

***Planning Proposal:
Amendment to Liverpool LEP 2008
Moorebank Avenue, Liverpool***



January 2013

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*NSW Government
Department of Planning & Infrastructure*

EXECUTIVE SUMMARY

The Department has received a request from the applicant, Commonwealth Department of Defence and Deregulation, to amend the zoning of the subject site to facilitate the development of intermodal terminal facilities at Moorebank Avenue, Liverpool. The site is currently zoned SP 2 Infrastructure (Defence), W1 Natural Waterways and RE1 Public Recreation.

This Planning Proposal (PP) seeks to rezone land from SP2 Infrastructure (Defence) to partly E3 Environmental Management and IN1 General Industrial, amend the controls for floor space ratio, height of buildings, minimum lot size and amend Schedule 1 of the *Liverpool Local Environmental Plan 2008* to include 'public utility' and 'drainage' as additional permissible uses on the site. The amendments would facilitate the provision of a rail connection from the site to the Southern Sydney Freight Line over the Georges River and Northern Powerhouse Land and create a dedicated green belt along the western edge of the site.

This PP has been submitted with a request for Director-General's Requirements for a State Significant Development (SSD) application for an intermodal terminal on the site. The consideration of the PP and the SSD application by the Department will occur concurrently. In accordance with section 89E(5) of the *Environmental Planning and Assessment Act 1979* (the Act), the Director-General is the relevant planning authority (RPA) under Part 3 of the Act.

The applicant has submitted a request justifying the PP and addressing the key issues relating to the proposed amendments. This report considers the merits and justification for commencing the preparation of a local planning instrument.

This PP is supported in principal and the Department considers that there is sufficient information to justify proceeding with the rezoning request. It is recommended that the process to prepare a local environmental plan (LEP) to amend the Liverpool LEP 2008 be commenced, and that exhibition of the PP and the SSD application be carried out concurrently.

TABLE OF CONTENTS

1.	BACKGROUND	1
2.	PROJECT SITE	2
2.1.	Location	2
2.2.	The Site and Surrounding Land Uses	3
3.	THE PROPOSAL	6
3.1.	The Intermodal Freight Terminal	6
3.2.	The Planning Proposal	6
3.3.	Studies Submitted by the Applicant	9
4.	DEPARTMENT'S CRITERIA FOR JUSTIFYING PLANNING PROPOSALS	9
5.	FEES	23
6.	CONCLUSION	23
7.	RECOMMENDATION	24

APPENDIX 1	APPLICANT'S PRELIMINARY PLANNING PROPOSAL AND PROJECT ENVIRONMENTAL OVERVIEW (INCLUDING LIVERPOOL LEP 2008 AMENDMENT MAPS)	25
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APPENDIX 2	DIRECTOR-GENERAL'S REQUIREMENTS FOR STATE SIGNIFICANT DEVELOPMENT APPLICATION SSD 5066 ON MOOREBANK AVENUE, LIVERPOOL	30
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APPENDIX 3	LIVERPOOL CITY COUNCIL'S CORRESPONDENCE	25
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APPENDIX 4	DETAILED BUSINESS CASE SUMMARY	
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1. BACKGROUND

The Commonwealth and NSW Governments have identified a 220 hectare site at Moorebank as a potential site to meet future intermodal freight terminal (IMT) requirements within Sydney. The possibility for using this site for an intermodal freight terminal was first announced by the Commonwealth Government in 2004.

The site is currently owned and occupied by the Department of Defence's School of Military Engineering (SME). The Department of Defence has indicated a longer-term desire to relocate the SME from the site.

On 11 May 2010, the Commonwealth Government announced \$70.7 million of funding in the 2010-2011 Budget to complete the detailed planning and approval of the Moorebank Intermodal Terminal and the relocation of the SME and other Defence units to Holsworthy. It also announced an intention that staged redevelopment of the site is expected to commence in 2013, subject to securing necessary approvals.

The Commonwealth Government has established the Moorebank Project Office (MPO) to drive detailed planning for the site, and the NSW Government and its agencies are working with the MPO on this work, with Transport for NSW as the lead NSW government agency.

On 7 December 2010, the MPO lodged a request for Director-General's Requirements under the State Significant Development (SSD) provisions of Part 4 of the *Environmental Planning and Assessment Act 1979* (the Act), for an intermodal facility and associated commercial and warehousing development on the SME site. The site is located entirely within the Liverpool local government area and is subject to the provisions of the *Liverpool Local Environmental Plan (LEP) 2008*. The predominant zoning of the site is SP2 Infrastructure (Defence) whilst the rest of the site is variously zoned IN1 General Industrial (land zoned IN1 General Industrial is not subject to the Planning Proposal), RE1 Public Recreation and W1 Waterways. The IMT is not permissible under the predominant zoning of the site (SP2 Infrastructure (Defence)) and land proposed to be traversed by the rail link (zoned RE1 Public Recreation and W1 Waterways) under the Liverpool LEP.

Under Division 15 of the *State Environmental Planning Policy (Infrastructure) 2007* (Infrastructure SEPP), the development may be considered to be *rail infrastructure facilities*, being railway tracks, rail freight terminals, sidings and freight intermodal facilities. Clause 81(a) of the Infrastructure SEPP states that development for the purpose of rail freight terminals, rail freight sidings or rail freight intermodal facilities may be carried out by any person with consent on land in a prescribed zone, including SP2 Infrastructure, but not W1 Waterways or RE1 Public Recreation.

Under Section 89E(3) of the *Environmental Planning and Assessment Act 1979* (the Act), development consent may be granted for an SSD despite the development being partly prohibited by an environmental planning instrument. Further, Section 89E(5) of the Act facilitates for the consideration of an SSD application that is partly prohibited, in conjunction with a proposed environmental planning instrument, to permit the carrying out of that development. Under this course of action, the Director-General is the relevant planning authority for the proposed rezoning under section 54(2) of the Act.

Given the above considerations, the MPO has determined that rezoning of the site is preferable, as this would 'regularise' the zoning of the entire site for the proposed development, meet community and stakeholder expectations, and optimise environmental compliance requirements for any subsequent third party ownership of the intermodal facility.

On 6 November 2012, the MPO submitted a request to the Department to commence the preparation of a Planning Proposal (PP) to facilitate the development on the site. This PP is being prepared concurrently with the consideration of the SSD application for an intermodal terminal facility.

This PP has been prepared by the Department's Infrastructure Projects branch, in accordance with Section 55 of the Department's '*A Guide to Preparing Local Environmental Plans*' and '*A Guide to Preparing Planning Proposals*' and is also based on the applicant's submission to the Department, dated October 2012 (included within Appendix 1).

To ensure fairness and transparency within the PP process, the Department's Sydney Region West branch will review the PP and its recommendation will be forwarded to the Minister for Planning and Infrastructure for Gateway determination, under Section 56 of the Act.

2. PROJECT SITE

2.1. Location

The Moorebank IMT site is located to the west of Moorebank Avenue at Moorebank, approximately 30 kilometres south-west of the Sydney Central Business District (CBD) and approximately 4 kilometres south of the Liverpool CBD. See **Figure 1**. It is in proximity to key transport corridors including the Main South Line rail corridor (the Southern Sydney Freight Corridor), the M5 and M7 motorways and the Hume Highway. The site is located within the City of Liverpool local government area.

The land, which comprises an area of approximately 220 hectares, is bounded by the Georges River to the west, Moorebank Avenue to the east, the M5 Motorway and ABB Medium Voltage Production facility to the north and the East Hills Railway line to the south.

