

EDMONDSON PARK SOUTH

Part 3A Application

Capital Investment Value Report

CONCEPT PLAN & STAGE 1 PROJECT APPLICATION



Prepared for:

LANDCOM

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Edmondson Park South Part 3A – Concept Plan and Stage 1 Project Application Capital Investment Value Report

- DOCUMENT CONTROL SHEET -

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EXECUTIVE SUMMARY

This report has been prepared by J Wyndham Prince to accompany a Concept Plan Application under Part 3A of the Environmental Planning & Assessment Act, 1979 (EP&A Act) and a proposal for State Significant Site listing under Schedule 3 of State Environmental Planning Policy Major Development 2005 (SEPP Major Development) in relation to the former Ingleburn Army Base and certain adjoining lands within the Edmondson Park Release Area of the South West Growth Centre (referred to herein as 'Edmondson Park South').

Landcom is proposing to deliver a new diverse and sustainable urban community at Edmondson Park South. Once complete, Edmondson Park South will accommodate a mix of land uses, a diversity of housing (approximately 3,200 dwellings), a new town centre incorporating 35,000 – 45,000m² retail, business and commercial floor space with employment opportunities for 1,000 people, multi-purpose community and education facilities, a new 150 hectare Regional Park, a number of other local parks and environmental conservation areas.

The new urban community at Edmondson Park South will meet's the State Government's objectives to increase housing supply, provide community benefits and create jobs.

The purpose of the Concept Plan is to secure statutory approval for the overall planning framework for the site and to further resolve a number of remaining site-wide infrastructure delivery and land use planning issues. The Project Application (submitted concurrently with the Concept Plan) for early works, infrastructure and subdivision relating to the initial phases of the development will enable site works to begin in 2010.

This report is to address a specific requirement of the Director General:-

General Requirements

- (8) report from a quantity surveyor identifying the capital investment value of the Concept Plan and Project Applications including the estimated cost of future development.

The assessed Capital Investment Value (determined in accordance with the relevant Department of Planning Guidelines) for the Concept Plan Application and Stage 1 Project Application are summarised below:

Edmondson Park South Capital Investment Value Assessment		
Item	Amount included in CIV	
	Concept Plan Application (excluding Stage 1) \$000	Project Application (Stage 1) \$000
Subdivision Works	\$ 190,145	\$ 19,682
Roads and Street Drainage		
Earthworks and Lot landform		
Services (Water, Sewer, Electricity, Gas, Telecommunications)		
Landscaping		
Authority Fees and Charges		
Professional Fees		
Estate Major Works (General Scheme)	82,619	31,481
Water and Sewerage Trunk Works		
Major Roads and Intersections		
Major Drainage and Stormwater Management		
Remediation, Demolition and Bulk Earthworks Costs		
Major Landscape Works		
Major Electrical Lead-in		
Other Costs		
Total	272,764	51,163

The above costs are exclusive of the Goods and Services Tax (10% GST)

TABLE 1 SUMMARY OF CAPITAL INVESTMENT VALUE

The estimated cost of future development (within the Concept Plan Application Area) is approximately \$1.1B

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Edmondson Park South Part 3A – Concept Plan and Stage 1 Project Application Capital Investment Value Report

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1 INTRODUCTION

This report has been prepared by J Wyndham Prince to accompany a Concept Plan Application under Part 3A of the Environmental Planning & Assessment Act, 1979 (EP&A Act) and a proposal for State Significant Site listing under Schedule 3 of State Environmental Planning Policy Major Development 2005 (SEPP Major Development) in relation to the former Ingleburn Army Base and certain adjoining lands within the Edmondson Park Release Area of the South West Growth Centre (referred to herein as 'Edmondson Park South').

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The new urban community at Edmondson Park South will meet's the State Government's objectives to increase housing supply, provide community benefits and create jobs.

The purpose of the Concept Plan is to secure statutory approval for the overall planning framework for the site and to further resolve a number of remaining site-wide infrastructure delivery and land use planning issues. The Project Application (submitted concurrently with the Concept Plan) for early works, infrastructure and subdivision relating to the initial phases of the development will enable site works to begin in 2010.

