

Preliminary Environmental Assessment Report

Lot A Burley Road, Horsley Park

Employment Lands Concept Plan and Project Application

Submitted to
Department of Planning
On behalf of Jacfin Pty Ltd

July 2010 ■ 10002

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This report has been reviewed by Gordon Kirkby

A handwritten signature in blue ink that reads "Gordon Kirkby". The signature is written in a cursive, flowing style.

04/07/2010

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1.0 Introduction

Jacfin Pty Ltd (Jacfin) is the owner of Lot A in DP392643 (the Site) which fronts Burley Road, Horsley Park. The Site is located within the Penrith local government area and Precinct 8 (South of Sydney Catchment Authority Warragamba Pipelines) of the Western Sydney Employment Area (WSEA). Pursuant to *State Environmental Planning Policy (Western Sydney Employment Area) 2009* (WSEA SEPP) the site is zoned predominantly IN1 General Industrial. Jacfin proposes to develop the Site for industrial and employment purposes including, but not limited to, storage and distribution facilities and manufacturing (the Proposed Concept). To provide for the progressive development of the Site, Jacfin will submit a Concept Plan to provide the development framework for the whole site and a concurrent Project Application for the first stage of development being a warehouse, storage and distribution facility and associated road and utilities infrastructure at the northern section of the site (the Project Application).

The purpose of this submission is to seek the Minister's opinion pursuant to Clause 6 of *State Environmental Planning Policy (Major Development) 2005* (The Major Development SEPP) that the Proposed Concept and Project Application is development of the kind described in Schedule 1 (Clause 12 - Distribution and storage facilities over \$30 million) and therefore, are 'major projects' to which Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act) applies.

If the Minister forms the opinion that the Proposed Concept is a major project, we request that:

- The Minister authorise Jacfin to lodge a Concept Plan for the Site; and
- The Director-General issue his environmental assessment requirements for the Concept Plan and Project Application.

Should the Minister authorise Jacfin to lodge a concept plan, under Section 75M of the EP&A Act, this will satisfy the requirement to prepare a Development Control Plan for the Site in accordance with Clause 18 of the WSEA SEPP.

This Preliminary Environmental Assessment Report (PEAR) relating to the Proposed Concept and Stage 1 Project has been prepared in support of the request for the Director General's requirements for the Environmental Assessment. The PEAR provides detail on the Site location, an outline of the scope of the Proposed Concept and Project Application, and identifies the key likely environmental and planning issues associated with the project.

The PEAR has been prepared on behalf of the applicant, Jacfin, by JBA Urban Planning Consultants Pty Ltd (JBA), and is based on information known about the Site and provided by Jacfin and its team of specialist consultants.

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

- background to the Proposed Concept;
- a description of the Proposed Concept;
- a Site description;
- strategic planning context; and
- identification of the environmental issues associated with the Proposed Concept.

2.0 Background to the Proposal

Western Sydney Employment Area (WSEA)

In December 2005, the NSW Government announced the creation of the Western Sydney Employment Area (WSEA) covering approximately 2,450 hectares near the intersection of the M4 and M7 Motorways. The WSEA incorporates 10 precincts covering current and future employment lands in Blacktown, Penrith, Holroyd and Fairfield local government areas which were at the time subject to a variety of planning regimes and different zones.

In August 2009, the WSEA SEPP was gazetted, which provides consistent zoning and development control provisions to facilitate development of the WSEA for the purposes of employment and industry. The WSEA and its associated precincts are illustrated in **Figure 1**.

