sites) of the State Environmental Planning Policy (Major Project) 2005 as a site to which Part 3A of the Environmental Planning and Assessment Act (EP & A Act) applies.

The Schedule 2 listing only applies to the extraction, rehabilitation or lake formation on the site (including associated infrastructure on or off that site). Penrith Council is the consent authority for all other development on the site.

The purpose of this letter is to seek a declaration by Order of the Minister that all future development of urban land and open space over \$5 million proposed on the Penrith Lakes site is a project to which Part 3A applies.

We do not envisage any change at this stage to the existing planning controls (SREP No. 11), which satisfactorily control current activities on the site, namely extractive activities and site rehabilitation; in particular we envisage that all existing development consents issued for the site would continue in full force and effect.

The proponent proposes to forward to the Minister shortly requests:

1. That consideration be given by the Minister to the inclusion of the Penrith Lakes as a State Significant Site (SSS) under Schedule 3 of the State Environmental Planning Policy (Major Projects) 2005 (Major Projects SEPP 2005); and
2. That the Minister authorise the proponent to submit a Concept Plan application for the proposed redevelopment of Penrith Lakes, and
3. That the Director General issue requirements for:
 - a. The preparation of a single comprehensive Environmental Assessment to accompany both the proposal for listing of the Penrith Lakes as a State Significant Site under Schedule 3 of the Major Projects SEPP 2005 and the establishment of appropriate development controls for the site and for the lodgement of a Concept Plan application.
 - b. Lodgement of a Project Application for the lakes design and formation and associated flood management, evacuation and water quality matters. This

Project Application will be lodged concurrent with the Concept Plan for the whole of the site.

1.0 BACKGROUND

The Penrith Lakes redevelopment has been the subject of many discussions between PLDC and the State Government for over 20 years. In addition, PLDC has maintained a mutually supportive relationship with the Penrith City Council and this local authority has included the Penrith Lakes Scheme in its strategic planning for its municipality. PLDC values the input and engagement of the local community in realising an exemplary outcome for the development of Penrith Lakes.

The main planning instrument affecting the site is State Regional Environmental Plan No 11 - Penrith Lakes Scheme (SREP). It permits among other activities extractive industries (the major current use), restoration and lakes creation. The development of housing and other related urban activities are prohibited under the SREP. A draft State Regional Environmental Plan (Penrith Lakes Scheme) 2006 (draft SREP), has been prepared by the Department of Planning (DOP), but not exhibited.

A draft Planning Agreement between the Minister, the RTA and PLDC is under negotiation. The Planning Agreement contemplates its substantive commencement on both the required rezoning and grant of development consent for the urban land, which will require the staged payment of agreed contributions by the PLDC. To become effective the Planning Agreement requires both a re-zoning to permit development of the urban land and the grant of a development consent for the urban land within a mutually acceptable time frame.

2.0 DESCRIPTION OF THE PROJECT

The site is approximately 1,957ha in area. Of this area, approximately 800ha is to be vested in government as parklands and 700ha as lakes. The balance of some 410ha is proposed as urban land for approximately 4,900 dwellings. Of this some 60ha is to be employment land, being land that can generate employment opportunities from other than residential/mixed use land.

The estimated capital investment in the project is in the order of \$2B, of which approximately \$220M is for regional infrastructure, \$1.65B for urban redevelopment and \$183M for rehabilitation and creation of parklands.

The Penrith Lakes site is of both State and regional importance, being identified in the Sydney Regional Environmental Plan (Penrith Lakes) 2006, and in the City's Metropolitan Strategy (City of Cities, A Plan for Sydney's Future, 2005) as a key regional city and part of the orbital corridor, identified with Parramatta and Liverpool as a focal point for regional transport and jobs.