1.1 The Site

The subject site comprises an area of approximately 413.3 hectares and forms part of the larger Edmondson Park Release Area within the South West Growth Centre. It is located to the north-west of the M5 Motorway and lies approximately 40 km to the south west of Sydney CBD. Approximately 260.4 hectares of the site is located within the Liverpool LGA and approximately 152.9 hectares is located within the Campbelltown LGA. Refer to Location Plan at Figure 1

The majority of the site is currently owned by the Commonwealth (Department of Defence) and was formerly used as an army camp (the Ingleburn Army Camp) up until the 1990s when it was identified as surplus to Defence requirements. Since this time it has been progressively vacated. The project is intended to be carried out once ownership or control of the former Ingleburn Army Camp land has passed to the State. Other land within the site is owned by Landcom, the Minister Administering the EP&A Act, the Minister for Education, Training and Youth Affairs, the RTA, along with several roads owned by Liverpool City Council and Campbelltown City Council.

The site is largely vacant. Remnants of military facilities (i.e. cottages, former building slabs, internal roads, training facilities etc) associated with the site's former Defence use are scattered through-out the site. There are a number of cottages / houses previously used by Defence personnel in an area of the site generally referred to as "Ingleburn and Bardia Villages". The Ingleburn North Public School (1.835 hectares) is located on the southern and the Bambi Preschool on the northern side of Campbelltown Road.

The site is undulating to steep. It slopes from its highest point (80 m AHD) at the intersection of Zouch and Campbelltown Roads to its lowest point (40 m AHD) at its eastern corner and to a similar elevation adjacent to the M5 Motorway in the south-west corner. The central portion of the site along Campbelltown Road forms a ridge with gentle falls to the north and south.

The condition of existing vegetation on the site varies from exotic pasture with negligible ecological value to areas to areas of good condition vegetation with high recovery potential. The existing cleared portions of the site generally contain non native species.

The site is at the top of three catchments. Maxwell Creek, Bunbury Curran Creek and Cabramatta Creek pass through the site, with associated riparian zones and some woodland habitat (notably Cumberland Plain Woodland).