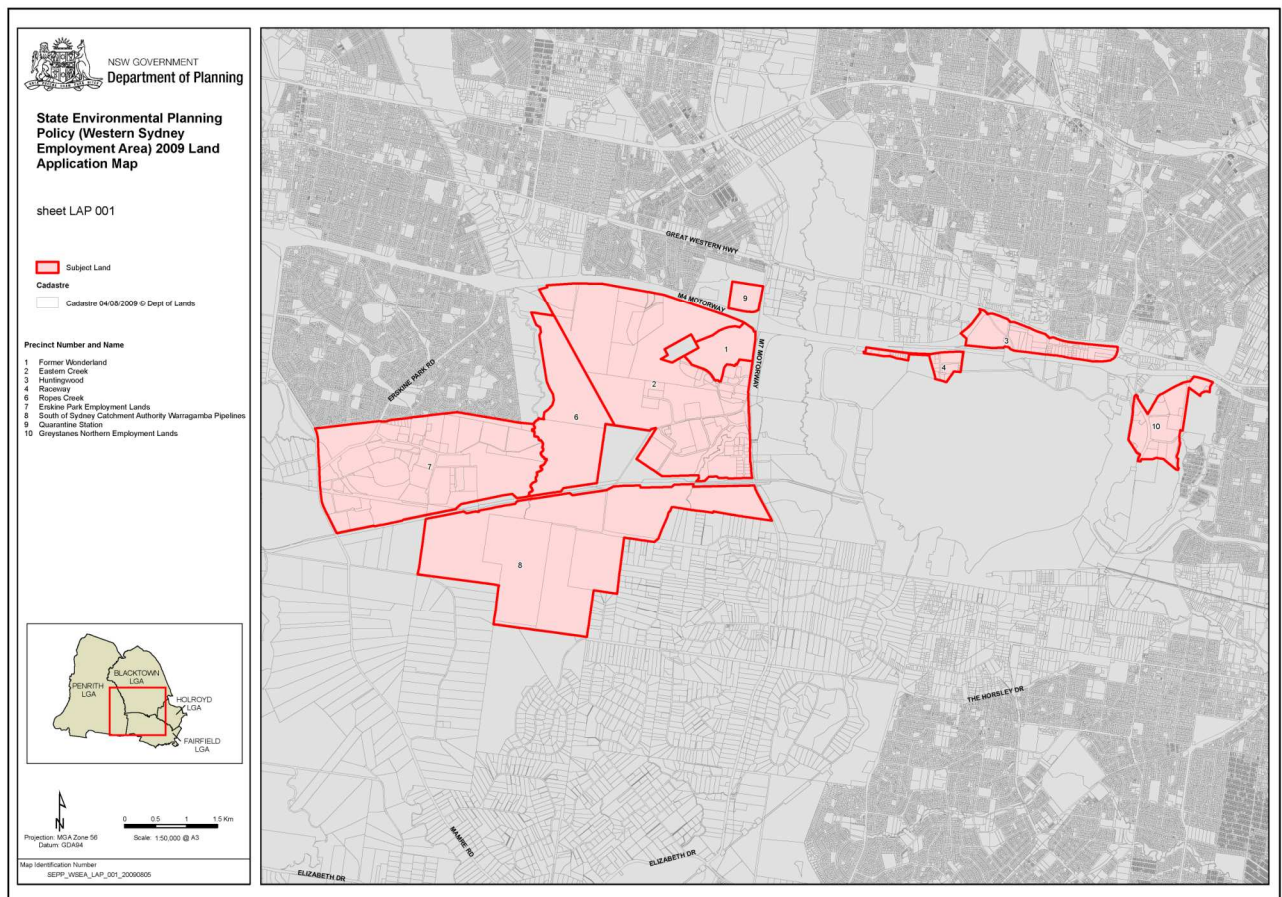


Figure 1 – Western Sydney Employment Area

The land owned by Jacfin and the subject of this application is located within Precinct 8 of the WSEA known as “South of the Sydney Catchment Authority Warragamba Pipelines” (the Site). Precinct 8 has a total area of 656 hectares and the potential to generate up to 8,000 jobs. The Jacfin Site comprises approximately 100 hectares of this Precinct. The Jacfin Site is predominantly zoned IN1 General Industrial under the WSEA SEPP.