The Penrith Lakes site is located within a strategic centre and corridor accessed by the M4 West, linking with the M7, with potential for redevelopment as a large scale new residential, employment and recreational precinct. The redevelopment of the Penrith Lakes will play a key role in contributing to the growth of Metropolitan Sydney. In particular, the redevelopment of Penrith Lakes has the potential to:

- i. Contribute to the long term supply of employment generation and assist the State government with achieving its employment capacity target of over one million jobs by 2031 in existing strategic centres and specifically from 19,074 in 2001 to 30,000 in 2031.
- ii. Contribute to the long term supply of residential accommodation within strategic centres, providing additional capacity for the anticipated 28% increase of people living in North West sub region to 321,000 by 2031.
- iii. Provide new and enhanced opportunities for access to a major new area of public open space and lakes that are of both State and regional significance which will provides both passive and active recreation opportunities;

- iv. Provide the opportunity for new residents, workers and visitors to have access to recreation facilities as well as jobs, services and public transport.
- v. Provide major new flood mitigation and evacuation infrastructure.
- vi. Improve transport links and reduce the existing isolation of Penrith Lakes from the rest of the surrounding locality.
- vii. Achieve a comprehensive rehabilitation of that part of the site currently used as a quarry and integrate the site with the surrounding area;
- viii. Create a significant new recreation and tourist destination and augment the existing recreation facilities.
- ix. Establish a mechanism for delivering and sustaining a significant community asset.

With a limited number of sites readily available in the Greater Sydney Region capable of and suitable for delivering large scale parks, recreation facilities, along with almost 5,000 dwellings and significant infrastructure improvements, the redevelopment of the Penrith lakes has the potential to be a major driver in the targeted growth of Western Sydney, consistent with the Metropolitan Strategy for the region.

3.0 STATE AND REGIONAL SIGNIFICANCE OF THE PROJECT

As mentioned above the site is listed in Schedule 2 of the Major Project SEPP and the Minister is the consent authority for all development involving extraction, rehabilitation or lakes formation. Penrith Council is the consent authority for all other development under SREP 11.

Clause 6 of the Major Projects SEPP provides that development that in the opinion of the Minister is development of a kind referred to in Schedule 2 (specified sites) is declared to be a project to which Part 3A of the Act applies. Clause 6 of Schedule 2 of the Major Projects SEPP identifies the whole of Penrith Lakes as a specified site (as identified on Map 5 of the SEPP), but limits the application of Part 3A to the extraction, rehabilitation or lakes formation on the site.

The proposed development of the Urban Land is of a type described in Clause 13 of Schedule 1 of the Major Projects SEPP in that it will be residential, commercial or retail development with a capital investment well in excess of \$50 million that will be important in achieving State or regional objectives, namely those listed in Section 2.0 of this letter. At the Concept Plan stage the various components of the project that include parklands, waterways and a variety of urban uses with associated infrastructure cannot and should not be designed and assessed as separate or isolated components. Each component has implications and effects on the other. It is highly desirable that the project be designed and developed in a holistic and integrated manner and be approved by the one consent authority, at least until the basic development controls and plan are in place.

The redevelopment proposed by PLDC is currently partly permissible and partly prohibited development. It is clearly a matter of State and regional significance. It includes provision of major infrastructure, will be staged over many years and is of a very large scale.

It is therefore requested that the Minister declare that the proposed development of both the open space and the Urban Land is a "Project" to which the provisions of Part 3A of the Act applies.

6.0 CONCLUSION

The current planning instruments affecting the Penrith Lakes relate primarily to the quarrying activities operating on the site, but which are nearing exhaustion. A new planning regime is required to facilitate the co-ordinated development of the open space and urban land components of this strategic site as a future residential, commercial and recreational precinct.

PLDC currently has concerns in relation to the achievement of a co-ordinated development of the site in a timely and efficient manner because:

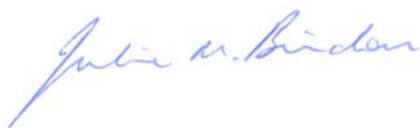
- i. There are two consent authorities for a very large, complex project that requires a high level of integration;
- ii. The extra-ordinary and unnecessary level of detail, duplication and conflicting objectives contained in the draft SREP;
- iii. The requirement contained in the draft SREP for pre-requisite plans to be prepared and adopted by Penrith Council before determination of any urban development can occur on the site; and
- iv. Of the length of time that will be required to elapse before the Planning Agreement can become fully operative for the benefit both of PLDC and the State of NSW.

