

# Virtus Project Services

## Proposed Rezoning

### Industrial Subdivision

#### Zone 4(a) General Industry Zone

Lot 1 & 2 DP 517958, Lot 3 & 4 DP  
574650 Old Bathurst Road, Emu Plains

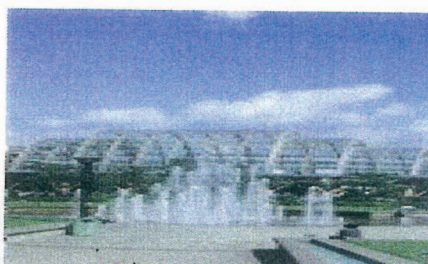
*'Council should begin planning for an addition to Penrith's stock of traditional industrial land by investigating potential locations and commencing the rezoning process as soon as possible'*

**Leyshon 2004**



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## 1. Introduction

This report has been prepared in support of an application lodged by Virtus Group Pty Ltd for a rezoning in relation to land described as Lot 1 & 2 DP 517958, Lot 3 & 4 DP 574650 Old Bathurst Road, Emu Plains.

The purpose of this report is to provide for an alternate land use for this site to allow for the opportunity of an industrial subdivision. It is proposed that a large portion of the site be rezoned 4(a) General Industry pursuant to the provisions of Local Environmental Plan (LEP) 1996 – Industrial Land

In support of this application the report provides the following;

1. A description of the site, its immediate surrounds and the locality.
2. A summary of the regulatory controls applying to the site including recent policy and strategic directions for the Penrith Local Government Area.
3. Proposed zoning of the site and compliance with the aims and objectives of the relevant LEP.
4. The likely impacts of the rezoning including a summary of consultant reports in relation to;
  - Flood & Hydraulic Investigations;
  - Heritage Impacts;
  - Traffic Impacts;
  - Contamination;
  - Flora and Fauna;
  - Amenity Impacts, and
  - Economic & Social impact assessment
5. Identification of zoning alternatives for the site and the positives and negatives of such alternatives.
6. Conclusion, and
7. Appendices including the detailed consultant reports and the survey plans

## 2. Site & Locality Description

### 2.1 The Site

The subject site is located on the corner of Russell Street and Old Bathurst Road, Emu Plains NSW, 2750. The site is comprised of;

- Lot 1 DP 517958
- Lot 2 DP 517958
- Lot 3 DP 574650, and
- Lot 4 DP 574650

The site is generally rectangular in shape with an area of 20.55 hectares. The location is shown in figure 1 below. A survey indicating the relevant Lots and Deposited Plans is provided in Appendix 1.