Link Road Network

Concurrent with the gazettal of the WSEA SEPP, the Minister for Planning approved a Concept Plan under Part 3A of the Act for a proposed 'link road network' connecting the existing and proposed employment lands within the WSEA with the external arterial road network.

The gazetted WSEA SEPP identifies as a "Transport Infrastructure Route", an alternate north-south link to the west of Old Wallgrove Road connecting Precinct 8 to the east-west Erskine Park Link Road, and to Archbold Road and the M4 to the north. In addition, the SEPP identified a proposed road corridor linking Precinct 8 to Wallgrove Road and the M7 along the Burley Road / Chandos Road reserve. The WSEA SEPP (Clause 26) includes provisions requiring referral of any application for development of land on or in the vicinity of a transport infrastructure route to the Director-General for his consideration as to the compatibility of the development with the proposed route concerned. The Site in the context of the proposed WSEA Link Road network is shown in Figure 2.

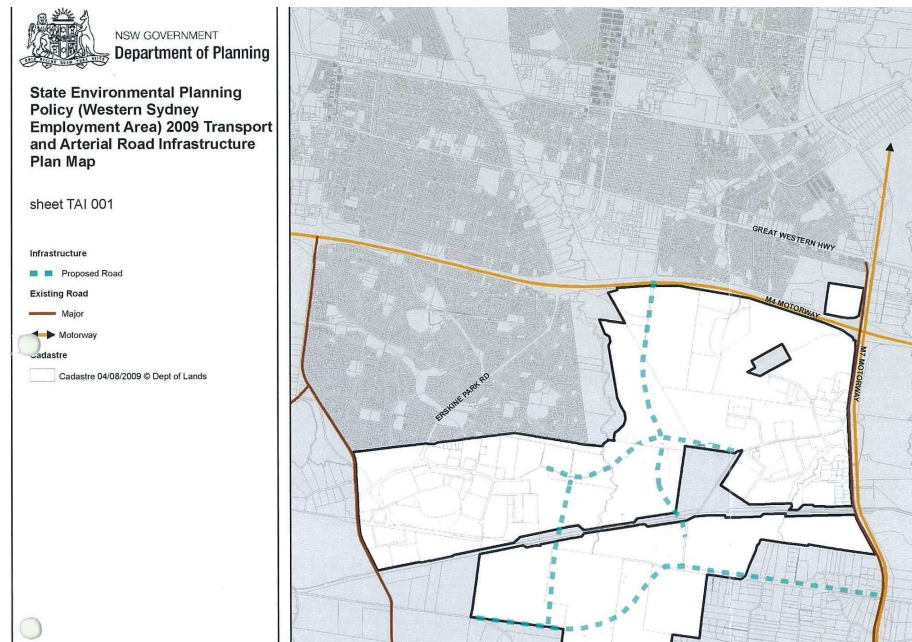


Figure 2 – Western Sydney Employment Area Link Road Network

Oakdale Central Concept Plan

On 2 January 2009, the Minister for Planning approved a Concept Plan for a warehouse, storage and distribution centre and a Project Application for construction of the first stage of that development, on land adjoining the Site to the north. The proposed Oakdale Central development includes upgrades to Old Wallgrove Road from the SCA Pipeline connecting through to the Eastern Creek Precinct and the M7. The Concept Plan, as approved, also includes provision for future road upgrades to facilitate the Burley Road / Chandos Road link to Wallgrove Road and the M7.

The Concept Plan provides the opportunity to capitalise on synergies between the Site and the adjoining Oakdale Central development. This synergy assists in providing the necessary impetus to assist the Minister to release the land for employment purposes.

