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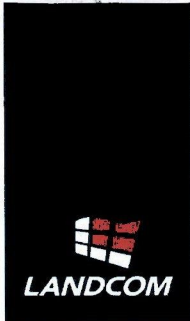
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Date: .....



10 December, 2009

Mr Simon Bennett  
Team Leader  
Strategic Assessments  
Department of Planning  
23-33 Bridge Street  
SYDNEY NSW 2001

Dear Simon.

**The lodgement of the Preliminary Environmental Assessment Report**  
**NORTH PENRITH**

Please find attached the Preliminary Environmental Assessment Report (PEAR) and owners consent for the North Penrith Defence Site.

The report also contains the Quantity Surveyors assessment of the Capital Investment Value of the project.

Should you require clarification please contact Nicole Woodrow on 9841 8702.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Woodrow", is positioned below the "Yours sincerely," text.

Nicole Woodrow  
**Senior Development Manager**



Level 2, 330 Church Street  
Parramatta NSW 2150  
PO Box 237 Parramatta NSW 2124  
DX 28448 Parramatta  
ABN 79 268 260 688  
Telephone 61 2 9841 8600  
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10 December 2009

Mr Sam Haddad  
Director General  
The Department of Planning  
23-33 Bridge St  
SYDNEY NSW 2000

Dear Mr Haddad

**Part 3A Request for Minister's Declaration - North Penrith**

We refer to the proposed redevelopment of the North Penrith Defence Site (here after known as North Penrith). Landcom and the Commonwealth are finalising an arrangement for Landcom to purchase the site. It is Landcom's intention to develop the site for mixed uses, including residential, employment, and open space uses.

The purpose of this letter is to request the Minister for Planning to:

1. Agree to consider the listing of the North Penrith site as a State Significant Site (SSS) under Schedule 3 of State Environmental Planning Policy (Major Projects) 2005 (the Major Projects SEPP); and
2. Form the opinion that the development proposal is a development of the kind described in Schedule 1 (Classes of development) of State Environmental Planning Policy (Major Development) 2005 (the Major Development SEPP) and therefore, is a 'major project' to be determined under Part 3A of the Environmental Planning & Assessment Act, 1979 (the EP&A Act).

Should the Minister consider the site for inclusion under Schedule 3 of the Major Projects SEPP and form the necessary opinion, we request that:

- a) The Minister authorise Landcom to submit a Concept Plan application for the proposed development;
- b) The Director General issue the requirements for the preparation of a single comprehensive Environmental Assessment to accompany the site's listing as a SSS under Schedule 3 of the Major Development SEPP 2005 and the establishment of appropriate development controls for the site, and for the lodgement of a Concept Plan application;
- c) The Director General issue the requirements necessary for the preparation of an Environmental Assessment to accompany a Project Application for Stage 1 Infrastructure and Early Works.



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To support the request for the Director General's requirements relating to the Environmental Assessment, this letter contains a Preliminary Assessment relating to the Concept Plan and Project Application for Stage 1 Infrastructure and Early Works. The Preliminary Assessment provides detail on the site location, an outline of the project, and identifies the environmental and planning issues associated with the proposal. Landcom has considered the Department of Planning's "Guideline for State Significant Sites under the Major Projects SEPP" to support this request to list the site in Schedule 3 of the Major Development SEPP (Section 3).

## 1. THE PROJECT

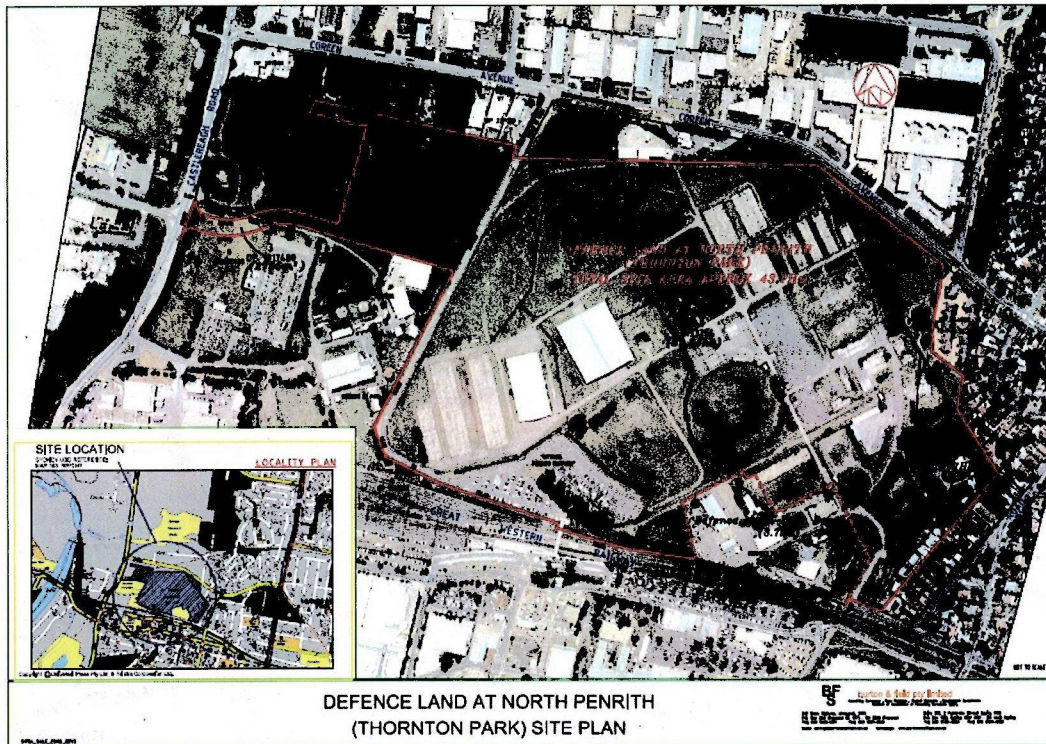
### 1.1 The North Penrith Site

The North Penrith site is located approximately 50 km from the Sydney CBD on the northern side of Penrith CBD. The North Penrith site is marked on **Figure 1** and is legally described as:

Property Description	Area
Lot 1 in DP 1020994	4815m <sup>2</sup>
Lot 2 in DP 1020994	1.357ha
Lot 4 in DP 1020994	987m <sup>2</sup>
Lot 5 in DP 1020994	1.863ha
Lot 6 in DP 1020994	1179m <sup>2</sup>
Lot 3 in DP 1017480	2795m <sup>2</sup>
Lot 4 in DP 1017480	446m <sup>2</sup>
Part Lot 1 in DP 33754	32.64ha
Lot 1 in DP 33753	1.977ha
Lot 1 in DP 532379	1.788ha
<b>TOTAL AREA (approx)</b>	<b>40.6ha</b>

The area of Lot 1 in DP 33754 is 39.34ha. A total of 6.7ha has been excised from the lot for this application. This exclusion is made up of 3.7ha for the Multi User Depot (MUD) and 3ha for the proposed commuter car park.



**Figure 1 – Property Description**

The site is Commonwealth-owned land and under the Federal Government's jurisdiction, having been used as an Army Base for the Royal Australian Engineers up until 1994. The location and context of the site is shown at **Figures 2 and 3**.

Adjoining land uses include the Army's Multi User Depot (MUD) abutting the railway line to the south east; the Museum of Fire (a locally listed heritage item) and industrial uses to the north and west, the Main Western Rail line to the south, and residential uses to the east.

The site is generally flat and largely remains vacant following demolition and removal of the majority of the buildings and structures that were previously on the site. There is a temporary commuter car parking area adjacent to the railway station.

The North Penrith site has frontage to, and access from, Coreen Avenue and The Crescent.

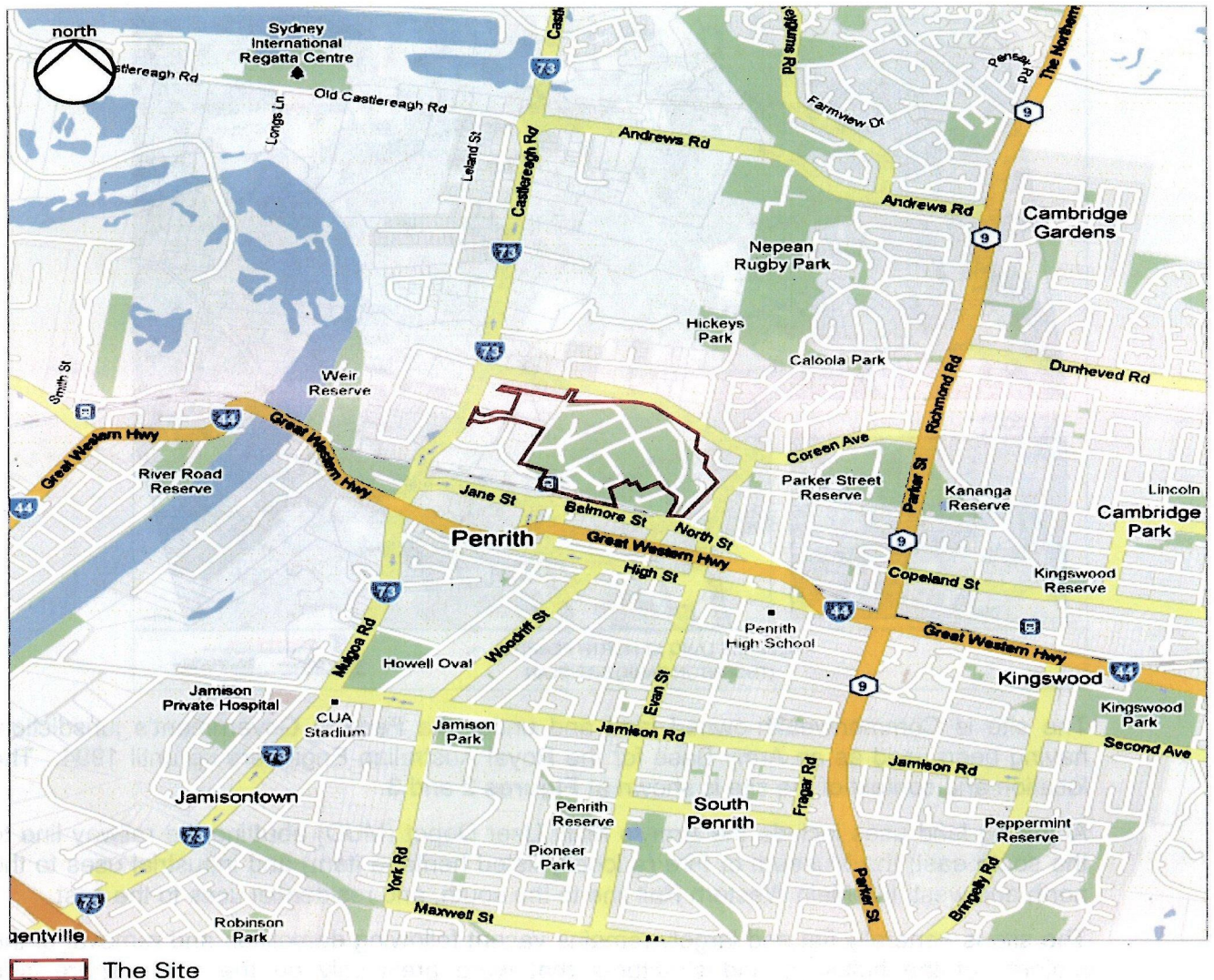
Existing structures and buildings on the site include:

- "Thornton Hall and Surrounds" – listed on the Commonwealth Heritage List under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) and the Register of the National Estate;
- Land in the vicinity of Combewood – listed under Penrith Local Environmental Plan (Urban Land) 1998 and Penrith Local Environmental Plan (Environmental Heritage Conservation) 1991; and
- former building slabs, a disused oval, and an internal road and services network also remain over portions of the site.

Minor flooding issues are known to occur on the site. The site is well serviced by electricity, water, storm water and other services.



Figure 2 – Locational Context







**Figure 3 – Aerial photograph of North Penrith Site**

### Scope of the North Penrith Proposal

Landcom is proposing to deliver a mixed use development on the North Penrith site that meets the Commonwealth Government's objectives to increase housing supply, provide community benefits and create jobs. The Indicative Future Uses Plan for the site (**Figure 4**):

- Provides for around 1,000 dwellings in a range of price points and dwelling types;
- Delivers affordable housing, including housing for moderate income earners, social housing and retirement/aged care housing;
- Creates a Transit Orientated Development (TOD) with high amenity, attractive landscaping, open space, recreational and social facilities, employment opportunities and a community hub and provides the basis for a movement network that promotes trip containment, walking, cycling and public transport;
- Creates up to 770 direct jobs on the site and over 1,100 flow on jobs;
- Delivers a local centre to meet the full range of community needs and are integrated into the urban form;
- Respects the heritage and conservation characteristics of the site and provides high quality passive open space areas;
- Provides for water quality and water quantity controls; and
- Allows for integration with adjoining lands.



The Indicative Future Land Uses Plan (**Figure 4**) indicates the land subject to this application. The Plan excludes the 3ha parcel on which a 1,000 space commuter car park is scheduled to be constructed by Penrith City Council in 2010.

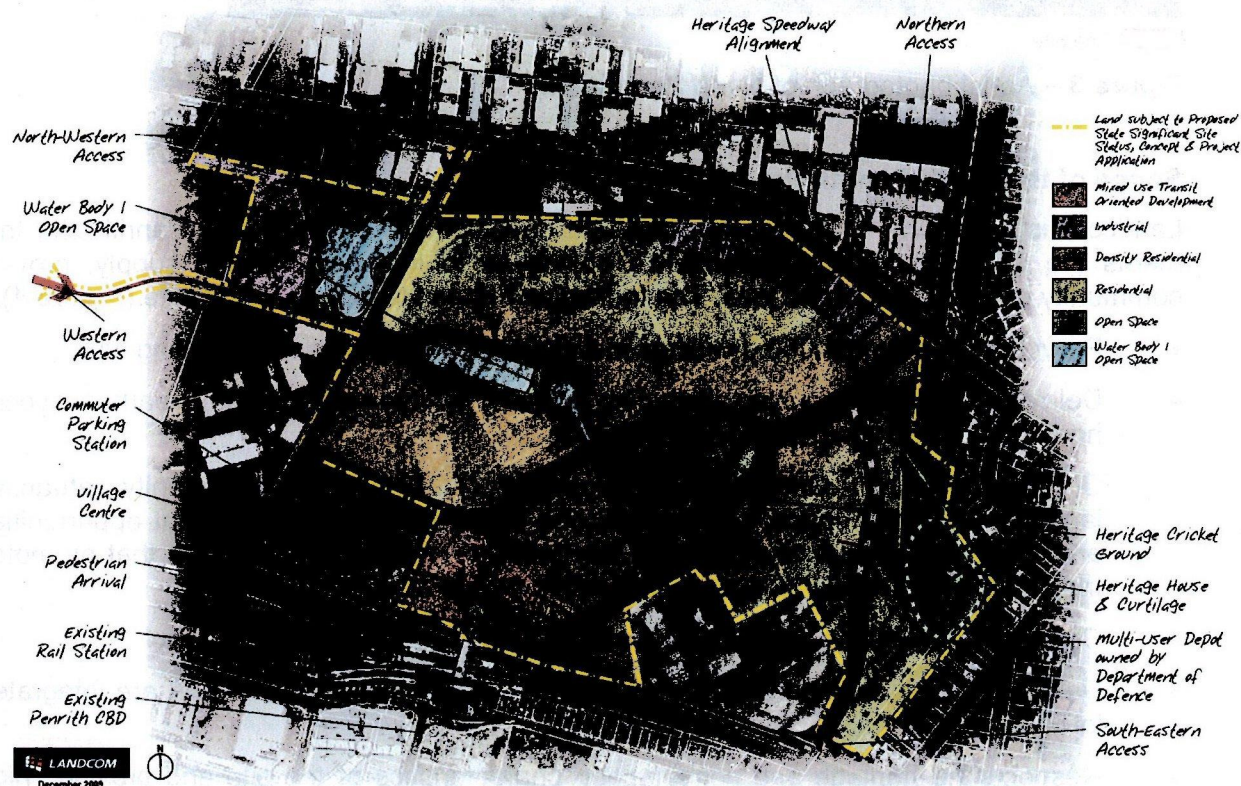
Similarly the Multi User Depot (MUD) site (south eastern portion of the site) will be retained for its current purposes and therefore falls outside the site and scope of the proposal as shown on **Figure 4**.