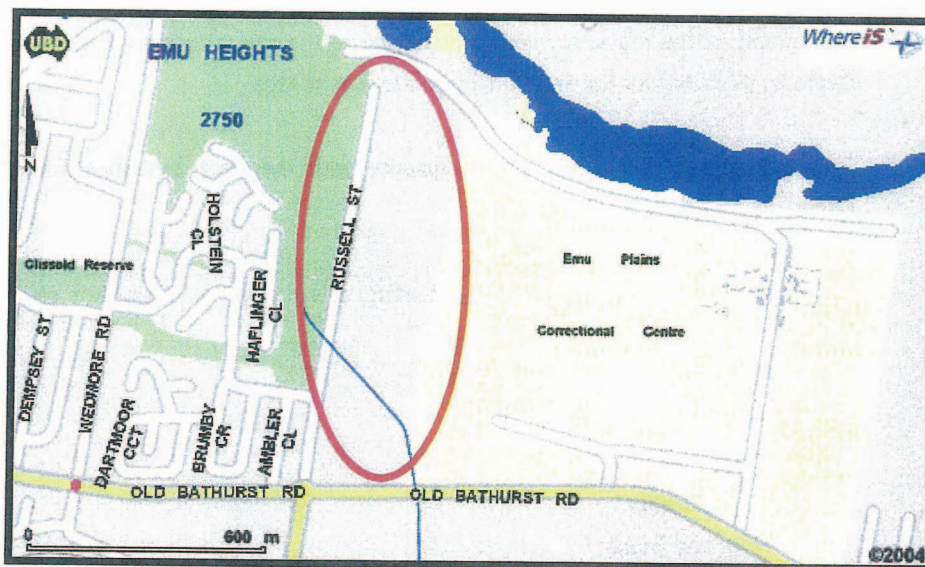


Figure 1 – Site location

The site presently accommodates one occupied dwelling fronting Russell Street. The dwelling would be demolished as part of a future development application. The site is also traversed by two easements. The first is a drainage easement known as Lapstone Creek, and the second is an electrical easement catering for above ground high voltage electricity lines.



The site is essentially devoid of any vegetation other than significant stands of trees located adjacent to the drainage easement. Photo 1 and 2 display the current street frontages of Old Bathurst Road and Russell Street.