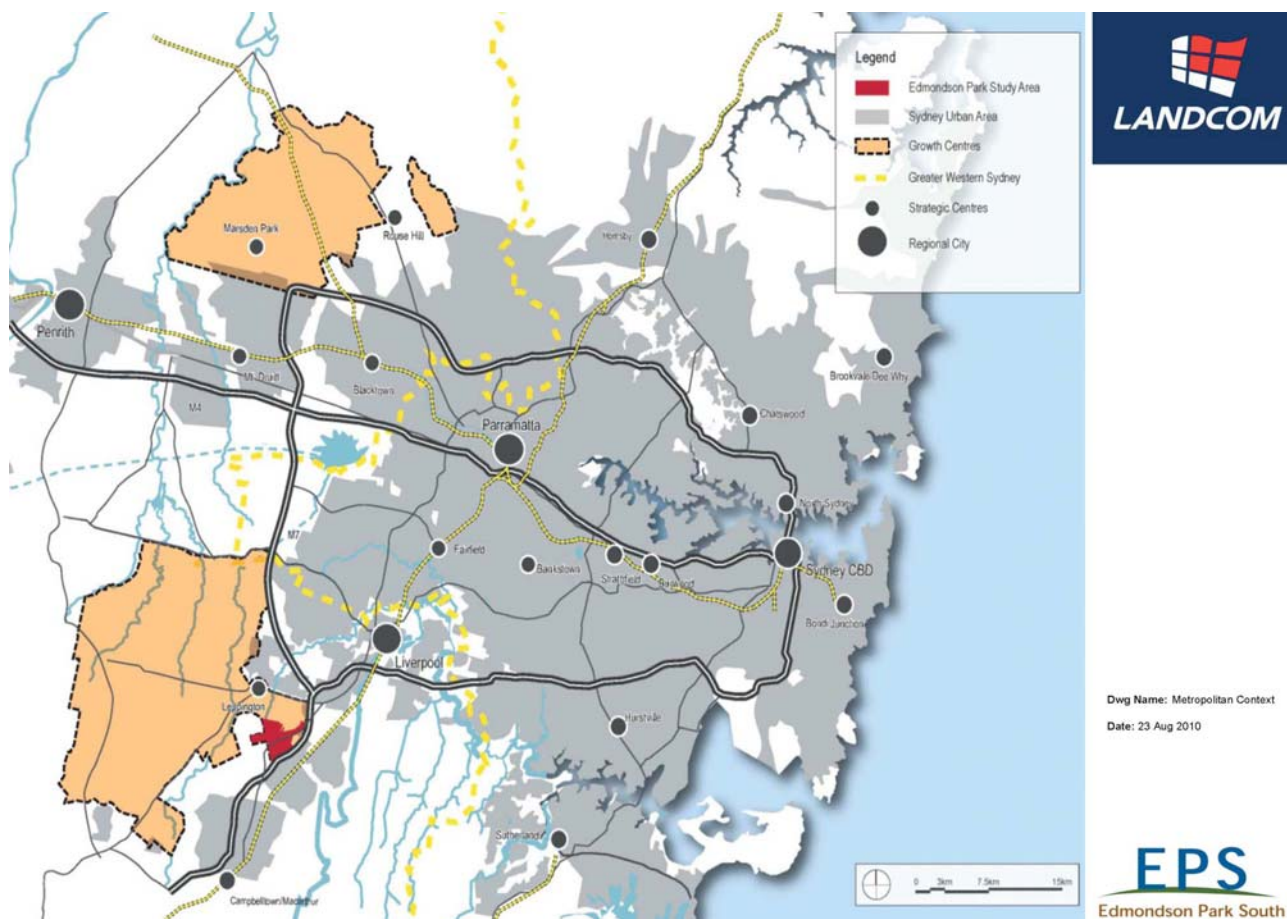


Figure 1 – Location Plan

2 PROPOSED DEVELOPMENT

2.1 Concept Plan

The Concept Plan establishes the overall planning framework for the site, including:

- land use type and distribution;
- a mix of housing types and densities (approximately 3,200 dwellings);
- concept location of and approximately 35,000 – 45,000 m² of retail / business / commercial floor space within the new Edmondson Park Town Centre;
- identification and location of open space and drainage corridors, environmental conservation lands (to form the new Regional Park), and local active and passive recreation facilities, including levels of embellishment;
- expanded Ingleburn North Primary School and new combined Primary/High School to the north of the site;
- road network layout;
- pedestrian and cycleway network layout;
- pedestrian bridge over the south western railway;
- Campbelltown Road corridor including the establishment of key intersection locations and configuration;
- utilities (including power, telecommunications and gas), infrastructure strategy, potable water strategy, sewer concept plan and water cycle management plan;
- location and dimensions of Bushfire Asset Protection Zones;
- appropriate interpretation of European and Aboriginal heritage located on the site;
- erection of signage and billboards;
- remediation works;
- decommissioning of the existing Sewerage Treatment Plant (STP); and
- demolition.

The Concept Plan also sets out an approval framework that will enable the carrying out of the works necessary to remediate the site in accordance with a Remediation Strategy without the need for undertaking further environmental assessment.

A variety of housing types is proposed to be delivered. This will provide for a range of housing price points and will include moderate income housing and housing for seniors.

It is proposed to develop the Edmondson Park site progressively in stages over a 15-20 year period. The Concept Plan will address the staging and delivery of the overall development having regard to the progressive delivery of necessary infrastructure, services and facilities; and market demand.

The Concept Plan is accompanied by a proposal with respect to the future developer contributions framework for the provision of local facilities and services within the Liverpool and Campbelltown LGAs as well as State Infrastructure.

The Concept Plan is shown on Figure 2.