A Schedule 3 amendment will introduce a new statutory planning framework for the site to establish:

- Land use zones and objectives using the Department of Planning's Standard LEP Template;
- Nominated developable areas;
- Development controls to broadly guide yield and density; and
- Future approval / consent authority roles and responsibilities.

**Figure 4 – Indicative Future Uses Plan**

### *North Penrith - Indicative Future Uses*





The Indicative Future Uses Plan will form the basis of the Concept Plan and proposes urban, employment, heritage conservation and open space uses. In its current form, the proposal envisages development potential for:

- Around 900-1,000 new dwellings;
- a new village centre comprising around 4,000m<sup>2</sup> of retail and 9,000m<sup>2</sup> of commercial and community uses;
- around 8 hectares of open space including a new oval, water parks and pocket parks;
- around 2 hectares of industrial/warehouse uses;
- appropriate conservation of European and Aboriginal heritage located on the site; and
- a developer contributions framework and a proposed governance arrangement and funding mechanism for infrastructure and public open space.

To enable works to begin at the earliest opportunity a Project Application for Stage 1 Infrastructure and Early Works including site preparation, infrastructure and road works will accompany the Concept Plan. Whilst the exact detail of the Project Application has not been finalised at this stage, it may include:

- any remediation works (including on site remediation and off site disposal as appropriate);
- demolition of existing structures;
- crushing and recycling existing concrete material on site;
- potential small scale sewer pumping station and rising main works;
- earthworks;
- landscaping and associated works;
- construction of physical infrastructure, including roads, intersections, stormwater and drainage, detention and water quality, establishment of open space areas, and services / utilities;
- subdivision;
- torrens title subdivision of the site to create a separate title for Thornton Hall; and
- renovation works and possible extension to Thornton Hall.

## 1.2 Staging of the Proposal

It is proposed to develop the North Penrith site in stages over a 5-7 year period. It is envisaged that the Concept Plan will establish the overall planning framework for the site, including land use distribution, broad development parameters and Landcom's proposed response to the site's environmental constraints (discussed below). The Concept Plan will be consistent with the land use and development control provisions proposed in the State Significant Site listing.

Detailed planning and approvals are also proposed to be staged. As outlined above, a Project Application for Stage 1 Infrastructure and Early Works is proposed to accompany the SSS and Concept Plan applications.

Further Project Applications may be lodged with the Department for later staged infrastructure works, whilst building approvals will be dealt with under Part 4 by Penrith City Council.

This process will ensure the overall site objectives and functional relationships between the Concept Plan and its precincts, is reinforced. It will also provide for a manageable assessment process.

## **2. STATUTORY AND STRATEGIC CONTEXT**

### **2.1 Current Zoning**

Several environmental planning instruments (City of Penrith Planning Scheme Ordinance, Penrith LEP 1996, and Penrith LEP (Urban Land) 1998) apply to the site and collectively zone the site Special Uses (Army Stores Area), Industrial, Residential, Mixed Uses and Proposed Recreation purposes. The proposed distribution and density of uses envisaged under the Concept Plan are currently not permissible under the underlying land use zones and development control legislation. The land is therefore required to be rezoned for the intended land uses.

### **2.2 State Environmental Planning Policy (Major Development) 2005**

Clause 6 of the Major Development SEPP provides that development that, in the opinion of the Minister, is development of a kind referred to in Schedule 1 (Classes of development), is declared to be a project to which Part 3A of the EP&A Act applies.

Clause 13 in Schedule 1 in the Major Development SEPP, entitled "*Residential, Commercial or Retail Projects*", identifies development for those purposes with a capital investment value of \$100 million. The North Penrith project's Capital Investment Value of \$424 million (**Attachment 1**), and proposed range of uses, clearly satisfy this criteria.

It is therefore requested that the Minister form the opinion that the proposed development is of a type listed in Schedule 1 of the SEPP and is a Major Project to which Part 3A of the EP&A Act applies.

Clause 8 of the Major Development SEPP and Section 37 of the EP & A Act enable the Director General and Minister for Planning to insert new sites into Schedule 3 of the Major Development SEPP.

Consideration of the Department of Planning's State Significant Site Guidelines is addressed in Section 3.

### **2.3 NSW State Plan**

The NSW State Plan 2009 outlines targets for Urban Environment and Lifestyle. The North Penrith project will contribute to the delivery of:

- An increase in the number of jobs closer to home;
- Growing cities as functional and attractive places to live and work; and
- Improved housing affordability.

The State Plan does not include specific goals for housing and land supply but refers to the goals set in the Metropolitan and Regional Strategies.