The redevelopment of Penrith Lakes will create a new residential, employment and recreational precinct which will significantly contribute to the growth and success of Metropolitan Sydney in the global market. A new planning process and single consent authority is required to facilitate the large scale redevelopment of the site and achieve a better integrated planning outcome. However, PLDC also proposes to utilise in spirit the method recommended by the Growth Centres Commission for working with local stakeholders in bringing planning applications to the Minister.

Having regard to the above, we request the Minister makes a declaration under 75B (1) of the Act that all the future urban land and open space development proposed within the Penrith Lakes site over \$5 million is a 'project' to which Part 3A of the Act applies.

Should you have any queries about this matter, please do not hesitate to contact the undersigned.

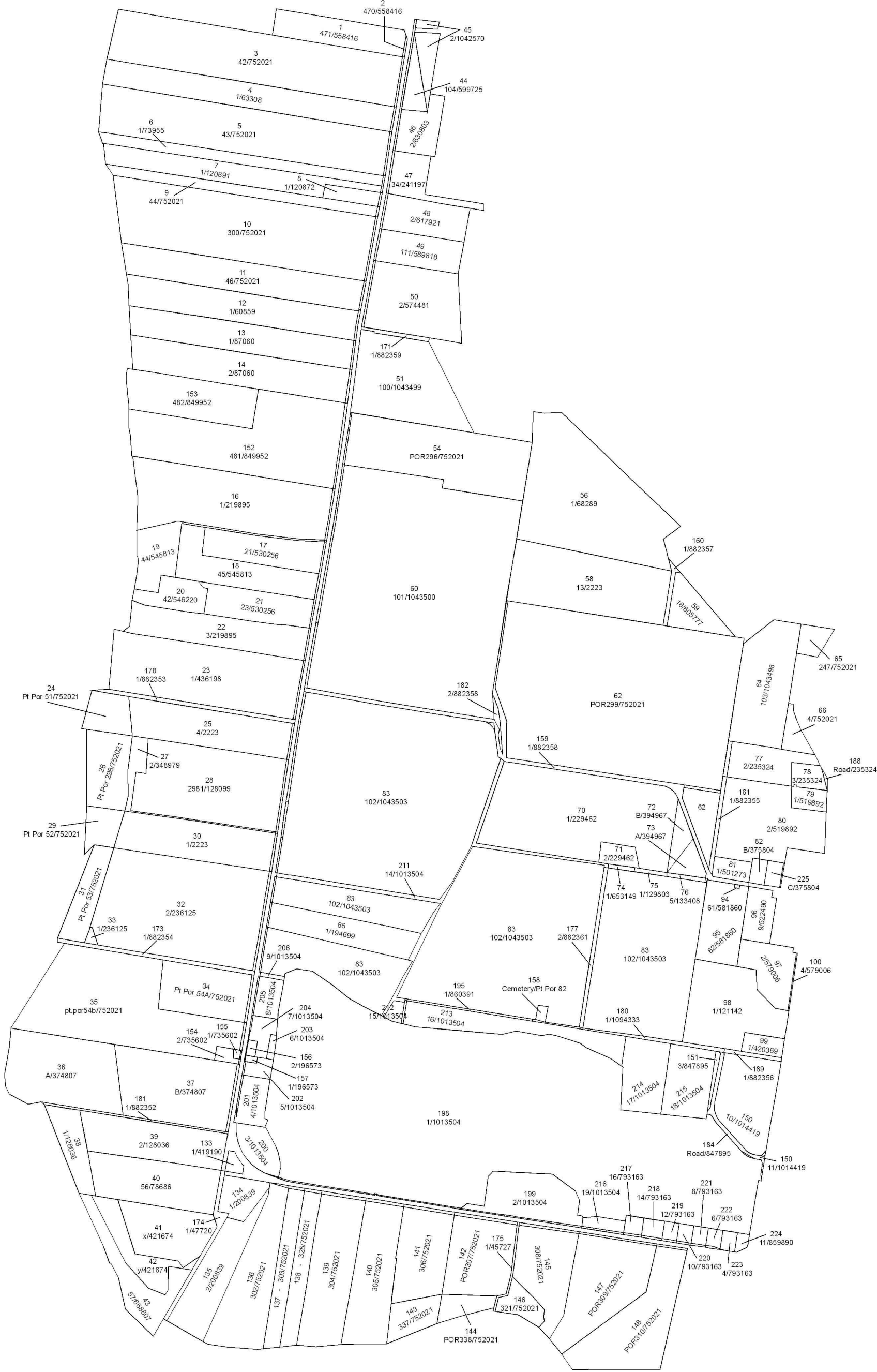
Yours faithfully,



Julie Bindon
Partner

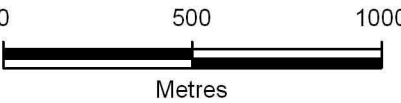
- cc Mr Chris Wilson – Executive Director Major Project Assessments, NSW Department of Planning
- cc Ms Patrice Derrington – Penrith Lakes Development Corporation

Schedule of Land Ownership



Disclaimer

The information contained in and by this map has been compiled from various sources and may contain errors or omissions. No warranty or representation, expressed or implied, is made with respect to the accuracy of this information or its suitability for any purpose.



Penrith Lakes Development Corporation Ltd.

Current PLDC Cadastral Parcels

As at Dec 2006
For Information Only

PLDC Ref	Title Descriptor	Registered Owner	Area (sqm)
1	471/558416	PLDC	91465
2	470/558416	PLDC	1014
3	42/752021	PLDC	388447
4	1/63308	PLDC	192135
5	43/752021	PLDC	354115
6	1/73955	PLDC	78552
7	1/120891	PLDC	129550
8	1/120872	PLDC	20971
9	44/752021	PLDC	72751
10	300/752021	PLDC	440190
11	46/752021	PLDC	192599
12	1/60859	PLDC	183829
13	1/87060	PLDC	172175
14	2/87060	PLDC	194715
16	1/219895	PLDC	297626
17	21/530256	PLDC	89656