3.0 Site Description

3.1 Local Context

The Site is located within the Penrith local government area at Horsley Park. The Site's northern and eastern boundaries form the boundary between Penrith and Fairfield local government areas. The Site lies approximately 550m to the south of the Sydney Catchment Authority (SCA) water supply pipeline. To the north and west the Site adjoins land managed by Goodman ("Oakdale") that also forms part of Precinct 8 of the WSEH. This land is also the subject of a Part 3A approval for employment uses. To the east, the Site adjoins a PGH brickworks facility owned by CSR Limited and a number of rural residential properties to the south of that facility. Beyond that are multiple small rural holdings and Horsley Park. To the south of the Site are rural residential areas known as Capitol Hill and Mt Vernon.

The Site is legally known as Lot A in Deposited Plan 392643 and is approximately 100 hectares in area. The location of the Site is illustrated on the plan at **Figure 3**.

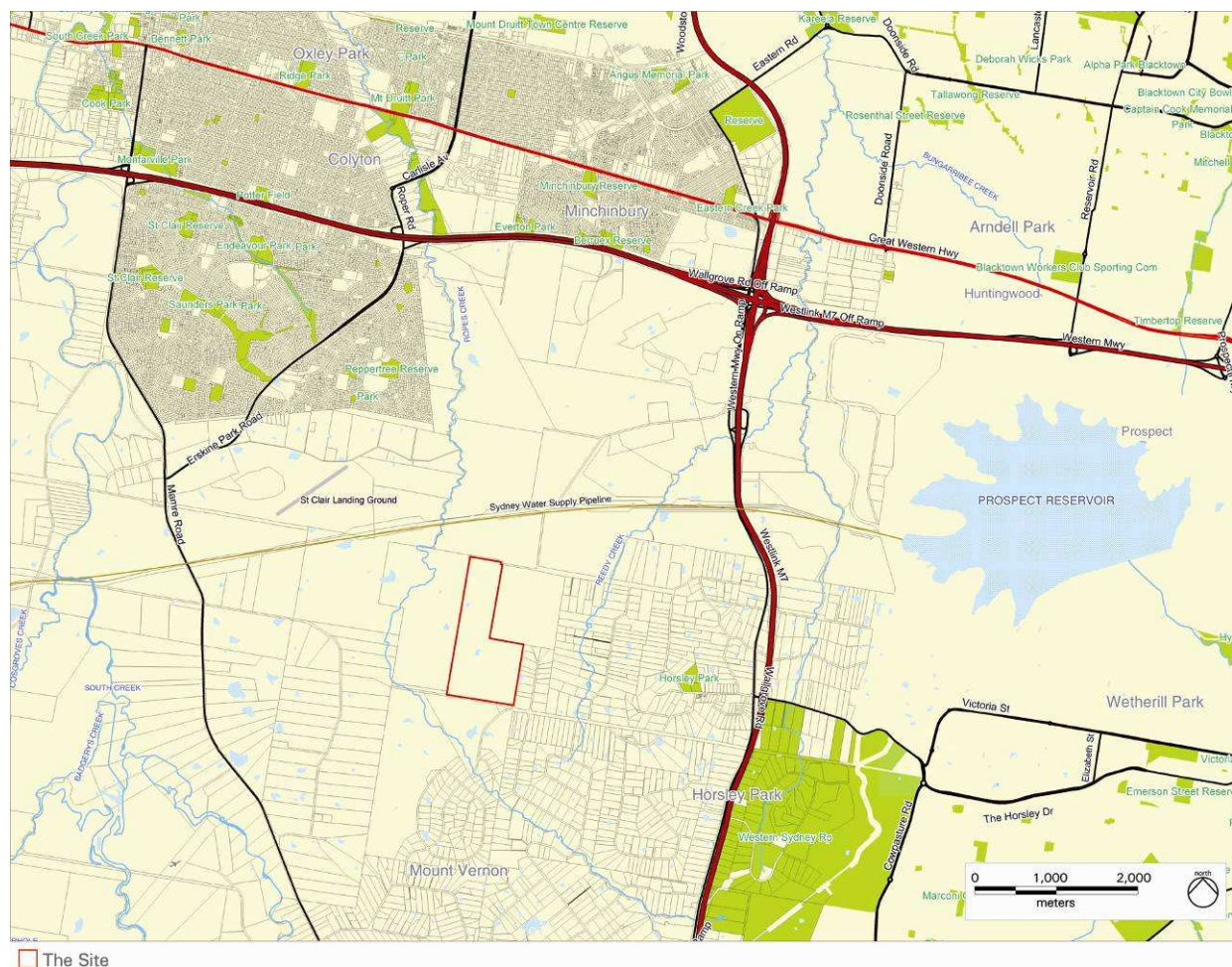


Figure 3 – The Site

3.2 Existing site characteristics and development

The Site is characterised by undulating topography with a ridgeline running generally north to south-east through the north-western section of the Site and a second ridge extends east-west across the southern section of the Site. A small farm dam is located in the centre of the Site.

The Site is cleared of its natural vegetation and is currently used for cattle grazing. The only significant structure on the Site is a small demountable cottage located in the south east corner that was relocated to the Site and is not permanently occupied. An aerial photograph of the Site at **Figure 4**. Views of the site are at **Figure 5**.



Figure 4 – Aerial Photo of Site



View north along western boundary



View south along western boundary



View south east across the site from the north



View north east from the site to Eastern Creek Precinct



View east to the PGH facility

Figure 5 – Views of the Site

4.0 Project Description

4.1 Concept Plan

Jacfin proposes to develop the Site for industrial and employment purposes including, but not limited to storage, and distribution facilities and manufacturing uses. The proposed Concept Plan will identify the provision of necessary infrastructure including roads, drainage, utility and communications services to support the proposed industrial and employment estate.

The Proposed Concept is of a type identified at Clause 12 of Schedule 1 of the Major Development SEPP - Distribution and storage facilities. The Proposed Concept of the 100ha Site will have a capital investment value of more than \$30 million. However, the Concept Plan proposal would also accommodate other uses listed in Schedule 1 of the SEPP.