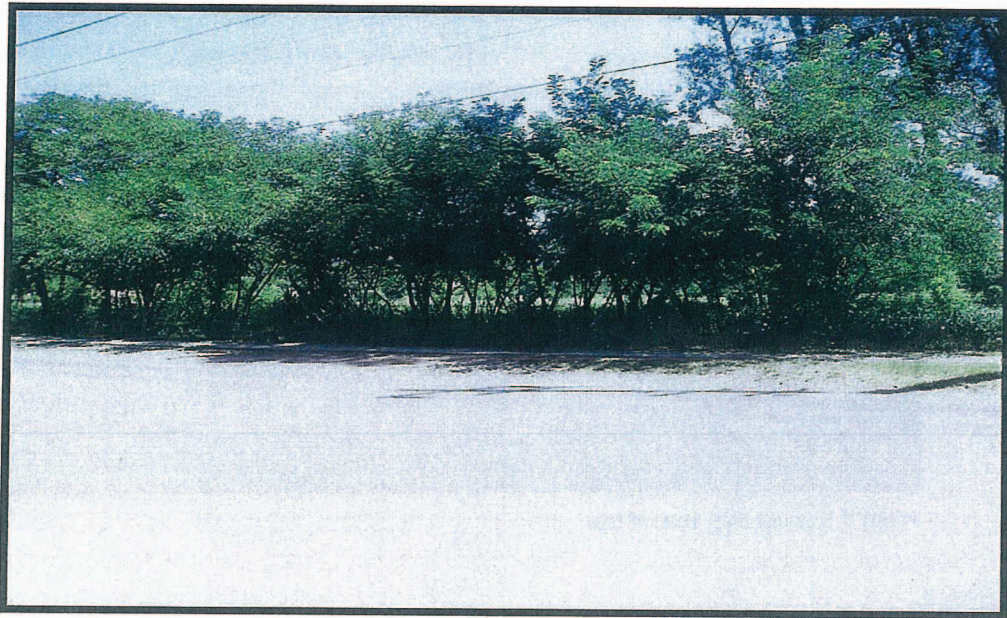


Photo 1 - Subject Site, Old Bathurst Road Elevation



Photo 2 - Subject Site Russell Street Elevation



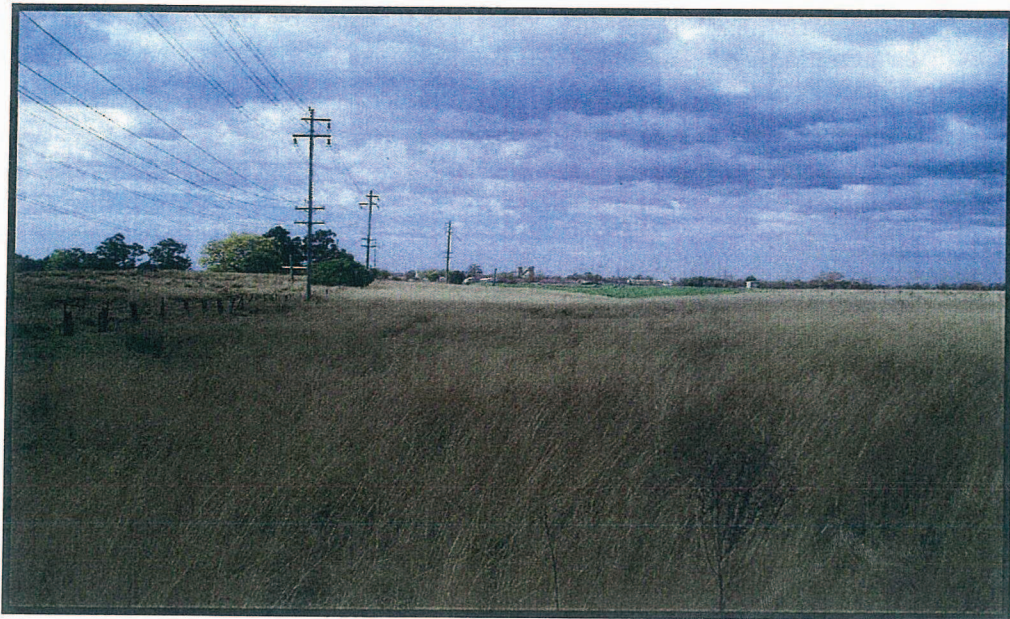


Photo 3 Subject Site, rear of site

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## **2.2 The Adjoining Sites**

### **2.2.1 To the West**

To the west of the subject site is a number of single storey dwellings as displayed in photo 4 and open space associated with a residential subdivision. It is anticipated that a landscaped buffer will be provided between the current residents in Russell Street and the proposed industrial lots. Only six dwellings have direct frontage to the subject site prior to Russell Street merging with Palomino Drive and continuing in a westerly direction away from the site. These dwellings are depicted in photo 4.





Photo 4 - To the west, Dwellings along Russell Street



Photo 5 - To the West, Open Space



#### 2.2.2 To the East

To the east of the site comprises the Emu Plains Correctional Facilities as displayed in photo 6. The centre is operated by the Department of Corrective Services. The facility is buffered by 2 km of agricultural land to the subject site. The site operates as a working agricultural prison with the activities contributing with rehabilitation and integration back into society.



Photo 6 - To the east, part of the Emu Plains Correctional Facility

#### 2.2.3 To the North

Immediately to the north of the subject site is the Nepean River. Beyond the River is a gravel and sand quarry currently operated by Penrith Lakes Development Corporation. This use is considered an intensive use and is subject to an Environmental Protection Licence issued by the Environmental Protection Authority (Currently known as Department of Environmental Conservation). It is anticipated that the use will continue for a further 7 – 10 years. Photo 7 displays the quarry and its relationship with the subject site. The use is consistent with the proposed use.





Photo 7 – North of subject site, Penrith Lakes Quarry

#### 2.2.4 To the South

Immediately to the south of the subject site is further lands zoned industrial. Directly opposite the site are a McDonalds Restaurant, a Caltex Service Station, and two large landholding currently being subdivided for industrial use. The use is consistent with the proposed use. It would be considered that the subject site would be a natural extension of this industrial land.



Photo 8 - South of the subject site, current industrial subdivision





Photo 9 - South of the subject site (Old Bathurst Road), industrial lands



Photo 10 - South of the subject site (Russell Street), industrial lands



### 2.3 The Locality

As indicated in the attached zoning map displayed in figure two below, the subject site is surrounded by six different land uses. Three of the land uses can be grouped as industrial land use including the 4(a) zoning on the southern side of the subject site, and the 4(b) and 1(a2) zoning to the north of the subject site. Other land uses include the Special 5(a) zoning for the Correctional Facility, the Residential 2(b) zoning to the west and the 6(a) Open Space also to the west of the subject site. It is considered that the proposed industrial zoning is a natural extension of the current 4(a) zoning to the south and south east of the subject site.