18	45/545813	PLDC	115342
19	44/545813	PLDC	70989
20	42/546220	PLDC	48160
21	23/530256	PLDC	86038
22	3/219895	PLDC	144418
23	1/436198	PLDC	297780
24	Pt Por 51/752021	PLDC	45042
25	4/2223	PLDC	158893
26	Pt Por 298/752021	PLDC	84418
27	2/348979	PLDC	26728
28	2981/128099	PLDC	279400
29	Pt Por 52/752021	PLDC	34775
30	1/2223	PLDC	158186
31	Pt Por 53/752021	PLDC	61426
32	2/236125	PLDC	429765
33	1/236125	PLDC	3301
34	Pt Por 54A/752021	PLDC	115739
35	pt.por54b/752021	PLDC	381671
36	A/374807	PLDC	202133
37	B/374807	PLDC	208929
38	1/128036	PLDC	56879
39	2/128036	PLDC	141201
40	56/78686	PLDC	147693
41	x/421674	PLDC	110931
42	y/421674	PLDC	63707
43	57/668807	PLDC	88904
44	104/599725	PLDC	25820
45	2/1042570	PLDC	27163
45	2/1042570	PLDC	4690
46	2/630803	PLDC	52492
47	34/241197	PLDC	51404
48	2/617921	PLDC	76400
49	111/589818	PLDC	70536
50	2/574481	PLDC	161850
51	100/1043499		209768
54	POR296/752021	PLDC	266126
56	1/68289	PLDC	392036
58	13/2223	PLDC	243372
59	16/605777	PLDC	53307
60	101/1043500	PLDC	1084817
62	POR299/752021	PLDC	987464
64	103/1043498	PLDC	168187
65	247/752021	CROWN vested in Deerubbin Local ALC	21519
66	4/752021	PLDC	20855
70	1/229462	PLDC	392422
71	2/229462	Minister administering the EP&A Act	20236
72	B/394967	PLDC	20209
73	A/394967	PLDC	19992
74	1/653149	Minister administering the EP&A Act	2761
75	1/129803		3376
76	5/133408		4091
77	2/235324	PLDC	68988
78	3/235324	PLDC	20232
79	1/519892	PLDC	20234
80	2/519892	PLDC	191678
81	1/501273	PLDC	20235
82	B/375804	PLDC	10117
83	102/1043503	PLDC	2314279
86	1/194699	Minister administering the EP&A Act	105218
94	61/581860	Sydney Water Corporation	446
95	62/581860	PLDC	88668
96	9/522490	PLDC	39593
97	2/579006	PLDC	68613
98	1/121142	PLDC	169923
99	1/420369	Minister administering the EP&A Act	20242
100	4/579006	PLDC	1463
133	1/419190	Penrith City Council	7494
134	1/200839	PLDC	40467
135	2/200839	PLDC	120383
136	302/752021	PLDC	168945
137	303/752021	PLDC	68924
138	325/752021	PLDC	68906
139	304/752021	PLDC	178491
140	305/752021	PLDC	155581
141	306/752021	PLDC	121220
142	POR307/752021	PLDC	132594