## 2.4 Draft North West Sub-Regional Strategy

Penrith has been identified as a Regional City in the State Governments Metropolitan Strategy for Sydney. "As such, it will be a major focus for development to ensure it plays a vital role as an employment hub and service centre for Western and North Western Sydney." (Draft North West Sub-Regional Strategy).

The purpose of the draft North West Sub-Regional Strategy is to ensure that adequate land is available and appropriately located to sustainably accommodate the projected housing and employment needs of the region's population over the next 25 years.

The Draft North West Sub-Regional Strategy nominates the North Penrith Defence site as pre-eminent in delivering significant redevelopment opportunities. It is well located to the existing city centre and adjacent to the railway station.

The North Penrith proposal will be able to accommodate around 1,000 residential dwellings. This represents 4% of the new dwelling requirements for the Penrith LGA (25,000) proposed in the draft Strategy. Furthermore, the proposal will provide these dwellings in a location adjacent to a regional centre and major public transport interchange.

## 3. STATE SIGNIFICANT SITE LISTING

The Department of Planning's "Guideline for State Significant Sites under the Major Projects SEPP" requires consideration of the following criteria when making an application to the Minister to nominate a site as State significant.

### 3.1 The site in its current zoning context including permissibility and compliance with core planning controls.

The site's planning context is described in Section 2 of this submission.

### 3.2 The State and regional significance of the site in terms of meeting one or more of the defined criteria.

The North Penrith site directly meets the following criteria:

- (a) *"be of regional or State importance because it is in an identified strategic location (in a State or regional strategy), its importance to a particular industry sector, or its employment infrastructure, service delivery or redevelopment significance in achieving government policy objectives....."*

The North Penrith site is identified in the Draft North West Sub-Regional Strategy as having significant redevelopment potential to deliver both housing and employment opportunities to the regional city of Penrith. The site will provide additional housing supply in a location close to services and transport.

The delivery of State objectives and regional significance has been described in Section 2.4.

The proposed development is therefore of both regional and state importance.

(b) *“need alternative planning or consent arrangements...”*

There are currently several planning instruments applying to the site. These instruments will need to change to give effect to the proposal. It is considered that an alternative planning and consent arrangement is appropriate for this scale of development which may be effectively facilitated through Part 3A and the Major Project SEPP.

A new planning regime in the form of a SSS listing is appropriate to facilitate the co-ordinated development of the open space and urban land components of this site as a future residential, commercial and recreational precinct. In addition, at the Concept Plan stage the various components of the project that include 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.

On the basis of the above, there is justification for the North Penrith development to be planned, assessed and delivered in a holistic and integrated manner, with a uniform set of planning provisions. This would be facilitated by the listing of the site as a State Significant Site under Schedule 3 of the Major Development SEPP and the declaration of the proposal as a Major Project under clause 6 and Group 13 of Schedule 1 of the SEPP.

### **3.3 Future land use proposals**

An overview of our proposal is at Section 1 above, with further detail and justification provided below at Section 4.

### **3.4 Views of the local council**

Landcom has met with Penrith City Council officers on several occasions to discuss the proposal. Landcom and Council conducted a design workshop to establish a base master plan from which the design process would evolve. The Indicative Future Uses Plan has been informed by this process.

## **4. PRELIMINARY ASSESSMENT**

The preliminary assessment below is submitted to assist the Director-General in determining the level and scope of the environmental assessment required to accompany the North Penrith Concept Plan and Stage 1 Project Application.

The key environmental matters that will need to be considered by the proposal are:

- Matters of National Environmental Significance;
- Site Suitability and Urban Structure;
- Transport and Access;
- Infrastructure Provision, Staging and Funding;
- European and Aboriginal Heritage; and
- Contamination.



#### 4.1 Matters of National Environmental Significance and Heritage

As outlined in Section 1, the site contains a number of Commonwealth listed heritage items. These items are classified as matters of National Environmental Significance under the EPBC Act and may be affected by the proposal. Accordingly, Landcom will refer the application to the Commonwealth Department of Environment, Water, Heritage and the Arts to determine whether the proposal is a controlled action requiring approval under the EPBC Act, and whether the proposal needs to be assessed under the Bilateral Agreement between the Commonwealth and NSW Governments.

Studies assessing the European heritage and archaeological values of the site have been conducted and will be reviewed to ensure the Concept Plan is consistent with the key recommendations of these studies.

Aboriginal stone artifacts have also been identified on a known Aboriginal heritage site in the north eastern part of the site. The Environmental Assessment will consider indigenous heritage and the likely impacts of the proposal on any known and potential relics and artefacts.

#### 4.2 Site Suitability, Urban Design and Structure

The Concept Plan envisages a range of land uses including:

- residential dwellings of varying product type and densities;
- employment generating uses such as retail, industrial and commercial activities;
- heritage conservation, open space and recreation.

The Environmental Assessment will determine the suitability and capacity of the site for the proposed range and intensity of uses taking into account the site's regional context and environmental, economic and social opportunities and constraints. 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.

The Environmental Assessment will include an Urban Design Analysis to identify the broad urban structure, namely:

- land uses (residential, employment, community etc);
- recreational and open space areas;
- road layout, hierarchy and local access points;
- vehicular and pedestrian access and circulation;
- infrastructure provision; and
- staging.

The design principles driving the development and the quality of the built form will be thoroughly evaluated to ensure that the quality meets contemporary standards. The proposed village centre and its connections to the Penrith CBD, the residential components of the development, and existing road and rail infrastructure will also be addressed.