The preparation of a Concept Plan for the site will complement the NSW Government's broader strategic planning for the development of WSEA as proposed in the WSEA SEPP and is consistent the NSW Government's Action Plan for Employment which was released in March 2007 and the North West Sub Region Draft Subregional Strategy released in December 2007.

The Concept Plan process will enable the strategic issues, such as infrastructure and utilities provision and the general parameters of the project to be determined upfront, whilst still retaining the necessary level of flexibility for the more detailed design phase of the project. Retaining flexibility in the later stages of the redevelopment of the Site will be important to ensure future development opportunities on the Site remain innovative and responsive to industry trends, market demand and staging over time.

Jacfin is currently consulting with Goodman and other land owners on the co-ordinated delivery of infrastructure and services within Precinct 8 and connections to adjoining areas where appropriate (including the provision of a substation and water reservoir south of the pipeline). The Concept Plan will identify and capitalise on synergies between the Site and other Precinct 8 developments in terms of the co-ordination and delivery of infrastructure. This synergy provides the necessary impetus to assist the Minister to release the land for employment purposes with adequate infrastructure arrangements and tangible employment uses ready for development at a time when the land is imminent for rezoning.

It is proposed to prepare a broad Concept Plan for the site that will comprise:

- vision for the development of the Site;
- proposed land uses and future planning controls;
- staging of development;
- utilities and services provision; and
- road infrastructure.

4.2 Concept Plan Road Structure Plan

A preliminary Structure Plan for the Concept Plan is included at **Appendix A**. The Structure Plan presents Jacfin's preferred option for the road network connecting to the Site in the context of the regional road network. The proposed road link road network follows an "S" path east-west through the northern section of the Site and is generally consistent with the proposed network in the WSEA SEPP.

The Concept Plan responds to and is flexible to a broader regional link road structure for the land south of the pipeline being consistent with and facilitating future linkages to the M7 to the east and employment lands to the west. Each subsequent Project Application stage will be assessed on its merits depending on capacity constraints and the availability of regional infrastructure.