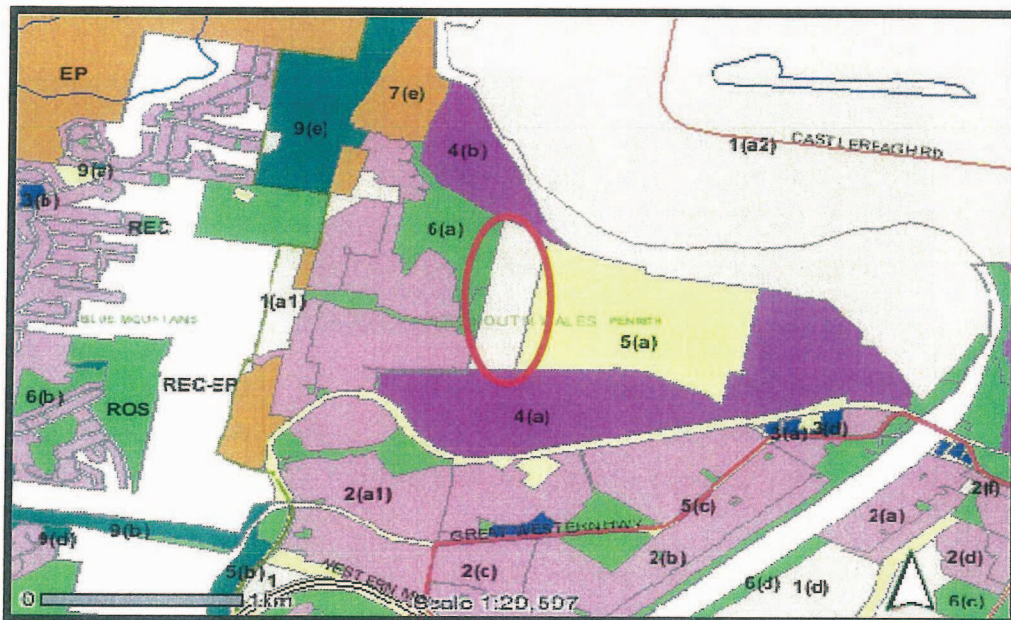


Figure 2 – Zoning of surrounding sites

### 3. Current Planning Controls & Policy Considerations

#### 3.1 Interim Development Order No 93 – Penrith

The subject site is zoned 1(d) Rural (Future Urban), pursuant to the provisions of Interim Development Order No. 93.

In accordance with the provisions contained within Interim Development Order (IDO) No. 93 there are a range of uses permissible with development consent in the 1(d) Rural (Future Urban) zone, as the following table demonstrates.

| Column I                                                                               | Column II                                                                                    | Column III                                                                                                                                                                                               |
|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Zone and colour or indication on I.D.C. Map                                            | Purposes for which interim development may be carried out without the consent of the council | Purposes for which interim development may be carried out only with the consent of the council                                                                                                           |
| (d) Rural "D". (Future Urban).<br>Light brown with dark red edging and lettered 1 (d). | -----                                                                                        | Agriculture (other than pig keeping or poultry farming establishments); advertising structures; dwelling-houses; educational establishments; home occupations; open space; roads; utility installations. |

Table 1 – Extract from Interim Development Order No. 93

The IDO states that the order was adopted on the 8<sup>th</sup> August 1980. There are no other additional relevant provisions contained within the IDO that directly influence the proposed rezoning.



During the Study and Strategy a majority of the site was targeted as Rural Living (2 hectares – subject to Flood Considerations) with a small portion at the rear identified as Rural Conservation. It is anticipated that due to the flood considerations and the possible social and economic benefits to the community that an industrial zoning on this site would be more suitable. As stated in the NSW Floodplain Management Manual 2005 *'it should also be considered that the social cost of flooding of residential areas may be orders of magnitude greater than the social cost of floods through a shopping centre or an industrial estate'*. In many instances Councils have reduced the standard for employment lands in recognition of the economic benefit to the community and reduced risk of the area being uninhabited during the evenings and during major storm events.