### 4.3 Transport and Access

A transport and access study will be undertaken to assess:

- the local, and where appropriate, the regional traffic implications including traffic capacity at key intersections;
- the site's connectivity with the regional road network;
- public transport connections to the site;
- transport and traffic planning within the site; and
- pedestrian and cycling connections to the local area and key transport nodes (i.e. routes and facilities).

These assessments will take into account the impact of the new 1,000 space commuter car park.

### 4.4 Infrastructure Provision Staging and Funding

Whilst the site is well serviced, existing infrastructure is not adequate to service the proposed development and accordingly augmentation will be required to key utilities services and provision. 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.

### 4.5 Contaminated Land and Geotechnical Stability

A Site Audit Statement and Report has recently been issued for the site indicating its suitability for the proposed land uses.

The Environmental Assessment will address the need for further investigations and any remediation processes to be undertaken prior to urban development.

### 4.6 Overview of other Environmental Impacts

Other issues that will be addressed in the assessment include:

- Flood Management – verify the extent of flooding on the site and inform the proposed urban footprint for North Penrith;
- Noise and Vibration – the Main Western Railway Line runs from the southern boundary of the site. The Environmental Assessment will address the impact of rail noise and vibration on future uses considering the Department of Planning's "Development Near Rail Corridors and Busy Roads" Guideline;
- Water Management (including water quality) – the Environmental Assessment will address the implementation of Water Sensitive Urban Design principles and provide the opportunity to improve water quality on the site. The detailed storm water management infrastructure location and designs will be provided as part of the future Project Applications;
- Social Infrastructure and Community services – a Social Impact Assessment (SIA) will be undertaken to assess:



- provision of community and cultural facilities to meet the needs of residents and workers;
- the recreation needs of the community;
- demand for and provision of health, education and emergency services facilities; and
- preliminary timing and provision of infrastructure.

It is proposed that the SIA will inform the concept plan process and ensure that adequate provision for community infrastructure, including land in appropriate locations, is planned for in line with development staging. Detailed information will be provided as part of precinct plans for each stage. Funding for community infrastructure, including land dedication will be addressed in the development contributions framework established for the project.

- Development Staging and Delivery – Consideration will need to be given to the staging and delivery of development at North Penrith. The staging of development components will need to have regard to:
  - staging and delivery of residential precincts and associated infrastructure, services and facilities;
  - market demand.

The Environmental Assessment will be accompanied by a draft developer contributions framework which will detail the scope, provision, delivery and funding of the necessary infrastructure, regional and local open space, community facilities, affordable housing and other matters.

## 5. CONCLUSION

The North Penrith project provides the opportunity to create appropriate land uses on a strategic site in the Penrith region. In doing so it will deliver key objectives and outcomes of the North Western Subregional Strategy associated with accommodating population and Transit Orientated Development outcomes.

Landcom is seeking approval for a Concept Plan, Project Application and inclusion of the site into Schedule 3 of the Major Development SEPP to provide certainty, and to allow for co-ordinated development to occur by way of a staged planning and development process over the next 5-7 year period.

The proposed assessment strategy therefore, is for the Concept Plan to set in place an overall planning framework for the site and addresses site-wide issues and relationships up front, consistent with the land use and development control provisions proposed in the State Significant Site listing.

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 and Project Application 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.

Should you have any queries about this matter, please do not hesitate to contact Nicole Woodrow on (02) 9841 8702.

Yours Sincerely,



**Kerry Robinson**  
**General Manager Urban Development North**



## **Attachment 1 – Assessment of the Capital Investment Value**



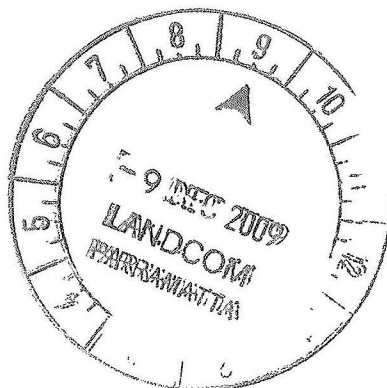
Australian Government

Department of Defence  
Defence Support Group

David French  
Director  
Property Disposals  
BP3-2-A034  
Department of Defence  
CANBERRA ACT 2600  
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PDS 139/2009

Mr Matthew White  
Development Director  
Landcom  
PO Box 237  
Parramatta NSW 2124



Dear Mr White

### SURPLUS DEFENCE LAND AT NORTH PENRITH - LAND OWNER'S CONSENT

I refer to your request dated 1 December 2009, seeking landowner's consent for inclusion of land owned by the Department of Defence (Defence) in Landcom's North Penrith Part 3A Application.

Defence consents to the inclusion of the lots, referred to in the following table, in the Concept Plan and Stage 1 Project Application for Early and Civil Works.

Property Description	Area (ha)
Lot 1 in DP 1020994	0.4815
Lot 2 in DP 1020994	1.3570
Lot 4 in DP 1020994	0.0987
Lot 5 in DP 1020994	1.8630
Lot 6 in DP 1020994	0.1179
Lot 3 in DP 1017480	0.2795
Lot 4 in DP 1017480	0.0446
Part Lot 1 in DP 33754	32.8400
Lot 1 in DP 33753	1.9770
Lot 1 in DP 532379	1.7880
Total land area:	40.8472 (say 40.9 ha)

These lots include both the proposed commuter car park and Multi User Depot. The area subject to this planning process is 40.9ha which accounts for the excision of the:

1. proposed commuter car park, which is still going through the design process with the final footprint to be determined, and an estimated 2.8 ha has been allowed for; and

2. existing 3.7 hectare Army Multi User Depot (MUD) from the application.