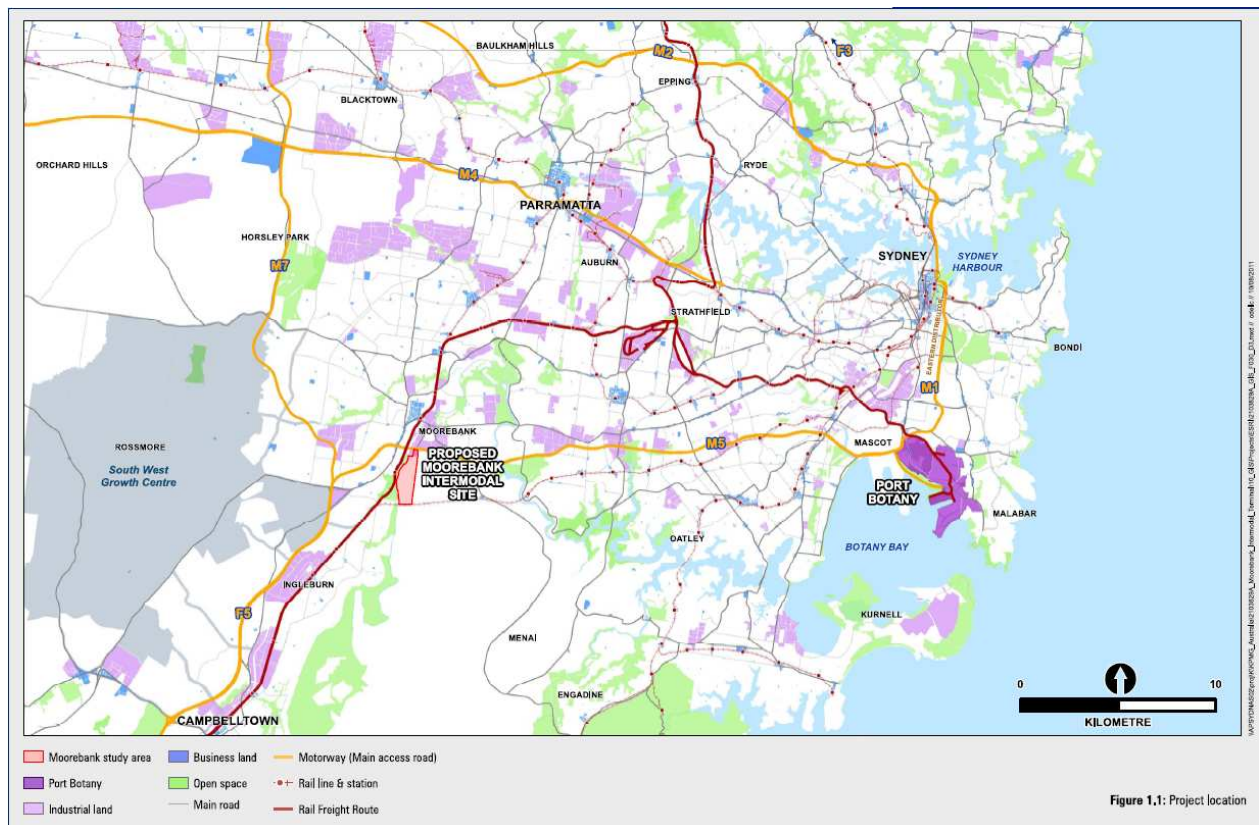


Figure 1: Project location.

2.2. The Site and Surrounding Land Uses

The site is currently owned and occupied by the Department of Defence's School of Military Engineering (SME) and a number of other Defence units, which forms parts of the Liverpool Military Area. See **Figure 2**. The SME has indicated a longer-term desire to relocate from the site.

The main land uses surrounding the site are residential suburbs of Casula, Wattle Grove and Glenfield, as well as industrial, commercial and the Department of Defence land largely comprising the Holsworthy Military Area to the south and the Defence National Storage and Distribution Centre (DNSDC) to the east. See **Figure 3**.

On the DNSDC site to the east, the Sydney Intermodal Terminal Alliance (SIMTA) is proposing to construct and operate an intermodal terminal facility with a capacity of 1 million twenty foot equivalent units (TEUs) per annum, warehousing and distribution facilities and a freight village. The proposal is being considered by the Department as a transitional Part 3A transitional Concept Plan and was exhibited from 28 March 2012 to 28 May 2012.



Figure 2: The site and surrounds.

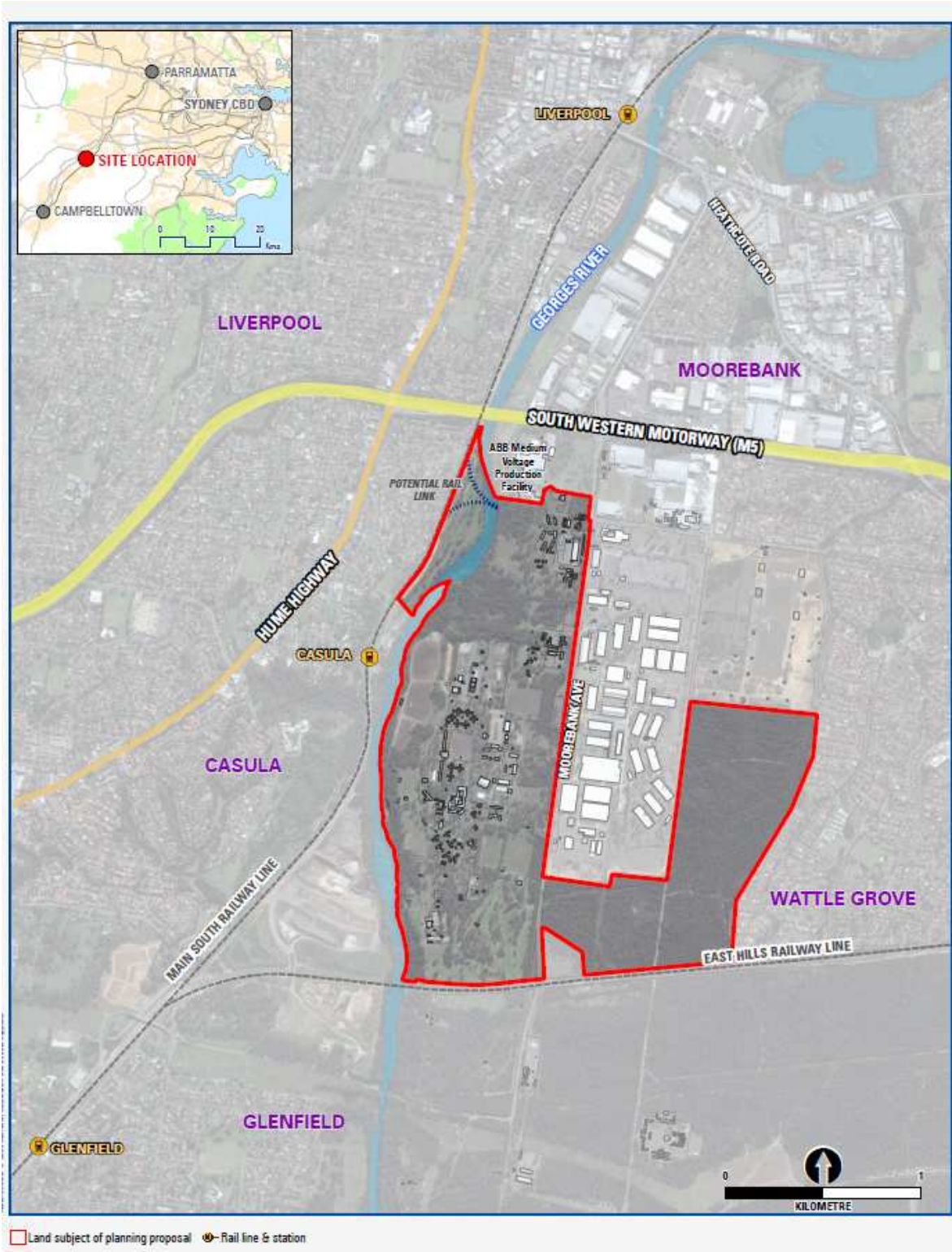


Figure 3: The site and surrounding suburbs.

3. THE PROPOSAL

3.1. The Intermodal Freight Terminal

The MPO has requested the commencement of this PP to facilitate an IMT on the Moorebank site. The development of the IMT would require approximately 220 hectares of Commonwealth Department of Defence owned land, and three parcels of land on the western bank of the Georges River, owned by Liverpool City Council, for a rail connection to the Southern Sydney Freight Line (SSFL), which is currently under construction and due to be operational in early 2013.

The IMT comprises the following components:

- warehousing and commercial development;
- support functions (administrative and rail/container maintenance/repair) for the terminal;
- working tracks for rail freight movements and loading/unloading of containers;
- storage tracks for the storage of freight carriages within the site;
- container laydown/storage areas;
- intermodal site roads, stormwater management infrastructure, power and utilities; and
- environmental conservation zone on the eastern bank of the Georges River.

The site is proposed to be developed over two general phases: Phase 1A - Port Shuttle Terminal Area, Phase 1B - Warehousing and Distribution Area and Phase 2 - Interstate Terminal Area. The development of the proposed IMT site would occur progressively over time and would be upgraded to allow future freight demands and may include further enhancements to off site road and rail capacity. The current SSD Director-General's Requirements request application is for a stage 1 Development Application which sets out a concept for the entire development site.