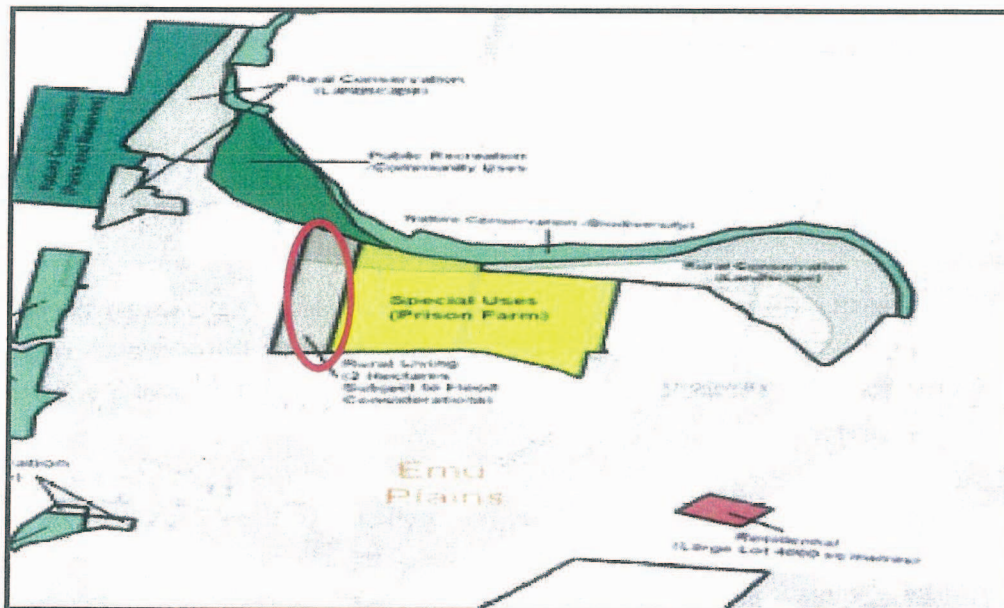


Figure 3 – Extract from Penrith Rural Lands Strategy 2003

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### **3.3 Penrith Employment Lands Study & Strategy**

In a report commissioned by Penrith City Council and conducted by Leyshon Consulting in 2004 on Penrith LGA Employment Lands, a conclusion was reached that *'Council should begin planning for an addition to Penrith's stock of traditional industrial land by investigating potential locations and commencing the rezoning process as soon as possible or the local economy will suffer as a result'*.

It is understood that Penrith City Council have strategically examined possible future land releases suitable for Employment Lands that will satisfy the medium to long term requirements for the city. As stated in the report by Leyshon *'it would be totally inappropriate that Council allow the City's stock of industrial land to become fully exhausted before planning and implementing new industrial land releases'*. It was further stated that *'in view of the considerable time-frame required to zone and service industrial land, action to increase supply may need to be initiated at least five to eight years before the land is actually required.'*

It is considered that the subject site would be a suitable site for Council to consider for rezoning filling the short term requirements of the current industrial market and hence comply with Council's strategic studies and strategies.

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### **3.4 Current Planning Policy Directions**

In recent years the NSW State Government has been gradually implementing reforms to the planning system, in recognition of the need to simplify both the process of making local environmental plans, and the application of those plans and other planning instruments to development.

In April 2005 Penrith Council received correspondence from the Department of Planning (formally DIPNR and referred to as DIPNR within this report) in relation to NSW planning reforms. The correspondence highlighted strategic directions that have had major impacts on the planning process at a local level.

In particular the department specifically requested Council's *'to avoid, where possible, resolving to prepare minor amendments to existing plans'*, to enable both Councils and the State Government to focus on implementing the planning reforms. However the Department did not blanket ban further spot rezoning by explaining in a circular issued in August 2005



*'there will be instances, however, where Councils can justify preparing a draft amending plan in advance of the new standard instruments'*

In an ordinary meeting of Penrith City Council held on 6 June 2005, Council resolved that consideration of support for any spot rezoning will only apply to a site specific rezoning proposal (amending existing planning instruments), where the proposal –

- Demonstrates social and economic benefit to the community
- Delivers an exceptional planning response
- Meets the recommended DIPNR (Currently Department of Planning) criteria, being that the rezoning proposal;
  - Facilitates employment generating development;
  - Brings provisions in line with State Government Policy, and
  - Implements agreed strategic directions for the area

This resolution requires the applicant to demonstrate the above requirements to Council prior to a consideration of rezoning. A copy of DIPNR circular and Councils resolution has been provided in Appendix Two.

