14 April 2025



Department of Planning, Housing and Infrastructure 4 Parramatta Square PARRAMATTA NSW 2150

Attention: Ms Renee Ezzy, Senior Planning Officer, Planning Proposal Authority

Dear Renee,

RR-2025-1 - APPIN (PART 2) PRECINCT - REZONING REVIEW REQUEST

1. I refer to the above, to our recent discussions, and to the Department of Planning, Housing and Infrastructure's (the Department) request for further information.

Background

- Walker Corporation (Walker) is the lead landowner and developer within the Appin (Part) Precinct which
 comprises the only rezoned land within the West Appin and North Appin Precincts of the Greater Macarthur
 Growth Area (GMGA).
- 3. This Planning Proposal (the Proposal) has been prepared by Walker to rezone a further 100.10 hectares of land (the Site) bordering the Appin (Part) Precinct and within the GMGA, from Rural Landscape to Urban Development and Environmental Conservation.
- 4. The Site is to be rezoned to facilitate the environmental management of ecologically significant land and permit approximately 1,312 dwellings in addition to employment and infrastructure uses.
- 5. The planning mechanism is proposed as an amendment to the State Environmental Planning Policy (Precincts Western Parkland City) 2021 (WPC SEPP) which already establishes a statutory framework for the Appin (Part) Precinct and provides development standards for minimum lot size and clauses for the satisfactory arrangement of services, development sequencing and consistency with a Structure Plan.
- 6. The Draft Structure Plan that forms part of the Proposal includes the only local centre for the Appin Growth Area, consistent with plans assessed by the State-convened Technical Assurance Panel.
- **7.** The development of the Appin (Part 2) Precinct is intended to be implemented in parallel with the initial Appin (Part) Precinct as a cohesive and integrated masterplanned community.

Strategic Merit

A proposal's demonstrated alignment with the NSW strategic planning framework or current government priority.

8. Section 6 of the Planning Proposal document demonstrates the strategic merit of the Proposal with reference to Sections A & B of Table 3 in the <u>Local Environmental Plan Making Guideline</u>.

9. In summary, the Proposal is consistent with the strategic planning framework, as it gives effect to the State's plans for the GMGA primarily communicated through the Greater Macarthur Structure Plan.

Site-Specific Merit

A proposal's demonstrated environmental, social and economic impact on the site and surrounds and ability to be accommodated within the capacity of the current and/or future infrastructure and services

- 10. Section 6 of the Planning Proposal document demonstrates the site-specific merit of the Proposal with reference to Sections C, D & E of Table 3 in the Local Environmental Plan Making Guideline.
- 11. In summary, the Proposal demonstrates site-specific merit because:
 - All land identified to have ecological significance under the CPCP is proposed to be zoned for conservation;
 - Other identified potential environmental impacts are identified and mitigation strategies proposed;
 - Social and economic effects are assessed acceptable being neutral or beneficial on when considered on balance:
 - The Site can be serviced and plans for infrastructure delivery have been developed, commensurate with the scale of the Proposal, and appropriate to this stage in the planning process; and
 - The relevant State agencies have been consulted.

Matters Raised by the Council

Dwelling Cap and Distribution

The advice from DPHI has confirmed concerns that have previously been raised in relation to the Greater Macarthur 2040 interim plan and the 15,000 dwellings allocated for the West Appin area.

The proponent has provided additional justification (Attachment 5) for the dwelling cap. This includes that the dwelling cap is not a fixed number, and the additional 1,312 additional dwellings are seen to address the housing supply crisis. The additional information does not address the distribution of the remaining dwellings across West Appin.

The Planning Proposal has been amended to recommend the dwelling cap currently imposed under Clause 4.3A of the Appin Part Precinct Plan be deleted as State and Local Planning Agreements will manage yield consistency. The Appin Part Precinct 1 is not subject to this planning proposal and such an amendment to this clause is not part of the draft proposal.

The justification submitted has assumed that the West Appin area will simply exceed 15,000 dwellings. This raised significant concerns for Council and State Agencies, as we are planning and funding infrastructure based on the dwelling cap. The dwelling cap is critical for all parties to ensure that the infrastructure planning is commensurate to expected dwellings. Further there is extensive land that is identified to transition to urban under the Greater Macarthur Precinct Structure Plan.

Council recommended that if the proposal does proceed to gateway no further dwellings should be allocated and the draft proposal must be treated as an extension of the Appin (Part 1) Precinct rezoning. This would limit the dwelling numbers allocated to the proponent across both planning proposals to the already allocated 12,900 dwellings approved as part of Appin Part Precinct 1.

The remaining urban capable land in Greater Macarthur is estimated to be 576 hectares and once land is deducted for the purpose of parks, open space and roads, the average lot size for the remaining land in West Appin is 1,646 square metres. This would not deliver what is anticipated within the Greater Macarthur Growth Area and not be compatible with the predicted future character.

Minimum lot sizes will be needed for any future planning proposal to ensure development does not exceed the 15,000 dwelling caps.