3.2. The Planning Proposal

Under the *Liverpool LEP 2008*, the SME site (including land to be traversed by the proposed rail link to the SSFL) is currently zoned as follow (see **Figure 4**):

SME site: SP2 Infrastructure (Defence) and IN1 (General Industrial) (land zoned IN1 is not subject to this Planning Proposal). The proposal is prohibited under the SP2 zoning but permissible under IN 1.

Rail link site: RE1 Public Recreation and W1 Waterways. Rail infrastructure is prohibited under these zonings.

As stated above, under the provisions of the Infrastructure SEPP, the project is permitted with development consent under land zoned SP2 Infrastructure, but not under W1 Waterways or RE1 Public Recreation.

Given the *Infrastructure SEPP* provisions, this PP seeks to 'regularise' the current SP2 Infrastructure (Defence) zoning with a more appropriate industrial zoning. (See **Figure 5**):

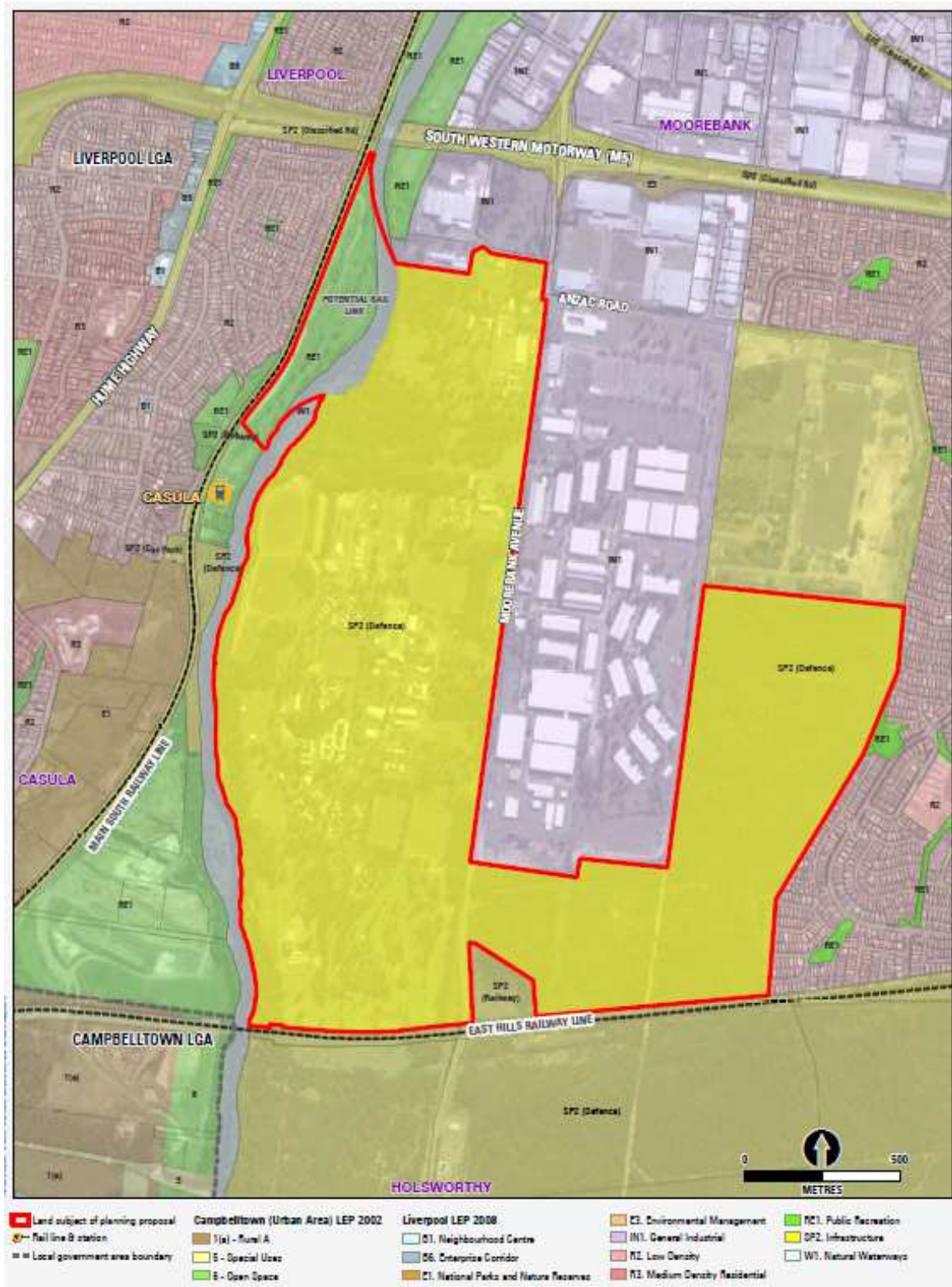


Figure 4: Liverpool LEP 2008 Zoning (existing).

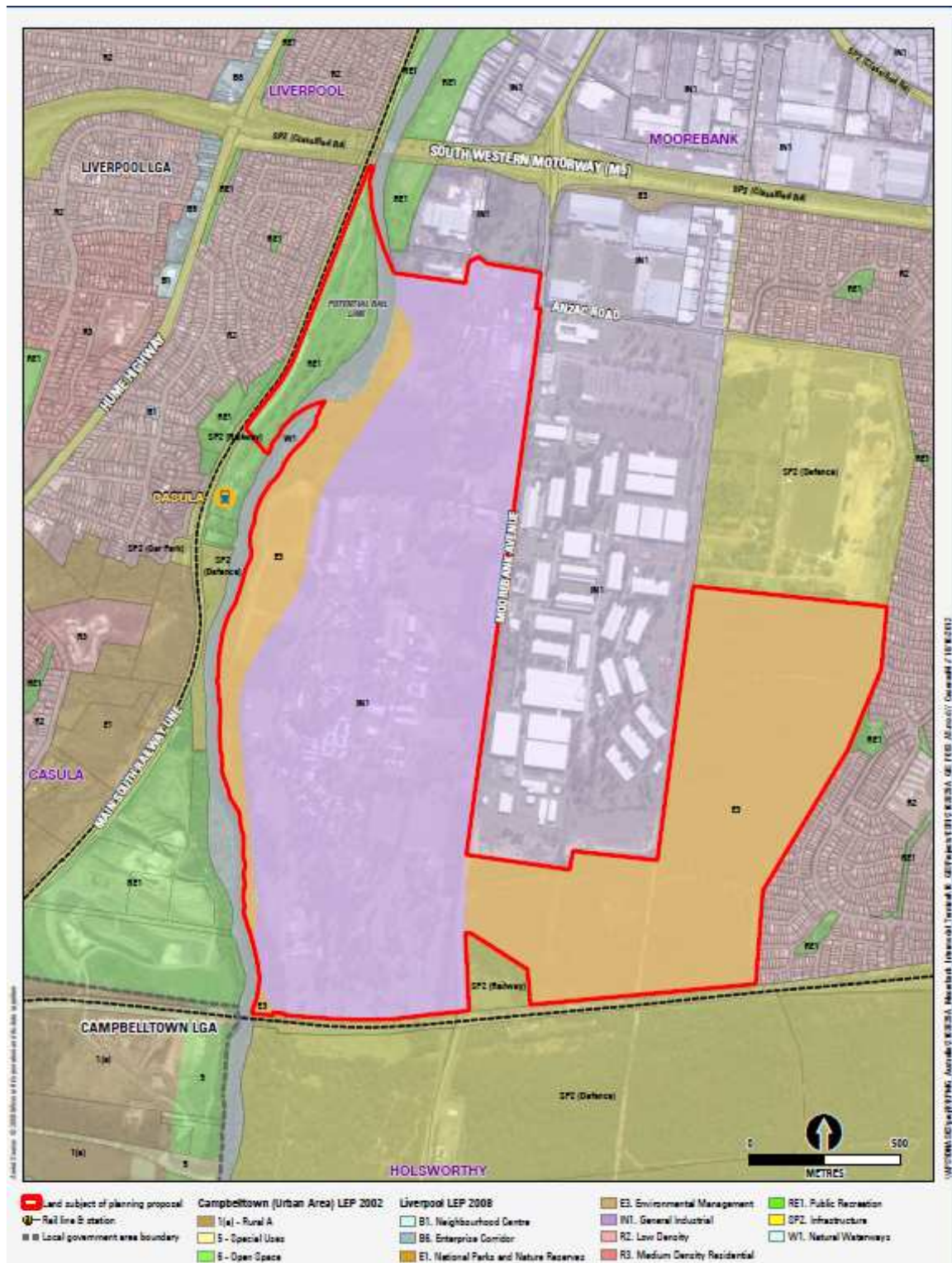


Figure 5: Proposed amendments to land use zoning.