This is detailed in Landcom's Preliminary Environmental Assessment Report (PEAR).

We also note that Landcom:

- is concurrently requesting the NSW Minister for Planning to list the site in Schedule 3 of State Environmental Planning Policy (Major Development) 2005, and Defence also consents to the land forming part of that application; and
- makes the application at their own risk.

Defence requests that Landcom refer their application in its final form to Defence, prior to lodgement, to ensure that the Commonwealth's requirements have been addressed.

Yours sincerely



**David French**  
Director  
Property Disposals

4 December 2009

09 December 2009

Ref: 209118 North Penrith Defence Land

Ms Nicole Woodrow  
LANDCOM  
Level 2, 330 Church St  
Parramatta NSW 2124

Dear Nicole

**NORTH PENRITH DEFENCE LAND  
INDICATIVE CAPITAL INVESTMENT VALUE**

As requested, we have prepared an Indicative Capital Investment Value report for the proposed redevelopment of the North Penrith Defence Land.

Please do not hesitate to contact me if you have any queries or require further information

Yours faithfully

**CURRIE & BROWN**



**ERIC LIDDELL**

Director

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**Indicative Capital Investment Value**

**For**

**North Penrith Defence Land**

*Prepared for:*  
LANDCOM  
December 2009

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## 1 Introduction

Currie & Brown have been engaged to provide quantity surveying services for the proposed redevelopment of the North Penrith Defence Land and provide an Indicative Capital Investment Value. We have based our indicative estimate on briefing notes from discussions with Landcom regarding the project. The project is to develop current Defence Land for mixed uses including residential, employment and open spaces in order to create a Transit Orientated Development.

The Capital Investment Value has been assessed in accordance with the definition of CIV as follows:

*The CIV includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures and associated infrastructure and fixed or mobile plant and equipment (but excluding GST and Land Costs).*

## 2 Basis of Valuation

The valuation is based on the following briefing notes and data that has been provided via Landcom

- J Wyndham Prince, Opinion of Probable Costs for Infrastructure Works, dated 24<sup>th</sup> July 2009.
- Proposed Housing Diversity Plan provide by Landcom including for a total Land Development Area of approximately 51 hectares less the site area of the Multi User Depot (MUD) and the area of the enlarged commuter car park in the south west corner.
- Discussions with Landcom and National Project Consultants.

## 3 Indicative Capital Investment Value

### 3.1 Infrastructure Works

The cost of approximately \$44m is based on the estimated costs developed by J Wyndham Prince for proposed bulk earthworks, roads, sewer stormwater, water supply, electricity, telecommunications and open space and associated landscaping.

### 3.2 Development Sites

The cost of approximately \$277m is based on the indicative Construction Cost derived from cost/m<sup>2</sup> allowances for the proposed residential, retail, commercial and industrial works including allowances for associated car parking and external works.

### 3.3 Design & Project Management Fees

There is an allowance against the infrastructure costs for consultant fees of \$8.75m or 20% of infrastructure costs.

The consultant design & project management fees for the concept development, DA application and tender documentation, also including tender letting and post contract services/supervision estimated at 15% (\$42.53m).

This totals a combined cost of \$51.28m for Design & Project Management Fees.

### 3.4 Statutory Contributions, Fees, Levies, Charges and the like

An allowance of \$9.76m has been included for Statutory Contributions, Fees, Levies, Charges and the like.

### 3.5 Contingency

The infrastructure allowance for contingency is approximately 10% (\$4.44m).

An allowance of 5% (\$15.97m) for design contingency is included for design development and confirmation of design brief requirements.

A further 5% (\$16.77m) contract allowance is included for any post contract variations and claims during construction.

This totals a combined cost of \$37.18m for Contingency.

### 3.6 Escalation

No provision for escalation to the start of construction or to the completion of construction.

### 3.7 Sales & Marketing Costs

An allowance of \$5m has been included for Sales & Marketing.

### 3.8 Total Valuation

The indicative Capital Investment Valuation (CIV) is summarised as follows

Infrastructure Works	\$ 43.75m
Development Sites	\$ 276.91m
Design & Project Management Fees	\$ 51.28m
Statutory Contributions, Fees, Levies, Charges and the like	\$ 9.76m
Sales & Marketing	\$ 5.00m
Contingency	\$ 32.74m
	<hr/>
	\$ 423.89m
<b>Total indicative Capital Investment Value say</b>	<b><u>\$ 424.00m</u></b>



### 3.9 Notes

All Infrastructure Works and related costs provided by J Wyndham Prince and are as July 2009.

Statutory contributions, etc cost provision provided by J Wyndham Prince.

Development Sites excludes the area occupied by the Multi User Depot (MUD).

Development Sites excludes the Sites 2A and 2B (was THS – 27 units) as they are now occupied by the enlarged Commuter parking lot.