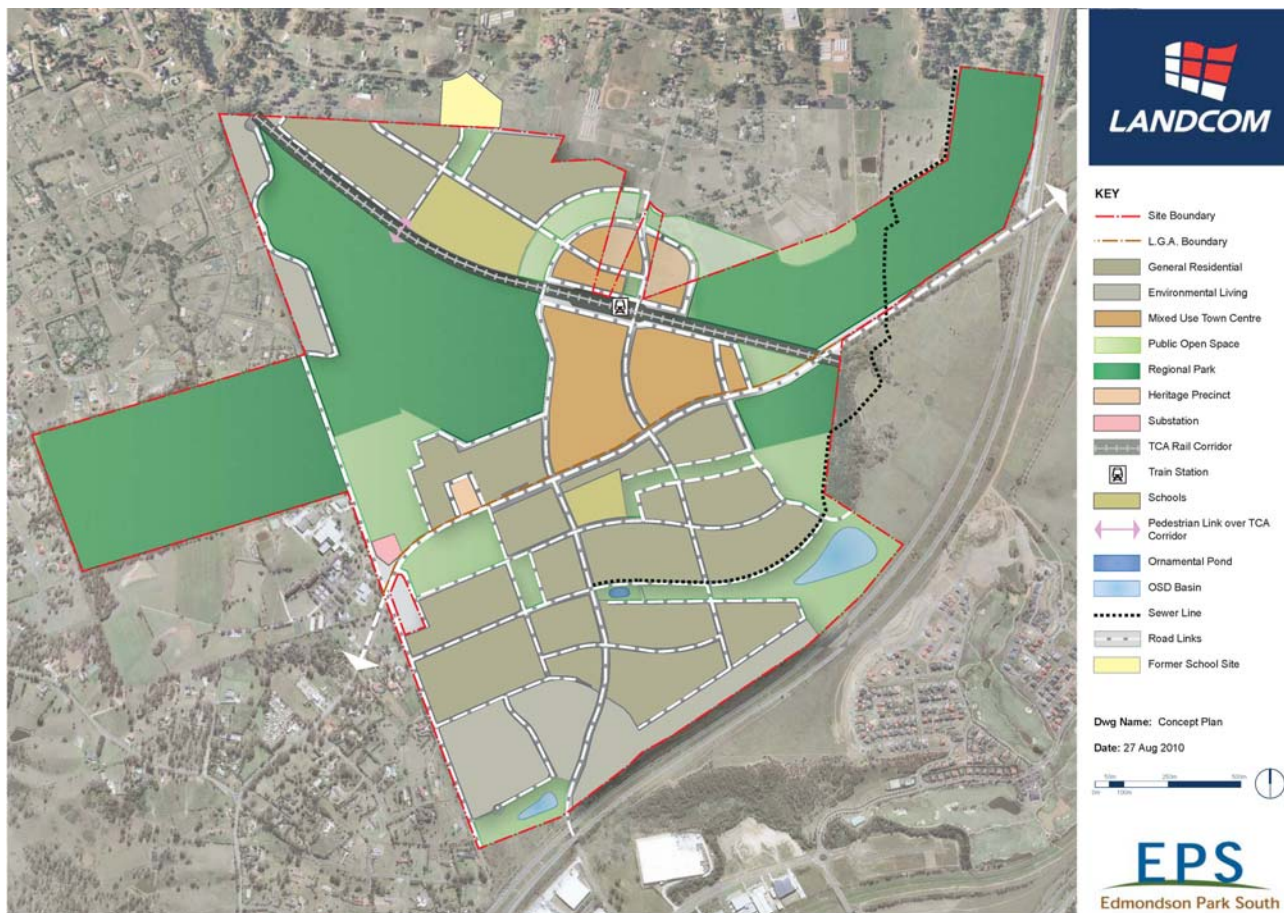


Figure 2 – Concept Plan

2.2 Project Application

The residential subdivision Project Application comprises:

- the creation of 207 residential lots, 8 super lots for future subdivision 15 Environmental Living lots and 3 lots for dedication to Campbelltown City Council as Public Reserve in 5 stages*;
- the dedication of roads to Campbelltown City Council;
- On-site works comprising:
 - tree removal;
 - earthworks including excavation, cut and fill;
 - design and construction of physical infrastructure, including roads, stormwater drainage and utility reticulation, traffic management works, establishment of open space areas;
 - retaining walls as determined during detailed design;
 - design and construction of staged stormwater water quantity and quality infrastructure to achieve objectives required by the Water Cycle Management (WCM) strategy for the greater site;
 - demolition of all existing structures;
 - erosion and sediment control to areas of roadworks and bulk earthworks including provision of temporary sedimentation ponds and diversion drains;
 - Design and construction of an ornamental pond;
 - Landscaping of road reservations;
 - erection of signage and billboards; and;
 - Embellishment of open space.
- Off-site works comprising:
 - construction of the sewer lead in from the Sydney Water carrier main at Ash Road;
 - upgrade of overhead mains and construction of electrical lead-in feeders from the existing zone substation at Prestons;
 - connection to utility services, potable and recycled water, electricity, gas and telecommunications in Campbelltown and MacDonald Roads;
 - Connection to existing stormwater drainage;
 - tree removal;
 - earthworks including excavation, cut and fill;
 - design and construction of physical infrastructure, including roads, stormwater drainage and utility reticulation, traffic management works, including the connection to the existing MacDonald Road;
 - design and construction of staged stormwater water quantity and quality infrastructure to achieve objectives required by the Water Cycle Management (WCM) strategy for the greater site;
 - erection of an acoustic wall;
 - erection of signage and billboards;
 - extension or relocation of existing services including potable and recycled water, gas, telecommunication, power;
 - demolition of all existing structures; and;
 - Proposed new intersection to existing Macdonald Road.

It is intended to seek staged Construction Certificates as necessary to facilitate the efficient delivery of each phase of, the development works.

The first stage residential Project Application will include the proposed construction of a gravity sewer line through the future Regional Park.