3.3. Studies Submitted by the Applicant

The Applicant has submitted a Preliminary Project Environmental Overview and PP to support the request for a PP and request for Director-General's environmental assessment requirements for the SSD application. These documents are included in **Appendix 1**.

3.4 Future Studies

In January 2012, the Department sought inputs from Liverpool Council and relevant Government agencies on the Director-General's Requirements (DGRs) for the IMT SSD application. The DGRs were issued on 27 February 2012 and identified key environmental issues which are required to be addressed in the Environmental Impact Statement, including traffic, transport and access, noise and vibration, biodiversity, hazards and risks, soils and contamination, hydrology, air quality, heritage, visual and urban design and property and infrastructure.

The DGRs are attached in **Appendix 2**.

4. DEPARTMENT'S CRITERIA FOR JUSTIFYING PLANNING PROPOSALS

Based on the applicant's submission, the PP has been prepared in accordance with the Department's '*A Guide to Preparing Planning Proposals*'.

PART 1 – OBJECTIVES OR INTENDED OUTCOMES

The objectives of the Planning Proposal are to:

1. enable redevelopment of the site for the proposed Moorebank IMT that:
 - a. is a key component for the future development of Sydney's intermodal capacity;
 - b. would allow for the types of land uses proposed that include freight transport facility and ancillary development;
 - c. is compatible with agreed State and regional strategic direction for development of the site;
 - d. is consistent with the outcomes of strategic studies undertaken into addressing Sydney's lack of intermodal capacity;
 - e. allow for planning controls compatible with the proposed land uses,
 - f. supplement substantial Government investment in rail, ports and freight facilities; and
 - g. provide certainty to Government that the site could be developed in the future for the purposes of an intermodal facility.
2. permit development of the rail connection from the site to the SSFL over the Georges River and Northern Powerhouse Land;
3. enhance amenity to the site and improve the public domain in the surrounding area by creating a dedicated green belt along the western edge of the site; and
4. ensure that the existing vegetation to the east of Moorebank Avenue is retained to provide a buffer between the site and adjoining residential

development and provide potential offset land for future conservation outcomes.

PART 2 – EXPLANATION OF PROVISIONS

The objective or intended outcome of the PP is proposed to be achieved by amending the Liverpool Local Environmental Plan (LLEP) 2008 by:

1. amending the LLEP 2008 Land Zoning Map (LZN-013) by rezoning the IMT site from SP2 Infrastructure (Defence) to partly E3 Environmental Management and IN1 General Industrial;
2. amending Schedule 1 of LLEP 2008 as follows:

Use of certain land at Casula and Moorebank in Zones RE1 and W1:

- a. *This clause applies to the southern part of Lot 10 DP 881265 in Zone RE1 Public Recreation at 474 Hume Highway, Casula and part of the Georges River in Zone W1 Natural Waterways,*
- b. *Development for the purpose of a public utility undertaking is permitted with consent, and*
- c. *Development for the purpose [of paragraphs a, b and c] of rail infrastructure facilities as defined in State Environmental Planning Policy (Infrastructure) 2007 is permitted with consent; and*

3. amending Schedule 1 of the LLEP 2008 as follows:

Use of certain land at Moorebank in Zone E3:

- a. *This clause applies to the western part of Lot 3001 DP 1125930 in Zone E3 Environmental Management at Moorebank Avenue, Moorebank,*
- b. *Development for the purposes of drainage is permitted with consent.*

4. Amending the LLEP 2008 Floor Space Ratio Map (FSR-013) to allow for a maximum floor space ratio of 1:1 for part of Lot 3001 DP 1125930 and Lot 100 DP 1049508;
5. Amending the LLEP 2008 Height of Buildings Map (HOB-013) to allow for a maximum building height of 21m for part of Lot 3001 DP 1125930 for buildings and containers; and
6. Amending the LLEP 2008 Lot Size Map (LSZ-013) to allow for a minimum lot size of 2,000sq m for part of Lot 3001 DP 1125930.

PART 3 – JUSTIFICATION

This section sets out the reasoning for the proposed rezoning of the site, taking into consideration of the intended outcomes and objectives outlined above. The following questions are set out in *A Guide to Preparing Planning Proposals* and address the need for the planning proposal, its strategic planning context, the environmental, social and economic impacts and the implications for State and Commonwealth government agencies.

Section A – Need for the planning proposal

1. Is the planning proposal a result of any strategic study or report?

The PP is undertaken in response to a Detailed Business Case (DBC) prepared for the development of an IMT on the site (see Appendix 4 for DBC Summary). The DBC involved an assessment of the need for an IMT at Moorebank, taking into account projected freight demand, existing transport infrastructure constraints, the commercial feasibility of the project and the technical and environmental suitability of the site. Based on the findings of the DBC, a decision was made by the Commonwealth Government in early 2012 to proceed with the project, which would provide key infrastructure in addressing Sydney's shortage of intermodal terminal capacity and facilitate in the redistribution of freight from Port Botany to the IMT. The PP has subsequently been prepared in order to facilitate the proposed Moorebank IMT and associated industrial development, including warehousing, and provide environmental protection on the site.

2. Is the planning proposal the best means of achieving the objective or intended outcomes, or is there a better way?

It is considered that the PP is the best means of achieving the Project's objectives identified under Part 1.

Under the current zoning, land that would be developed for the purposes of the IMEX (import/export) and interstate freight terminals and warehousing is zoned SP 2 Infrastructure (Defence). This zoning would potentially prohibit future development of the site for warehousing, establishment of a second rail connection and ancillary development required for the operations of the Moorebank IMT. The PP intends to rezone this land to IN1 General Industrial zone to better reflect the intended use of the site.

Amendment to the zoning of the site would provide certainty to the community that the site would be developed in accordance with the proposed SSD project, and provide for environmental conservation through rezoning part of the site to an E3 Environmental Management zone.

3. Is there a net community benefit?

The Moorebank IMT is considered to achieve a net community benefit. The DBS prepared by KPMG in 2012 has identified a number of economic, social and environmental benefits for the community and economy and are summarised below.

The development of the Moorebank IMT is intended to increase intermodal capacity in Sydney, and will have a number of flow-on benefits across the freight sector and the State economy. The total economic benefits of the Moorebank IMT Project, over a 30 year operational period has been assessed at \$10 billion or \$2.3 billion in present value terms. The benefit cost ratio for the project is 1.72, which is considered a strong positive economic evaluation for an infrastructure project.

By providing increased intermodal capacity in Sydney, it is envisaged that the unit costs of transporting containers by rail for IMEX and interstate markets would be

decreased, and would also lead to an increase in the share of freight movements by rail. The contributing factors to the total economic benefits include the following:

- savings in operating costs in the freight transport sector, through productivity improvements associated with rail freight movement;
- improvement in reliability and availability of freight services, relative to road services;
- reductions in road damage and associated savings;
- reductions in costs associated with road congestion and road accidents;
- increased reliability in journey times;
- reductions in operating cost, resulting from the economies of scale provided by rail transport;
- incremental revenues resulting from operating surplus;
- the residual value of the Moorebank IMT physical assets, following the end of the indicate 30 year operational period;
- increased employment in south-west Sydney during construction and operation;
- reductions in environmental and social costs associated with road transport, including noise, greenhouse gas emissions, fuel costs etc.

Further, the proposal may also bring in potential community benefits through the preservation of the green corridor along the banks of the Georges River.

Section B – Strategic Planning Framework

4. Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?

The need for additional intermodal capacity at Moorebank has been identified in a number of State strategic policies, and the Moorebank IMT is intended to meet Sydney's intermodal capacity needs.

Metropolitan Plan for Sydney 2036

The *Metropolitan Plan for Sydney 2036* identified nine major challenges for the future growth of the metropolitan area, including the need for more efficient transport and infrastructure delivery and tackling climate change. Key objectives and actions identified include strengthening existing freight and industry clusters and the support of new clusters. The Moorebank to Prestons and Minto area is identified as a significant freight industry cluster.