PLDC Ref	Title Descriptor	Registered Owner	Area (sqm)
143	337/752021	PLDC	44166
144	POR338/752021	PLDC	29000
145	308/752021	PLDC	122632
146	321/752021	PLDC	30915
147	POR309/752021	PLDC	183975
148	POR310/752021	PLDC	183797
150	10/1014419	Minister administering the EP&A Act	126522
150	11/1014419	Minister administering the EP&A Act	284
151	3/847895	Minister administering the EP&A Act	5249
152	481/849952	PLDC	350914
153	482/849952	Nepean Park Pty Ltd	135911
154	2/735602	Minister for Health and Community Services	7463
155	1/735602	Minister for Health and Community Services	1803
156	2/196573	Uniting Church in Australia Property Trust (NSW)	3726
157	1/196573	Uniting Church in Australia Property Trust (NSW)	1896
158	Cemetery/Pt Por 82	The Estate of the Late J. McCarthy (Senior)	3932
159	1/882358	Minister administering the EP&A Act	70313
160	1/882357	Minister administering the EP&A Act	7098
161	1/882355	Minister administering the EP&A Act	16205
169	23/232270	RTA & CROWN	144993
170	5/232270	CROWN	111
171	1/882359	Minister administering the EP&A Act	6614
173	1/882354	Minister administering the EP&A Act	20553
174	1/47720	PLDC	19266
175	1/45727	PLDC	5025
177	2/882361	Minister administering the EP&A Act	16197
178	1/882353	Minister administering the EP&A Act	20277
180	1/1094333	Minister administering the EP&A Act	12760
181	1/882352	Minister administering the EP&A Act	10185
182	2/882358	Minister administering the EP&A Act	4459
184	Road/847895	RTA	14898
186	28/234746		1663
187	27/234746	ASIC (deregistered Josephs Distributors)	3491
188	Road/235324	RTA	1009
189	1/882356	Minister administering the EP&A Act	5955
194	3/232270		2318
195	1/860391	CROWN	6677
198	1/1013504	Minister administering the EP&A Act	1927147
199	2/1013504	PLDC	112570
200	3/1013504	PLDC	40408
201	4/1013504	PLDC	37191
202	5/1013504	PLDC	12684
203	6/1013504	PLDC	4216
204	7/1013504	PLDC	21254
205	8/1013504	PLDC	26825
206	9/1013504	PLDC	2530
211	14/1013504	Minister administering the EP&A Act	53447
212	15/1013504	Minister administering the EP&A Act	1200
213	16/1013504	PLDC	106964
214	17/1013504	PLDC	82391
215	18/1013504	PLDC	83430
216	19/1013504	PLDC	14645
217	16/793163	Guisepppe Dal Seno	9144
218	14/793163	Guisepppe Dal Seno	10666
219	12/793163	Ivo and Rita Mardesic	7576
220	10/793163	Minister administering the EP&A Act	7530
221	8/793163	Minister administering the EP&A Act	7528
222	6/793163	Minister administering the EP&A Act	7527
223	4/793163	Minister administering the EP&A Act	7529
224	11/859890	Minister administering the EP&A Act	5306
225	C/375804	Cecil and May Battle	10117