The development of the Jacfin Site will benefit from utilising the Concept Plan approval process to provide the planning and infrastructure framework to set the future direction for the redevelopment of the Site.

4.3 Project Application

Based on the framework established by the Concept Plan for the Site (Section 3.1 and 3.2), this application proposes to proceed with the first stage implementation of the following components of the development in accordance with the Project Application Plan at **Appendix B**.

Scope of the 1st stage Project Application:

The project application will seek approval for the construction and operation of a warehouse building of approximately 33,600m² (including ancillary offices) on a 6.4 ha lot located at the north east corner of the Site. The application will include subdivision and infrastructure works including road access connecting the proposed lot to Old Wallgrove Road and augmentation and extension of existing utilities.

The capital investment value of the proposed Stage 1 Project Application development will be \$33.9 million (> \$30m)

Road Network

Access to the Site will be provided from Old Wallgrove Road. The Traffic and Transport Assessment will assess this route, taking into consideration the approval for the adjoining Stage 1 of Oakdale Central. This would include construction of a road from Old Wallgrove Road at the PGH site to the site initially as a local road which can be upgraded in the future to arterial road standards.

Sewer

The Project Application will detail the connection of sewer to the Eastern Creek System.

Water

Potable water is available to be serviced from existing supplies for the first stage Project Application. The Project Application will include measures to reduce reticulated water demand including harvesting of roof stormwater.

Electricity

Electricity is available to be serviced from existing supplies. In the long term, there will be a need for a zone substation south of the pipeline.

Site Preparation Works

Detailed cut and fill plans and road layout plans for the first stage of development will be included with the Project Application.

5.0 Strategic Context

5.1 Overview of Policies and Planning Instruments Applying to the site

The following planning instruments and policy documents are of key relevance to the Proposed Concept and Project Application:

NSW State Plan

The Proposed Concept is consistent with the **Priority P1** of the State Plan – Increased Business Investment.

Metropolitan Strategy

The Proposed Concept is consistent with achieving **Action 1.5.2** – Protect and Enhance Employment Lands in the M7 Motorway Corridor and **Action 1.6** – Improve Planning and Delivery of Employment Lands.

Employment Lands for Sydney Action Plan (March 2007)

The proposal, being within the WSEH, is consistent with **Action 2** – Release More Employment Lands.

Draft North-West Sub-regional Strategy (December 2007)

The Proposed Concept, as part of the WSEH, is consistent with achieving **Action A1.5** – Protect and Enhance Employment Lands of State Significance.

State Environmental Planning Policy (Major Development) 2005;

The Proposed Concept to be included in the Concept Plan will meet the criteria in Clause 12 of Schedule 1 of the Major Development SEPP – Distribution and Storage facilities. The Project Application will be for the design and construction of facilities with a capital investment value in excess of \$30m.

State Environmental Planning Policy (Western Sydney Employment Area) 2009

The WSEA SEPP zones the site predominantly as General Industrial (IN1). The Proposed Concept and Project Application for industrial and employment purposes is directly consistent with the objectives of the Policy. The Proposed Concept and Project Application will demonstrate consistency with the provisions of the SEPP. A small area along a riparian drainage line in the central west part of the site is zoned E2 Environmental Conservation. Conservation of the biodiversity values of this area will be addressed in the applications.

State Environmental Planning Policy 55 – Remediation of Land (SEPP 55)

Investigations for the presence of and any subsequent remediation will be carried out in accordance with the requirements of SEPP 55.

State Environmental Planning Policy (Infrastructure) 2007

The proposed development within the Concept Plan will require referral to the Roads and Traffic Authority (RTA) during the assessment process on the basis of Schedule 3 of the Infrastructure SEPP.