The *Metropolitan Plan* also identifies intermodal terminals as an essential component of an efficient freight and logistics sector and identifies ongoing collaboration with the Commonwealth government towards facilitating development of intermodal facilities. The Moorebank IMT is noted for its potential to generate employment within the Liverpool LGA and support commercial land use across the metropolitan area.

Further, item D5 of the *Draft East Subregional Strategy* has identified several actions to ensure sufficient port capacity is available to serve Sydney. In particular, the Strategy noted that the Ministry of Transport will be working with the Commonwealth Government to secure intermodal terminals at strategic locations within the Sydney metropolitan area. This work will build upon initiatives and actions outlined in the

Metropolitan Strategy and NSW Government's response to the Freight Infrastructure Advisory Board (FIAB) report.

Under the FIAB report, the IMT is described by the Government as a 'critical element in the national transport network ... [that] will create thousands of jobs and act as an incubator for new transport-related industry in Sydney.' (Freight Infrastructure Advisory Board, 2005)

NSW 2021

Under *NSW 2021: A plan to make NSW number one*, the NSW Government has identified the target of enhancing rail freight movement in NSW by doubling the proportion of container freight movement by rail through NSW ports by 2020. The State Government has also identified that shifting freight movements to rail is a priority action to maximise capacity at Port Botany, and reduce truck movements on the NSW road network. By facilitating future development on site for the purposes of the IMT, the PP is considered consistent with the NSW 2021 Plan.

State Infrastructure Strategy 2012-2032

The Strategy provides an assessment of the infrastructure needed to serve the State over the next 20 years and identifies a number of principal recommendations for infrastructure projects to meet this demand, including the provision of transport access to and from Sydney international gateways as a short term infrastructure priority.

Development of the Moorebank IMT in the next five years (2017-2022) has been identified as one of the principal recommendations in the Strategy, particularly if there is strong growth in demand for IMEX intermodal freight handling in NSW. The PP would provide optimum land use zoning for the future development of an IMT at Moorebank.

Draft NSW Long Term Transport Master Plan

The *Draft NSW Long Term Transport Master Plan* provides the basis for decision making in the delivery of transport infrastructure in NSW over the next 20 years and identifies critical transport challenges and the framework for integrating transport planning into the long term future plans and strategies for the state.

The draft Mast Plan has identified the growth of future freight network capacity to be important in encouraging more efficient use of the existing transport network and removing constraints to improve productivity.

Draft Freight and Ports Strategy

The *Draft Freight and Ports Strategy* is a document which explains how Transport for NSW would work with commercial interests and across government to provide an efficient network and a framework for managing growth. The Strategy aims to inform government and commercial investment decisions across all modes of transport and highlights short, medium and long term tasks to improve freight movement on the network.

The Strategy has identified a number of Strategy Action Areas to be adopted.

Action 2E – Foster intermodal terminal network development

The draft Strategy notes that metropolitan intermodal terminals are critical to increase rail mode share and manage the rapidly growing import container trade and interstate freight task. Whilst the NSW Government does not need to be directly involved in the development or operation of intermodal terminals, it has a role in identifying and protecting land and freight corridors. The Government also has a role, where necessary, in identifying supporting road and rail infrastructure.

The draft Strategy has developed a number of tasks, including Task 2E-1 – Foster intermodal terminals in Metropolitan areas. This task targets the development of sustainable facilities that create network capacity through support to ARTC's completion of the Southern Sydney Freight Line to connect the proposed intermodal facilities at Moorebank to the Metropolitan Freight Network and support the development of new intermodal facilities at Moorebank by identifying road upgrade requirements.

The Moorebank Intermodal Precinct has been selected as a case study in the draft Strategy, and Transport for NSW is seeking to provide road network upgrades to manage potential impacts on the road network.

Railing Port Botany's Containers

Under *Railing Port Botany's containers: Proposals to ease pressure on Sydney's roads*, the Moorebank site was identified as strategically important given its proximity to the SSFL, the M5 and M7 Motorways. The report, prepared by the FIAB, recommended the NSW State Government to implement the following strategies:

- a. develop the major new terminals at Enfield, Moorebank and Eastern Creek;
- b. regard Moorebank as a key component in meeting Sydney's intermodal capacity needs;
- c. ensure that the Moorebank site is secured for intermodal terminal development by the private sector;
- d. work with the Commonwealth Government to see the SME moved from the site as soon as possible;
- e. commence planning for the site's development by the private sector as an intermodal terminal with the capacity to handle at least 500,000 truck equivalent units annually;
- f. develop a business model for the acquisition and development of the site in a way that allows the private sector to bring forward the terminal's development;
- g. pursue negotiations with the Commonwealth for AusLink funding for an Australian Rail Track Corporation rail connection into the Moorebank site;
- h. ensure that access to the Moorebank site is delivered in a way that does not compromise the future expansion of the East Hills passenger line; and
- i. ensure planning for Moorebank includes design buffers to reinforce the site's separation from residential development and provide public recreation facilities along both sides of the Georges River.

The PP is generally consistent with the above recommendations by facilitating intermodal terminal facilities at the site, undertaken by the Commonwealth Government as part of its overall commitment to investigate the feasibility of the rail system to improve the transport system of NSW. The degree to which the PP

contributes to these recommendations will be detailed in the EIS and technical studies, but it is noted that the Australian Government is committed to investing in Australia's infrastructure including port facilities and freight networks to meet Australia's freight container requirements.

5. Is the planning proposal consistent with the local Council's Community Strategic Plan, or other local strategic plan?

Growing Liverpool 2021: Community Strategic Plan

The Liverpool LEP amendment is generally consistent with Liverpool's *Community Strategic Plan: Growing Liverpool 2021* and contributes to the following key principals articulated in the document:

Principal 5: recognise the value of our natural ecosystems to our well being and protect and restore them and Principal 7: reduce the ecological footprint of our community

The applicant recognises the value of protecting natural ecosystems for the well-being of the community and provides for development that will reduce the ecological footprint of the community through reducing fuel consumption and road-based vehicular emissions. This would be achieved by providing for land to be zoned E3 Environmental Management along the bank of the Georges River, and on land to the east of the Moorebank Ave, and promoting the reduction of road based freight movements through Sydney and along the North-South corridor between Brisbane and Melbourne by facilitating a rail link to the proposed SSFL.

By shifting freight movements from road to rail, the IMT proposal aims to reduce the overall impacts from freight traffic on Sydney's road network between Port Botany and south-western Sydney. The proposal intends to promote an efficient and highly connected transport system that satisfies the increasing demand for rail-based solutions to Sydney's freight infrastructure needs.

Principle 6: Achieve long term economic and social security

By providing a dedicated industrial zone within the IMT site, the LEP amendment provides for increased employment opportunities in the Liverpool LGA and aims to create long-term economic and social security, consistent with principal 6.

The PP would also facilitate warehousing and commercial development on the subject land, as well as support functions for the terminal, including administrative and rail/container maintenance/repair. These uses are compatible and associated with the IMT and would assist in providing a commercially viable environment for operators of the facilities.

6. Is the planning proposal consistent with applicable state environmental planning policies?

The key State Environmental Planning Policies (SEPPs) that are relevant to this PP include the following:

State Environmental Planning Policy No. 55 – Contaminated Land

The PP includes the rezoning of land that is contaminated. A Phase 1 Environmental Site Assessment was completed in November 2010 and results indicated that remediation would be required prior to use of the site for commercial and/or industrial purposes. The EIS for the IMT project would include an assessment of potential land contamination on site and an evaluation of remediation options, taking into account SEPP 55. A remedial action plan will also be prepared and submitted for assessment.

The PP will achieve consistency with SEPP 55 as it would facilitate for the remediation of contaminated land to ensure its suitability for the proposed development.

State Environmental Planning Policy (Infrastructure) 2007

The MIT proposal is prohibited under the predominate zoning of the site in the Liverpool LEP 2008. However, Clause 81 of the Infrastructure SEPP partly overcomes the zoning prohibition by allowing the carrying out of rail infrastructure facilities by any person with consent on land in a prescribed zone. Whilst the intermodal facility is within a prescribed zone as defined in clause 78 of the Infrastructure SEPP, the proposed rail link is not within a prescribed zone and therefore not permissible under the policy.