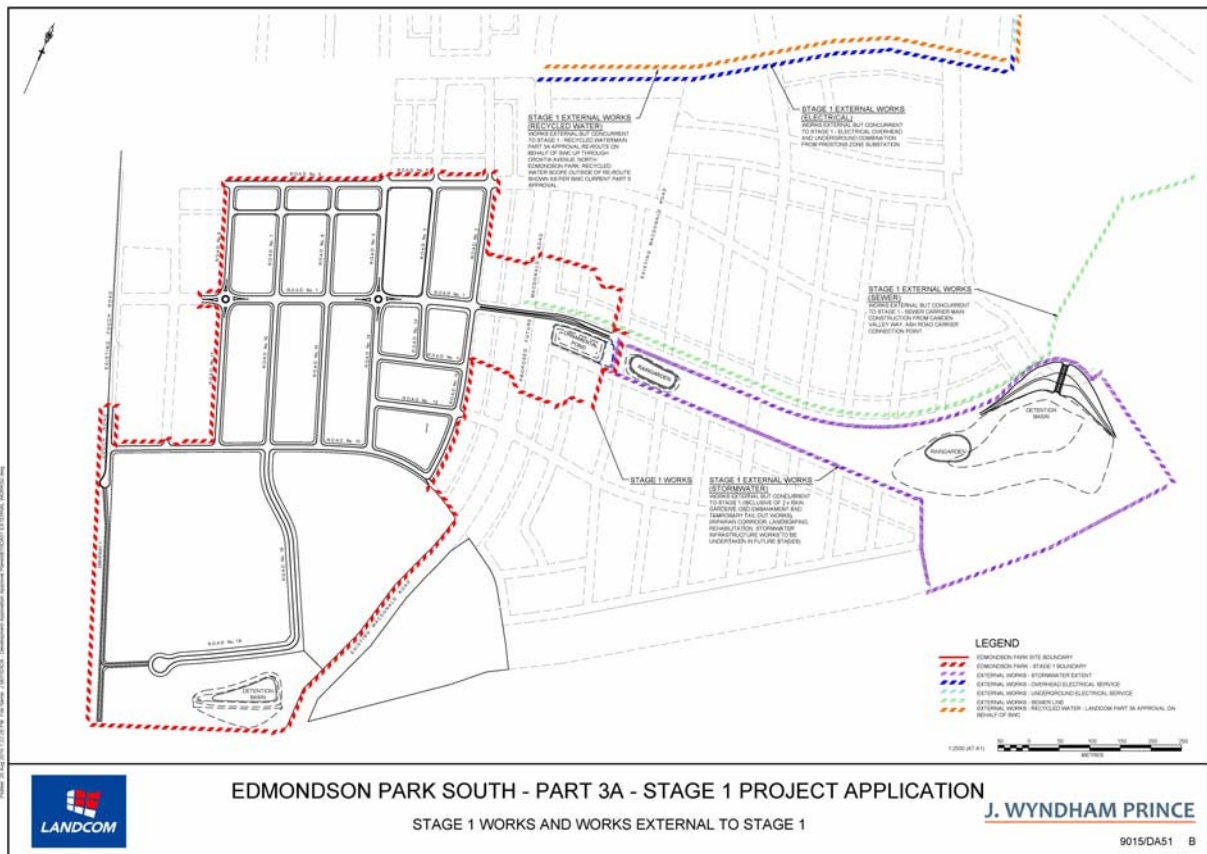


Figure 3 – Project (Stage 1) Application Plan

2.3 Planning Background

The Edmondson Park Release Area, including the site, has been the subject of broad strategic planning investigation and environmental assessment over a number of years by Liverpool and Campbelltown City Councils, the Department of Planning, the Department of Defence (the current landowner of the Ingleburn Army Camp) and Landcom (owner of certain lands).

The whole of the Edmondson Park Release Area has been released for urban development by the Minister for Planning. Part of the site; the Ingleburn Army Camp, is currently the subject of a ‘delayed’ rezoning for urban purposes under Liverpool Local Environmental Plan 2008 and Campbelltown (Urban Area) Local Environmental Plan 2002.

In June 2010 the Minister for Planning considered a Preliminary Assessment Report for the Edmondson Park South Project that provided justification for the planning, assessment and delivery of the project to occur under Part 3A of the EP&A Act, having regard to the demonstrated contribution that the project will have to achieving State and regional planning objectives.

Subsequently, on 23 July 2010, pursuant to Clause 6 of SEPP Major Development, the Minister for Planning formed the opinion that the Edmondson Park Project constitutes a Major Project to be assessed and determined under Part 3A of the EP&A Act, and also authorised the submission of a Concept Plan for the site. In doing so, the Minister also formed the opinion that a State Significant Site (SSS) study be undertaken to determine whether to list the site as a State Significant Site in Schedule 3 of SEPP Major Development.

The Part 3A process under the EP&A Act allows for the Edmondson Park South Project to be planned, assessed and delivered in a holistic manner, with a uniform set of planning provisions and determination by a single consent authority. Given the scale of the proposal, the Concept Plan and SSS listing provide the opportunity to identify and

resolve key issues such as land use and urban form, development staging, infrastructure delivery and environmental management in an integrated and timely manner.

This report has been prepared to fulfil the Environmental Assessment Requirements issued by the Director General for the inclusion of the Edmondson Park site as a State Significant Site under SEPP Major Development, and for a Concept Plan approval for the development.

Specifically, this report addresses the following requirement:

General Requirements	(8) report from a quantity surveyor identifying the capital investment value of the Concept Plan and Project Applications including the estimated cost of future development.
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3 CAPITAL INVESTMENT VALUE

The Capital Investment Value (CIV) which has been determined through the preparation of an Opinion of Probable Cost (OPC) detailing the value of both the Concept Plan and Project Application in current \$AUD excluding GST (ie. no time function has been applied to the costing).

Capital Investment Value is defined in the *Environmental Planning and Assessment Regulations 2000* as:

capital investment value of a development or project includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, other than the following costs:

- a) *amounts payable, or the cost of land dedicated or any other benefit provided, under a condition imposed under Division 6 or 6A of Part 4 of the Act or a planning agreement under that Division,*
- b) *costs relating to any part of the development or project that is the subject of a separate development consent or project approval,*
- c) *land costs (including any costs of marketing and selling land),*
- d) *GST (within the meaning of A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth).*

The Department of Planning Circular PS 10-008 (10 May 2010) provides clarification on the calculation of the CIV for a particular project. This guideline/circular has been considered in the preparation of this report.