6.0 Key Environmental Considerations

The information below has been prepared to assist the Director General in identifying the general requirements and key project-specific environmental issues to be addressed in an Environmental Assessment Report for the Concept Plan and Project Application. The key environmental considerations associated with the Proposed Concept and Project Application are as follows:

Layout and Design

It is anticipated that the land uses, scale and form of the proposed Concept Plan will conform with that envisaged under the WSEA SEPP and respond to the Structure Plan at **Appendix A**. An assessment of the consistency of the proposed Concept Plan and Project Application with these requirements will be provided and will include consideration of site coverage, lots sizes and positioning of lots.

Topography, soils, geotechnical and hydrological (flooding)

As outlined earlier, the Site is characterised by gently undulating topography that could be developed for employment related industries. The environmental assessment will provide an assessment of the geotechnical and hydrological features of the Site.

Flora and fauna

The Site has been cleared of its natural vegetation and is currently used for agricultural purposes. No significant stands of native vegetation exist on the Site nor are there any permanent water courses. There are a small number of scattered trees along ephemeral drainage lines. A small section of one such drainage line is zoned E2 Environmental Conservation under the WSEA SEPP. A flora and fauna assessment will be undertaken of the Site to determine the presence of any threatened species.

Aboriginal archaeology and cultural heritage

No known sites of Aboriginal cultural heritage significance occur on the Site. However, an assessment of the Site will be undertaken to confirm there are no sites of cultural significance.

Contamination

Past land use of the Site has been limited to cattle grazing. Geotechnical investigations will be undertaken as part of the environmental assessment to determine the presence of any areas of contamination on the Site.

Access, transport and traffic impacts

The Site is currently accessed from the north via the Burley Road reserve which connects to Old Wallgrove Road at the PGH site. Old Wallgrove Road provides access to Eastern Creek employment precinct and to the M7 Motorway. This road is currently a single lane sealed road expanding to double lanes in Eastern Creek.

The environmental assessment will include a traffic and transport impact assessment of the proposed development taking into account:

- the RTA Link Road Concept Plan approval;
- the upgrades required by Goodman to Old Wallgrove Road as part of the Oakdale consent;
- cumulative impacts with other proposed development in the locality including the adjoining Oakdale Central development; and
- interim traffic arrangements for the first stage Project Application.

Stormwater Management

The Concept Plan will include an assessment of the impact of stormwater from the development on flow and water quality on site and downstream of the site as well as measures to manage stormwater flows from upstream through the site.

Utilities and services provision, including water supply, sewage treatment, electricity and gas

The first stage Project Application is able to connect into existing entitlements for sewer, water, electricity and gas.

The Concept Plan environmental assessment will include an infrastructure report that will address the broader regional infrastructure requirements and location both within and connecting to the Site. Jacfin will continue to work closely with the adjoining Goodman development to ensure the provision of infrastructure within the precinct is planned in a co-ordinated and holistic manner.

Delivery and funding of infrastructure

The environmental assessment will detail scope, timing and funding of arrangements for the delivery of necessary infrastructure through, land dedication or contributions in accordance with regional or local contributions levies and plans or by way of an offer to enter into a voluntary planning agreement.

Residential interface

To the south of the Site are the Capitol Hill and Mt Vernon areas which are characterised by large lot residential development. The Concept Plan and Environmental Assessment (EA) will address any interface issues associated with the proposal, in particular noise and visual impact.

7.0 Conclusion

The information contained in this PEAR 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 Application and first stage Project Application under Part 3A of the EP&A Act.

The Concept Plan provides the opportunity to capitalise on synergies between the Site and the adjoining Oakdale Central development. This synergy assists in providing the necessary impetus to assist the Minister to release the land for employment purposes.

Having regard to the above and in accordance with provisions in Part 3A of the EP&A Act, it is requested that the Minister determine that the development is of a type and scale to which Part 3A of the EP&A Act applies and authorise the preparation of a Concept Plan, and the Director General issue the environmental assessment requirements for the Concept Plan and Project Application.

APPENDIX A

APPENDIX B