In noting this inconsistency, the Applicant has sought a request to regularise the zoning of the entire site for the IMT development through this PP. The PP is intended to allow for the types of development proposed, including development of a freight transport facility and ancillary development, and provide certainty to the Government and community that the site could be developed for the proposed purposes.

State Environmental Planning Policy (State and Regional Development) 2011

The proposed Moorebank IMT has a capital investment value of \$570 million and is development described in Schedule 1, Clause 19(1)(b) of the State and Regional Development SEPP, which describes '*Development that has a capital investment value of more than \$30 million for any of the following purposes ... railway freight terminal, sidings and intermodal facilities*'.

The proposal will be consistent with SEPP (SRD) and be further assessed in the EIS.

7. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

Section 117 of the Act requires PPs to be consistent with the terms of the Minister's direction issued under section 117(2). The following Directions are considered to be relevant to this PP and the Department's consideration are detailed in Table 1 below:

Table 1: Ministerial Directions

Directions		Objective	Consistency of this planning proposal with applicable Ministerial Directions
Employment and Resources	1.1 Business and Industrial Zones	To: a) encourage employment growth in suitable locations; b) protect employment land in businesses and industrial zones; and c) support the viability of identified strategic centres	The PP facilitates to increase the area of industrial zoned land on the subject site. The rezoning of the site would enable the development of intermodal terminal facilities which would generate approximately 1,650 and 975 jobs during the construction of the IMEX terminal and interstate terminal, respectively, and 1,700 jobs during the operation of both terminals and warehousing. The PP will also retain the area and location of existing industrial zone adjoining the site. The PP is considered consistent with this direction as it encourages employment growth in a suitable location adjacent to industrial and commercial uses and transport links.
Environment and Heritage	2.1 Environment Protection Zones	To: a) protect and conserve environmental sensitive areas	The PP proposes to rezone part of the site from SP2(Defence) to E3 Environmental Management and provides for the protection and conservation of environmentally sensitive areas adjacent to the Georges River.
Housing, Infrastructure and Urban Development	3.4 Integrating Land Use and Transport	To ensure urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve: a) improving access to housing, jobs and services by walking, cycling and public transport; b) increasing the choice of available transport and reducing dependence on cars; c) reducing travel demand including the number of trips generated by development and the distances travelled,	The Moorebank IMT was identified by the NSW State Government as a critical component in meeting Sydney's freight rail targets in the <i>Railing Port Botany Containers: Proposals to Ease Pressure on Sydney's Roads</i> . The site is strategically located and in close proximity to major transport, including the SSFL, M5 and M7 motorways and serves as a key component in meeting Sydney's intermodal capacity needs.

		especially by car; d) supporting the efficient and viable operation of public transport services; and e) providing for the efficient movement of freight.	
Hazard and Risk	4.1 Acid Sulfate Soils	To: a) avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulphate soils.	The site is identified as Class 5 on the Liverpool LEP Acid Sulfate Soils Map. The EIS accompanying the IMT SSD application will include a remediation action plan.
	4.3 Flood Prone Land	To: a) prevent damage to life, property and the environment on land identified as unstable or potentially subject to mine subsidence.	The site is identified as flood prone land. The proposal provides for establishment of an E3 Environmental Management land use zone that would correspond with land identified as within the 100 year average recurrence interval (ARI) flood area. The EIS accompanying the IMT SSD application will include a hydrology assessment of stormwater and flooding impacts associated with the project.
	4.4 Planning for Bushfire Protection	To: a) protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas; and b) encourage sound management of bush fire prone areas.	The site is identified as being bushfire prone land on Council's map. Development of an asset protection zone would be established in the detailed design of the project. The EIS accompanying the IMT SSD application would include a hazard and risk assessment and would assess the potential impacts from bushfire events at the site.
Local Plan Making	6.1 Approval and Referral Requirements	To: a) ensure that LEP provisions encourage the efficient and appropriate assessment of development.	The PP does not seek to introduce further approval and referral requirement into an Local Environmental Plan. Therefore, the PP is not inconsistent with the Direction.
	6.3 Site Specific Provisions	To: a) discourage unnecessarily restrictive site specific	The PP has been prepared to enable the development of an IMT at the site and does not seek to introduce further controls.

		planning controls.	
Metropolitan Planning	7.1 Implementation of the <i>Metropolitan Plan for Sydney 2036</i>	To: a) give legal effect to the vision, transport and land use strategy, policies, outcomes and actions contained in the <i>Metropolitan Plan for Sydney 2036</i>	As discussed under section B, this Planning Proposal is consistent with the <i>Metropolitan Plan for Sydney 2036</i> , which has identified intermodal terminals as an essential component of an efficient freight and logistics sector.

Section C – Environmental, social and economic impact

1. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The IMT proposal has been declared a controlled action under the *Environment Protection and Biodiversity Conservation Act 1999* due to potential significant impacts on Commonwealth land and listed threatened species and communities.

A comprehensive biodiversity assessment would be conducted as part of the EIS. The assessment would identify the likely impacts on threatened terrestrial and aquatic species, populations and endangered ecological communities and/or critical habitat under both State and Commonwealth legislation, and include a Biodiversity Offset Strategy which would detail how ecological impacts and native vegetation clearance will be offset.

2. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

The EIS for the IMT proposal will provide a detailed assessment of the potential key environmental impacts, include the following:

- traffic, transport and access;
- noise and vibration;
- biodiversity;
- hazards and risks;
- soils and contamination;
- hydrology;
- air quality;
- heritage;
- visual and urban design; and
- property and infrastructure.

Furthermore, the EIS will also include an environmental risk analysis which identifies the potential environmental impacts associated with the development during construction and operation, and the identification of measures proposed to manage, mitigate and monitor key environmental impacts.

As the EIS will be assessed in conjunction with the PP, the Department is satisfied that the above question will be adequately addressed in the EIS.

3. How has the planning proposal adequately addressed any social and economic effects?

In addition to the studies listed above, the EIS will include a detailed assessment of the social and economic impacts of the project.

Section D – State and Commonwealth interests

1. Is there adequate public infrastructure for the planning proposal?

The site is located in close proximity to the SSFL and East Hills Rail Line, and access to the M5, M7 and Hume Highway. The Moorebank IMT would require completion of the SSFL, construction of a rail link across the Georges River and upgrades to the road and/or rail network, drainage works and connections to utilities. These upgrades would be identified and assessed in the EIS.

As part of the EIS, a Transport and Accessibility Impact Assessment will be included, which provides an assessment on the capacity of existing and proposed road and rail routes to handle predicted increases in traffic. The assessment would also identify the required road and rail infrastructure upgrades within proximity of the site, including the M5 and M7 Motorways and Cambridge Avenue, taking into account the *Guide to Traffic Generating Developments* and the *Integrating Land Use and Transport Package*.

2. What are the views of State and Commonwealth Public Authorities consulted in accordance with the gateway determination, and have they resulted in any variations to the planning proposal?

The Department will be seeking the views of public authorities under section 57 of the Act, which will run concurrently with the exhibition of the IMT SSD application. The DGRs for the SSD application also requires the Applicant to consult with the following agencies and stakeholders during the preparation of the EIS:

- Commonwealth Department of Sustainability, Environment, Water, Population and Communities;
- Environment Protection Authority;
- Office of Environment and Heritage;
- Transport for NSW
- Department of Primary Industries (Fisheries & Office of Water);
- NSW Rural Fire Services;
- NSW Health;
- Sydney Ports Corporation;
- Liverpool City Council;
- Campbelltown City Council;
- Roads and Maritime Services;
- Australian Rail Track Corporation;
- RailCorp;
- Sydney Water Corporation;
- Integral Energy;
- Jemena;
- Telstra;
- AGL Upstream Investments Pty Ltd;
- Specialist interest groups; and
- the public, including community groups and adjoining and affected landowners.

At the request of the Department, Liverpool City Council provided preliminary response on the Planning Proposal (see **Appendix 3**). Key issues raised by Council were:

- Council opposes the Department of Defence and Deregulation's and Sydney Intermodal Terminal Alliance's proposals for freight intermodal facilities at Moorebank;
- Council objects to the proposal to amend Schedule 1 of the Liverpool LEP 2008 affecting land zoned RE 1 Public Recreation and W1 Natural Waterways on the basis of Council's resolutions, and that rail infrastructure supporting an intermodal and warehousing is not consistent with the objective of either zone; and
- Council also objects to the proposal to rezone land owned by the Commonwealth to IN1 General Industrial and E3 Environmental Management until Council has been given the opportunity to review the Environmental Assessment and supporting studies of the SSD application.