#### 3.4.1 Social & Economic benefits to the community

In quantifying the economic and social benefits to the community an independent report was commissioned and completed by Hill PDA. The report provided the following conclusions in relation to these real benefits;

##### ***Economic Multipliers***

*Construction has strong multiplier impacts in the national economy. The estimated \$110m cost for land development cost and construction of industrial buildings will add a further \$99m activity in production induced effects and \$106m in consumption induced effects.*

##### ***Employment Generation***

*Development will provide 690 job years (one full time job over one year) directly in construction of roads, drainage, services and buildings. Multiplier impacts will provide a further 538 job years in production induced effects and 1,607 job years in consumption induced effects. Total job years generated by construction will equal 2,835.*

*Based on an estimated 75sqm of floor space per worker, it is estimated that there will be 1,300 full-time workers on-site post-construction.*

***Rates Uplift***

*The rates uplift is estimated at \$350,000 per annum – equivalent to \$4.4m in present value when amortised over 25 years at 7%.*

***Other Quantified Benefit***

*The land owner has agreed to provide access to the open space area on the western side of the site and meet some cost in embellishment and provision of playing fields. We have allowed in this assessment 300m of roadway (12.5m wide) plus 3 hectares of embellishment, change rooms and toilets and car parking at a cost of \$1m.*

***Unquantified Benefits***

*Other economic and social benefits include:*

- More local jobs and reduced travel times and costs;*
- Tree harvesting and possible animal sanctuary at the rear of the land;*
- Work experience for persons in the correctional facility in managing the tree harvest.*

It is reasonable to conclude from the above report that the proposed rezoning & subdivision the proposal has excellent economic and social benefits to the community.

**3.4.2 Exceptional Planning Response**

In examining Penrith Council requirements it is unclear what may or may not be considered an exceptional planning response. However, the applicant considers that the following benefits to the community of Penrith result in the proposal providing an exceptional planning response;

- Quality access to local employment opportunities;
- Quality access to open space on the neighbouring site to the west of the subject site which to date remains inaccessible and unused;
- Provision of land for the use of an internationally recognised organisation in Taronga Zoo, together with the facilitation of a relationship between the neighbouring correctional facilities and Zoo;
- Direct and indirect economic benefit to the local economy with the encouragement of investment in the local area, and
- Provision of employment lands with quality access to state infrastructure including rail and road.



### 3.4.3 Recommended DIPNR Criteria

#### **3.4.3.1 *Facilitates employment generating development***

Being a proposal for employment lands the subdivision will generate both short term construction work and long term permanent work. This complies with DIPNR criteria.

#### **3.4.3.2 *Brings provisions in line with State Government Policy***

The Metropolitan Strategy is a broad framework to secure Sydney's place in the global economy by promoting and managing growth. It is a strategic document that outlines a vision for Sydney over the next 25 years. The Strategy for Sydney's Economy and Employment addresses and provides benefits across five key aims of the Metropolitan Strategy;

1. It addresses enhanced liveability by seeking to improve the quality of economic centres and jobs for residents. It focuses on how Sydney can capitalise on its knowledge, skills and creativity to design high value goods and services and illustrates how this will not only build on Sydney's success in the global economy, but will also increase skills, employability and incomes for Sydney's residents.
2. It addresses economic competitiveness with a focus on private enterprise as the main economic driver in a competitive economy. Business makes decisions about investment, products and services, hiring workers, where to locate, what to sell and what to buy. The Government can influence these decisions through planning and infrastructure investment and broader economic and social policies. This Strategy provides a framework for the Government's activities in these areas.
3. Fairness is addressed as employment locations will be accessible to residents, and new employment lands will be strategically located close to the labour force and linked into the transport network.
4. The Strategy protects Sydney's environment by capitalising on existing specialist infrastructure or developing magnet infrastructure in existing centres. This will contain Sydney's urban footprint and ensure protection of our valuable environmental assets.
5. It addresses improved governance by providing a framework to strengthen Sydney's economy and employment opportunities.