List of Recent Studies

Masterplanning Studies incorporated into SREP Amendment Studies led by the NSW Government

Study Name	Author	Date
Penrith Lakes Urban Lands Concept Masterplan Non Indigenous Heritage Report	Godden MacKay Logan	June 2005
Community and Urban Development Study	Brian Elton and Associates	June 2001
Community and Urban Development Study	EDAW	June 2001
Urban Design Planning Study	EDAW	June 2001
Cultural Heritage Management Study	ERM	June 2001
Water Cycle Management Study	ERM	June 2001
Parklands and Recreation Planning Study	Manidis Roberts Consultants	June 2001
Penrith Lakes Scheme Report on Floodplain Management Issues	Patterson Britton and Partners	June 2001
Economic Development and Employment Study	SGS Economics and Planning	June 2001
Transport and Access Study	Sinclair, Knight, Merz Pty Ltd	June 2001
REP Amendment 11 – Planning Studies Synthesis Report	Urban Pacific	June 2001
Preliminary Contamination Assessment	Coffey Geosciences	June 2001
Geotechnical Report for the Amendment of REP	Coffey Geosciences	June 2001
Penrith Lakes Infrastructure Report – Final	Urban Pacific	June 2001

2004/2005 Concept Masterplan Supporting Studies

Study Name	Author	Date
<i>Urban Design</i>		
Penrith Lakes Concept Master Plan Review for Penrith Lakes	APP Corporation Pty Ltd	July 2005
Penrith Lakes Scheme Concept Master Plan Review	Cox Richardson	July 2005
<i>Sustainability</i>		
Penrith Lakes Urban Lands Outline	Manidis Roberts	February 2004

Sustainability Strategy		
Transport		
Penrith Lakes Urban Land Scheme Traffic and Transport Assessment	ARUP	December 2003
Penrith Lakes Urban Lands Scheme Traffic and Transport Assessment	ARUP	February 2004
Services (Infrastructure)		
Penrith Lakes Urban Lands Water Cycle Management	Patterson Britton	January 2004
Penrith Lakes Urban Lands Scheme Concept Master Plan Servicing Infrastructure Report	Patterson Britton and Partners	February 2004
Landform Modelling and Flooding		
Sydney Regional Environmental Plan No. 11 - Penrith Lakes Scheme Urban Flood Risk Review	Molino Stewart and Sinclair Knight Merz	March 2003
Penrith Lakes Urban Land Final Landform and Fill Volumes	Patterson Britton	January 2004
Penrith Lakes Urban Lands: Review of Concept Masterplan Flood Management, Evacuation, Stormwater, Servicing and Boundary Definition	JWP	June 2005
Penrith Lakes Development Preliminary Response to Issues Raised in 2005 (Prepared for DIPNR)	Molino Stewart	September 2005
Social Infrastructure		
Penrith Lakes Concept Masterplan Social Infrastructure and Open Space Planning Report	Elton Consulting	January 2004
Heritage		
Penrith Lakes Urban Lands Scheme Concept Masterplan - Non-	Godden Mackay Logan	January 2004

Indigenous Heritage Report		
Non Indigenous Heritage Report	Godden Mackay Logan	June 2005
Noise		
Penrith Lakes Urban Lands Scheme Concept Masterplan Noise Guidelines	Wilkinson Murray	February 2004
Penrith Lakes Scheme Noise Review	ERM	February 2006
Air Quality		
Penrith Lakes Urban Land Scheme Air Quality Assessment	Holmes Air Sciences	January 2004
Penrith Lakes Air Quality Review	Holmes Air Sciences	October 2006
Employment, Retail and Business Centre Analysis		
Employment Strategy for the Penrith Lakes Scheme (prepared for Penrith City Council and PLDC)	The Stafford Group	March 2004
Research Study - Retail Development Options for Penrith Lakes	Leyshon Consulting	November 2003
Penrith Lakes Village and Centres	Patrick Partners	July 2005