Excluded from this CIV are:

- GST

- Escalation

- Land and land-related costs

- Finance and finance-related costs

- Tenancy fitout costs

- Loose Furniture & Fittings

## **Appendix A. Indicative Capital Investment Value**

## North Penrith Defence Land Indicative Capital Investment Value Cost Summary

### SUMMARY

	No. of Units	Total
<b>Infrastructure Works</b>		
Stage Works & Heritage		23,782,425
Estate Works		19,967,000
<b>Sub Total Infrastructure Works</b>		<u>43,749,425</u>
<b>Development Sites</b>		
<b>Residential</b>		
House	52	17,508,400
Compact House 3&4 Bed	61	20,172,700
Cottage Duplex/Lot & Small/Zero Lot	96	27,552,000
Townhouse (THL)	92	23,142,600
Townhouse (THS - Excluding Blocks 2A and 2B = 27 Units)	37	8,406,400
Rowhouse (RH)	53	10,798,750
Rowhouse Loft (RHL - Including Lofts)	92	16,381,600
Apartment	456	98,651,975
<b>Sub Total Of Units</b>	<b>939</b>	<u>222,614,425</u>
<b>Retail Works</b>		
Retail ( Lettable Retail space approx. 5,219m2 GFA plus parking allowance )		12,068,938
<b>Commercial Works</b>		
Commercial ( Lettable Office space approx 10,875m2 GFA plus parking allowance )		24,094,922
<b>Industrial Works</b>		
Industrial ( Lettable single storey warehouse with office space approx. 13,575m2 GFA plus parking allowance )		18,133,800
<b>Sub Total Development Sites</b>		<u>276,912,084</u>
<b>Sub Total Infrastructure &amp; Development Sites</b>		<b>\$ 320,661,509</b>
<b>Design &amp; Project Management Fees</b>		
Infrastructure Works (20%)		8,749,885
Development Sites (12% + 3%)		42,533,696
<b>Statutory Contributions, fees, levies, charges and the like</b>		9,760,000
<b>Sales and Marketing</b>		5,000,000
<b>Contingency</b>		
Infrastructure Works		4,440,033
Development Sites		
Design Contingency (5%)		15,972,289
Contract Contingency (5%)		16,770,903
<b>Total Indicative CIV</b>		<b>\$ 423,888,316</b>
<b>Total Development Sites and Infrastructure Indicative CIV</b>		<b>\$ 424,000,000</b>

#### Notes

- All Infrastructure Works & related costs provided by J Wyndham Prince and are as July 2009
- Development Sites & related costs are current as at December 2009
- Statutory contributions, etc. cost provision provided by J Wyndham Prince
- Development Sites excludes the area occupied by the Multi User Depot (MUD)
- Development Sites excludes the Sites 2A & 2B (was THS - 27 units) as they are now occupied by the enlarged Council parking lot

- Excluded from this CIV are:
  - GST
  - Escalation
  - Land and land-related costs
  - Finance and finance related costs
  - Tenancy fitout costs



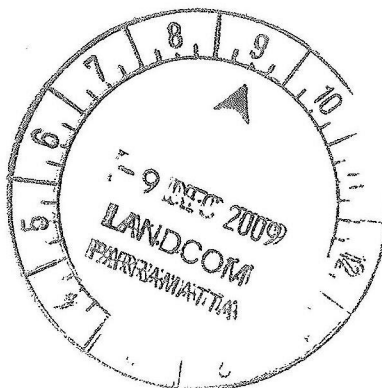


**Australian Government**  
**Department of Defence**  
**Defence Support Group**

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PDS 139/2009

Mr Matthew White  
Development Director  
Landcom  
PO Box 237  
Parramatta NSW 2124



Dear Mr White

**SURPLUS DEFENCE LAND AT NORTH PENRITH - LAND OWNER'S CONSENT**

I refer to your request dated 1 December 2009, seeking landowner's consent for inclusion of land owned by the Department of Defence (Defence) in Landcom's North Penrith Part 3A Application.

Defence consents to the inclusion of the lots, referred to in the following table, in the Concept Plan and Stage 1 Project Application for Early and Civil Works.

Property Description	Area (ha)
Lot 1 in DP 1020994	0.4815
Lot 2 in DP 1020994	1.3570
Lot 4 in DP 1020994	0.0987
Lot 5 in DP 1020994	1.8630
Lot 6 in DP 1020994	0.1179
Lot 3 in DP 1017480	0.2795
Lot 4 in DP 1017480	0.0446
Part Lot 1 in DP 33754	32.8400
Lot 1 in DP 33753	1.9770
Lot 1 in DP 532379	1.7880
Total land area:	40.8472 (say 40.9 ha)

These lots include both the proposed commuter car park and Multi User Depot. The area subject to this planning process is 40.9ha which accounts for the excision of the:

1. proposed commuter car park, which is still going through the design process with the final footprint to be determined, and an estimated 2.8 ha has been allowed for; and

2. existing 3.7 hectare Army Multi User Depot (MUD) from the application.

This is detailed in Landcom's Preliminary Environmental Assessment Report (PEAR).

We also note that Landcom:

- is concurrently requesting the NSW Minister for Planning to list the site in Schedule 3 of State Environmental Planning Policy (Major Development) 2005, and Defence also consents to the land forming part of that application; and
- makes the application at their own risk.

Defence requests that Landcom refer their application in its final form to Defence, prior to lodgement, to ensure that the Commonwealth's requirements have been addressed.

Yours sincerely



**David French**  
Director  
Property Disposals

4 December 2009