PART 4 – COMMUNITY CONSULTATION

The applicant is committed to continuing the process of consultation with a range of stakeholders following the Gateway determination. The PP would be subject to further community consultation conducted in accordance with a Community Liaison Plan/Construction Communications Plan, involving members of the community and key stakeholders, such that:

- stakeholders have a high level of awareness of the processes and activities associated with the project;
- information is made readily available;
- timely response is given to issues and concerns raised;
- a dedicated 1300 hotline and email address would be provided to allow public enquiries about the PP and the Moorebank IMT project.

The Department recommends that community consultation for the PP occurs concurrently with the public exhibition for the Moorebank SSD application, and in accordance with the consultation requirements set out in '*A Guide to Preparing Local Environmental Plans*.' The statutory exhibition period for the SSD application is 30 days, but the Department recommends 60 days in recognition of the complexities of the project and the level of community concern. The Applicant has agreed to this timeframe.

PART 5 – TIMELINE

- MPO/PB lodge Planning Proposal (PP) supporting documentation and request DP&I (as Relevant Planning Authority) to commence PP preparation.
Complete
- DP&I (Infrastructure Projects assessments branch) prepares PP (based on information submitted) including consultation with Liverpool Council.
Complete
- DP&I (Infrastructure Projects assessments branch) then submits PP to Regional Team (RT) for Gateway assessment.

- RT assesses the proposal (in conjunction with advice from the LEP panel) and makes recommendations to Minister for Planning. **Consideration at LEP Panel scheduled for meeting on 24 January 2012**
- Gateway determination by the Minister. **Anticipated by early March 2013** (Note: Minister may request that the Planning Assessment Commission review the PP).
- Depending on Gateway determination, further work, amendments, studies, consultation may be required.
- Lodge final (amended) PP to DP&I who then prepares the PP for exhibition. **Anticipated mid April 2013**
- Exhibition of PP. **Concurrent with exhibition of SSD proposal.**
- **Exhibition commencing May 2013 for 60 days**
- Applicant/Dept varies proposal if required. **Anticipated to occur late July to late August 2013**
- DP&I (RT) finalises PP and the legal team and the Parliamentary Counsel prepares the draft LEP. **Anticipated by September 2013**

5. FEES

Under Section 256O of the *Environmental Planning and Assessment Regulation 2000*, the fee payable for considering a proposed environmental planning instrument in conjunction with an application under section 89E (5) of the Act is \$22,650 plus an additional fee of \$1,130 for each hectare (or part of a hectare) of the area of the proposed development site.

Based on the above, the fees payable is \$271, 250.

6. CONCLUSION

The PP involves the rezoning of SP 2 Infrastructure (Defence) land and the amendment of associated planning controls to facilitate intermodal terminal facilities at Moorebank. The Department recognises the justification for the PP with respect to providing additional terminal infrastructure in Sydney in meeting expected growth and demand in freight volumes.

The Infrastructure Projects branch has prepared this report in accordance with 'A Guide to Preparing Local Environmental Plan', addressing all matters to be addressed in a PP, and considers that there is sufficient justification for the PP to proceed to 'Gateway determination' by the Minister for Planning and Infrastructure.

Should the Minister determine to proceed with the gateway process, the Applicant will then initiate consultation with State/Commonwealth authorities and stakeholders accordingly, and undertake assessment of key environmental issues in accordance with the Director-General's Requirements issued to the SSD application.

7. RECOMMENDATION

That the Department (Sydney Region West):

- a. **commence** the process to prepare a local environmental plan to amend the Land Zoning Map and Schedule 1 of the Liverpool LEP 2008 in accordance with section 54 of the Act to facilitate the intermodal terminal facilities project at Moorebank;
- b. **adopt** the Planning Proposal for the project, in accordance with section 55 of the Act; and
- c. **forward** the Planning Proposal to the Minister for Planning and Infrastructure, requesting a Gateway Determination in accordance with Section 56 of the Act.

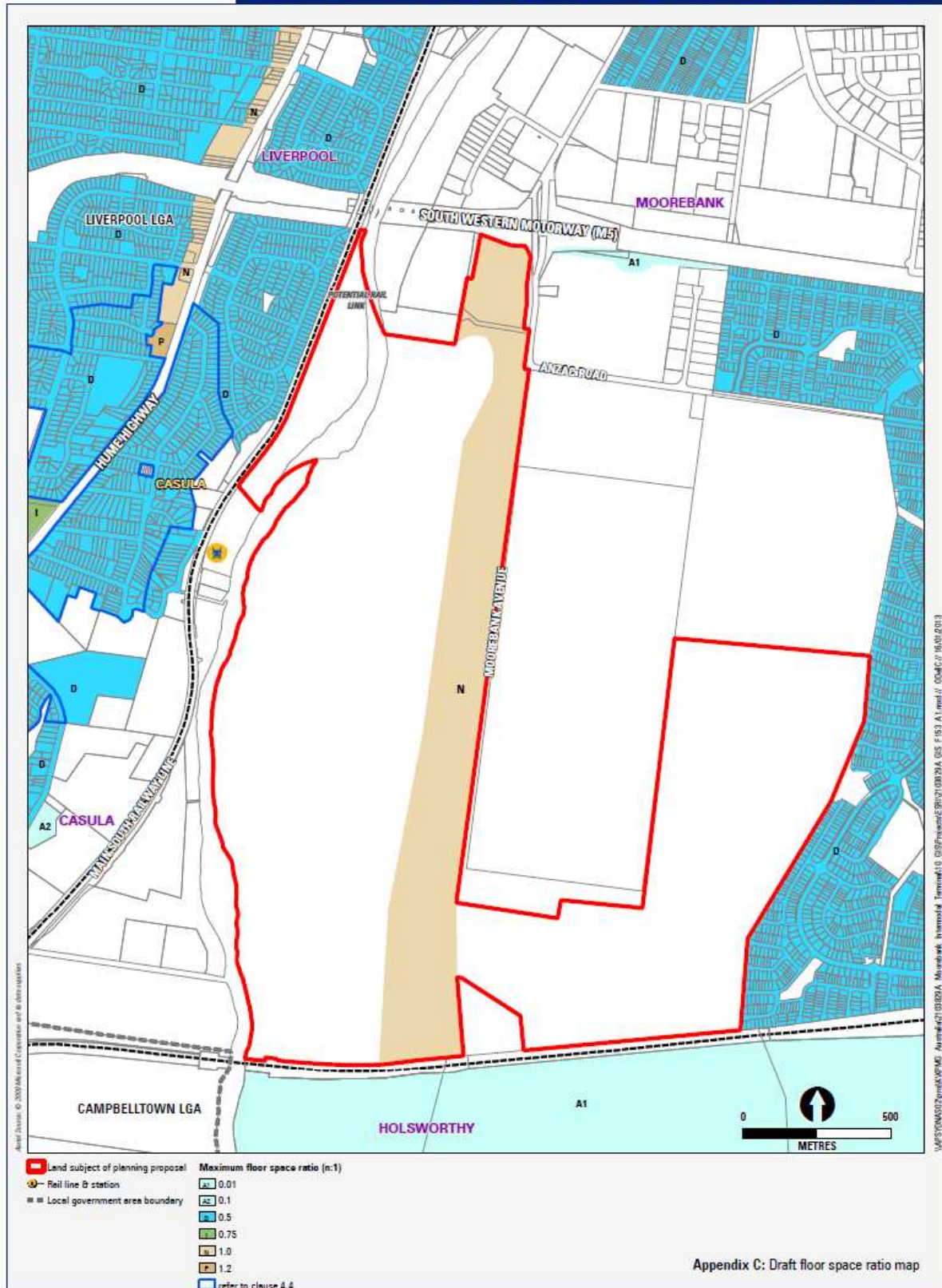
**APPENDIX 1 APPLICANT'S PRELIMINARY PLANNING
PROPOSAL AND PROJECT ENVIRONMENTAL OVERVIEW
(INCLUDING LIVERPOOL LEP 2008 AMENDMENT MAPS)**