3.1 Information Inputs

The CIV has been based on the following information –

- Consultation with relevant authorities (as part of the overall project consultation): –
 - Campbelltown City Council (CCC),
 - Liverpool City Council (LCC),
 - Department of Environment, Climate Change and Water (DECCW),
 - Dept of Planning (DoP),
 - Roads and Traffic Authority (RTA),
 - Transport Construction Authority (TCA) (formerly Transport Infrastructure Development Corporation - TIDC),
 - Commonwealth Department of Environment, Water, Heritage and the Arts (DEWHA),
 - Sydney Water Corporation (SWC),
 - Integral Energy (IE),
 - Telstra,
 - Jemena.
- JWP database of costed project tenders consolidated across a wide range of past and current projects.

The Capital Investment Value excludes (as defined) any Development Contributions (Local or State) as identified under Division 6 or Division 6A of the Environmental Planning and Assessment Act 1979.

The CIV costing methodology incorporates a review of the Concept Plan Documentation including the anticipated yield/mix for the respective land-use requirements.

The CIV includes consideration and costing of the following Site project components –

- Subdivision Specific Works
 - Roads, Drainage, WSUD, lot grading
 - Utility Reticulation & Servicing
- Estate Major Works
 - Major Roadworks
 - Bulk Earthworks and Remediation
 - Stormwater & WSUD

- Lead In Water Supply
- Lead Out Sewer Supply
- Lead In Power Supply
- Gas Supply
- Telecommunications
- Regional Landscaping
- Professional Fees
- Authority Fees and charges (excluding Div 6 and 6A Development Contributions)

3.2 Response to DGRs

General Requirements	(8) report from a quantity surveyor identifying the capital investment value of the Concept Plan and Project Applications including the estimated cost of future development.
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Edmondson Park South Capital Investment Value Assessment		
Item	Amount included in CIV	
	Concept Plan Application (excluding Stage 1) \$000	Project Application (Stage 1) \$000
Subdivision Works	\$ 190,145	\$ 19,682
Roads and Street Drainage	\$ 73,575	\$ 7,216
Earthworks and Lot landform	\$ 14,782	\$ 1,850
Services (Water, Sewer, Electricity, Gas, Telecommunications)	\$ 38,468	\$ 3,687
Landscaping	\$ 27,842	\$ 3,405
Authority Fees and Charges	\$ 18,465	\$ 1,747
Professional Fees	\$ 17,013	\$ 1,777
Estate Major Works (General Scheme)	\$ 82,619	\$ 31,481
Water and Sewerage Trunk Works	\$ 7,082	\$ 5,960
Major Roads and Intersections	\$ 9,680	\$ 1,250
Major Drainage and Stormwater Management	\$ 11,542	\$ 7,222
Remediation, Demolition and Bulk Earthworks Costs	\$ 7,272	\$ 4,500
Major Landscape Works	\$ 35,596	\$ 3,640
Major Electrical Lead-in	\$ 1,908	\$ 2,436
Other Costs	\$ 9,539	\$ 6,473
Total	272,764	51,163

The above costs are exclusive of the Goods and Services Tax (10% GST)

TABLE 2 CAPITAL INVESTMENT VALUE

3.3 Estimated Cost of Future Development

The estimated cost (over and above the Concept Plan CIV identified above) of future housing and commercial development within the Edmondson Park South Project (i.e. within the concept plan area) is in the order of \$1.1B. This is based on the following:

Housing Costs:

2,000 dwellings @ \$250,000 (average)	\$500,000,000.00
1,200 dwellings in apartment style @ \$200,000 (average)	\$480,000,000.00

Commercial / Office / Retail / Other Buildings:

Allow 10 – 12 Buildings @ \$10,000,000.00 each	<u>\$120,000,000.00</u>
Fitout etc (not included)	

Estimated Future Costs	<u>\$1,100,000,000.00</u>
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4 CONCLUSIONS & RECOMMENDATIONS

In summary, we have reviewed the project documentation, and pursuant to the guidelines set down for establishing CIV pursuant to the Environmental Planning and Assessment Regulation 2000 and DoP Circular PS 10-008 we are satisfied the stated CIV are suitably accurate and reflect available market rates.

The table above summarises the CIV amounts for the Concept Plan Application and the Stage 1 Project Application.