Under this strategy Penrith has been identified as a Regional Centre. It is anticipated that Penrith will provide a full range of business, government, retail, cultural, entertainment and recreational activities. Penrith will become a focal point for regional transport and jobs. Under the strategy Penrith must target an increase in employment of 57% in the next 25 years.

In considering the State Governments Policy the applicant highlights relevant objectives adopted directly from the Metropolitan Strategy that are relevant in considering if the application brings provisions in line with State policy.

- **A1.2 Plan for sufficient zoned land and infrastructure to achieve employment capacity targets in employment lands.** - Under the strategy Penrith must target an increase in employment of 57% in the next 25 years. It is anticipated that this rezoning will contribute to Penrith Council achieving this target.
- **A1.4 Contain the rezoning of suitable employment lands to residential zonings across Sydney.** - The proposal would result in employment lands rather than the alternative housing as identified under the Rural Lands Strategy. It is considered that the rezoning would be a natural extension of the current industrial lands corridor through this area.
- **A1.6 Improve planning and delivery of employment lands.** - It is anticipated that the rezoning would allow the delivery of employment lands to the market in a relatively short timeframe. According to local commercial real estate Raine & Horne Commercial the current stock of industrial land in Penrith is critically low. Without urgent action to delivery industrial lands it is anticipated that Penrith will suffer as purchasers look elsewhere.
- **A3.2 Increase integration of employment and housing markets.** - The proposal allows the direct integration of employment and housing markets. The need to segregate employment lands and residential lands has diminished as technology increases and the impacts of industrial use become less intensive. The strategy requires more consideration to be given to quality access to employment lands from the existing labour force. This rezoning presents an opportunity to provide this access, with a majority of the workforce likely to be from within the Penrith Council area.

In consideration of the above it is clear that the proposal brings provisions in line with State Government Policy.

#### **3.4.3.3 Implements agreed strategic directions for the area**

Penrith Councils principal policy statement is the Strategic Plan 2005-2009. This statement is the vehicle through which it will exercise its leadership of the City and its communities. The six Master Programs identify the issues Council will address and specify how it will respond to them during its term of leadership.

In considering Penrith Councils strategic directions for the area the applicant highlights extracts from the relevant master program - The City as an Economy. This master program recognises the importance creating jobs *'nearby so that long journeys to work do not impede people from pursuing their own interests, spending time with their families and participating in their local community'*. The policy continues *'Tangible benefits to the environment will also*



*result from fewer work trips particularly by car, helping to improve the region's air quality and reduce other negative impacts'*

Of particular relevance is issue 20 as displayed in table 2 below. It is considered that this proposal is in line with Council strategic plans by providing a site that is accessible to local residents. This report indicates that the subject site is constraint free and serviced; and finally the site is strategically located with excellent access to the M4 to encourage business relocation and investment.

| LONGER TERM GOAL                                                                                                                          | TERM ACHIEVEMENTS                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>ISSUE 20</b><br><i>Access is available within reasonable distance to a wide range of jobs suitable to residents' needs and skills.</i> | <b>ACCESS TO QUALITY EMPLOYMENT OPPORTUNITIES</b><br>20.1 Sufficient constraint-free serviced employment lands are available to meet the City's business development and investment needs.<br>20.2 Businesses intending to relocate from other parts of Sydney are systematically identified and are being encouraged to locate to the City or nearby.<br>20.3 The City is recognised as an attractive business and investment location. |

Table 2 – Extract from Penrith Strategic Plan 2005 - 2009

From the above commentary it is the opinion of the applicant that Council should give consideration to this application as all requirements stated in council's resolution in relation to Spot Rezoning have been satisfied. It should also be noted that the site is subject to a number of State and Regional Planning Policies that must be addressed in a development application to Council following the rezoning of the site. However there is nothing identified by the applicant within these policies that would preclude the rezoning of the site from Rural to Industrial.