PROPOSED AMENDMENT TO LIVERPOOL LOCAL ENVIRONMENTAL PLAN 2008

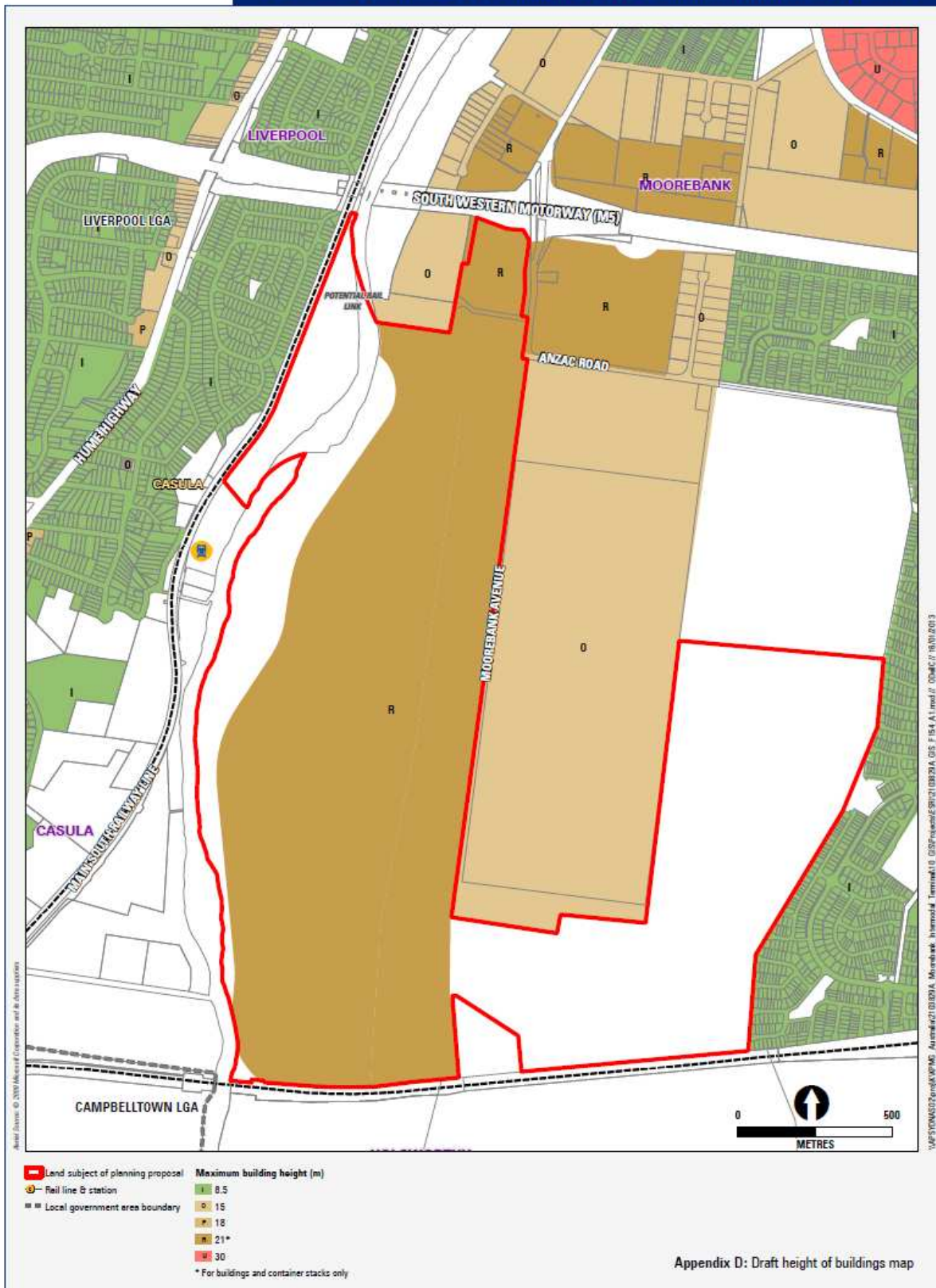


Appendix B: Draft land zoning map

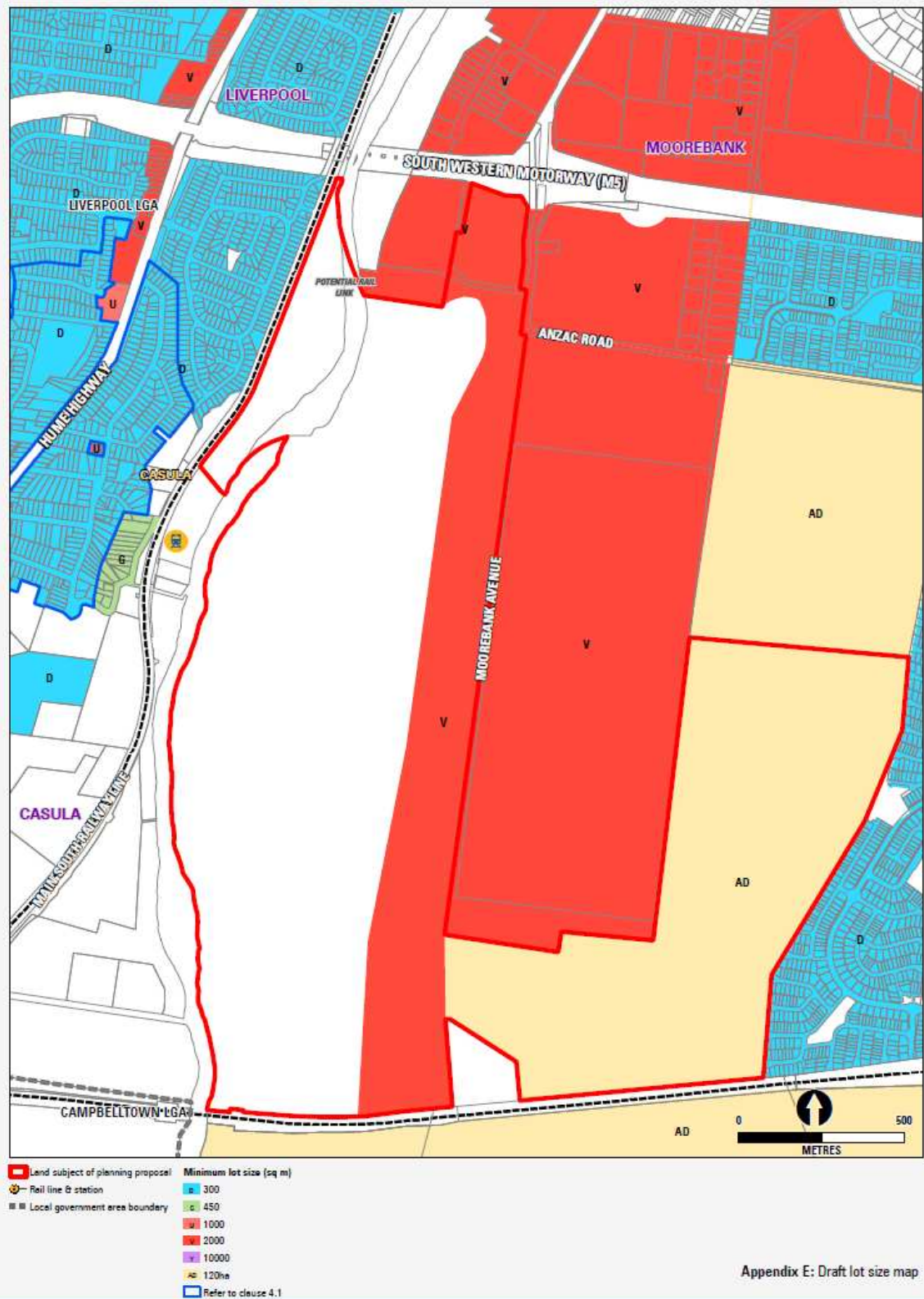
PLANNING PROPOSAL
PROPOSED AMENDMENT TO LIVERPOOL LOCAL ENVIRONMENTAL PLAN 2008



PLANNING PROPOSAL
PROPOSED AMENDMENT TO LIVERPOOL LOCAL ENVIRONMENTAL PLAN 2008



**PLANNING PROPOSAL
PROPOSED AMENDMENT TO LIVERPOOL LOCAL ENVIRONMENTAL PLAN 2008**



**APPENDIX 2 DIRECTOR-GENERAL'S REQUIREMENTS FOR STATE
SIGNIFICANT DEVELOPMENT APPLICATION SSD 5066 ON
MOOREBANK AVENUE, LIVERPOOL**

APPENDIX 3 LIVERPOOL CITY COUNCIL'S CORRESPONDENCE

APPENDIX 4 DETAILED BUSINESS CASE SUMMARY