Further work or a firm position is needed on the dwelling cap. This cap has been tied to the infrastructure planning such as roads, sewer, drinking water and open space and the funding associated with this. If the proposal proceeds to a gateway, the issue about the remaining dwelling cap is required to be addressed as part of any Gateway conditions.

- 12. The <u>GMGA 2040 Interim Plan</u> indicates the Appin Precinct will "deliver around" 15,000 homes. The Interim Plan does not impose any dwelling cap, and instead states that yield and capacity should be refined at the rezoning stage.
- 13. The Proposal presents a Draft Precinct Structure Plan that accommodates an additional 1,312 dwellings beyond the maximum provided for within the Appin (Part) Precinct. The Proposal is accompanied by supporting reports that document the required infrastructure to accommodate these dwellings. Further, the endorsed TMAP indicates that the capacity of the Appin Precinct is greater than the original potential 15,000 homes. The dwellings per hectare range identified in the planning proposal studies and the draft DCP also suggest a capacity beyond 15,000 dwellings if the maximum range is applied.
- 14. Letters of Offer to enter into the State Planning Agreements and a Local Planning Agreement have been submitted to DPHI and the Council respectively. The Offers detail the scope of regional and local infrastructure proposed to be delivered by the proponent to support the proposed dwelling yields within both the Appin (Part) Precinct and this Proposal.
- 15. In the context of the Planning Agreement offers, the imposition of the Housing & Productivity Contribution, and given the requirements of the Appin (Part) Precinct Plan to ensure that the necessary arrangements have been made for utilities and infrastructure prior to the granting of development consent, we respectfully submit that it is no longer necessary to impose a density cap.
- 16. Notwithstanding, the Council should resolve the capacity of other land holdings with the Department having regard to the infrastructure required to support those land holdings, as a core consideration in the assessment of future Planning Proposals by others related to those land holdings.

Structure Plan

The proposal includes a new local centre and as a result they have made amendments to the transit corridors adjoining the new centre. These changes are not supported as they will impact the viability of the existing Appin village local centre by creating another centre that has not been identified as being needed under current population projections. The proponent has provided a centres study as part of their additional information to justify the need for this. One of the key aspects of the need for this centre is an increase in the proposed dwelling caps which has not been supported to date.

- 17. The <u>GMGA 2040 Interim Plan</u> proposed three local centres. The subsequent <u>GMGA Structure Plan</u> increased this to five local centres.
- 18. The Appin rezoning approved lower order neighbourhood centres on three of these sites, and the North Appin Planning Proposal proposes to do the same with the fourth. The Appin & North Appin Precincts should provide for a higher order local centre to service the broader Greater Macarthur Growth Area.
- 19. The draft Precinct Structure Plan in this Proposal includes the only local centre for the Appin Growth Area, consistent with plans assessed by the State-convened Technical Assurance Panel.
- 20. The local centre has been appropriately sited within the Proponents land at the intersection of the Transit Corridor and East-West Connector Road to maximise its commercial feasibility at the earliest opportunity. It has been sited within a large landholding in single ownership to facilitate its cohesive delivery alongside the majority of housing within the Appin Precinct.
- 21. The local centre will deliver the first high school in Appin, and has been sited at the junction of the major east-west road, and the north-south transit corridor. The local centre will supplement the neighbourhood centres in a more equitable, feasible and walkable hierarchy of centres.

- 22. A Centres Study supports the Proposal, and provides justification based on the dwelling assumptions for the approved rezoning. The Study anticipates no impact on the existing Appin Village or future Wilton Strategic Centre.
- 23. Without the local centre, just 20% of the retail needs of the community will be serviced locally. The expert advice describes this as a gross under provision of retail floorspace, that would disadvantage the community.
- 24. The local centre is some two kilometres from Appin Village, which is typical of the distance between centres in growth areas. It will be delivered in stages, so it does not impact the viability of Appin Village, and will alleviate potential development pressures on Appin Village.
- 25. It is common for convenience centres, like Appin Village, to complement local centres, as they serve different community needs.
- 26. Notwithstanding, the location of the local centre is a land use matter that doesn't impact the principle changes sought to the planning instrument (i.e. land application, land use zone, lot size, transport corridor, residential density), thus we respectfully submit that it does not preclude progressing the Planning Proposal to Gateway Determination.

Transport Corridors

The location and finalisation of the transport corridors requires resolution. It is noted some residents have concerns that the proposed location of corridors impacts their properties however there is no information on the widths of these roads and the scale of the structure plan does not provide sufficient information for Council to confirm if these residents are to be impacted.

TfNSW and the proponent will need to provide further detail to create greater certainty for residents. Landowners should be provided with clear information on the potential impact.

- 27. The State Environmental Planning Policy (Precincts—Western Parkland City) 2021 Greater Macarthur Growth Area Proposed Transit Corridor Map (Transport Corridor Map) forms part of the Proposal and refines the major transport infrastructure routes through the Site that were identified in the Greater Macarthur Growth Area Structure Plan.
- 28. An updated *Appin & North Appin Precinct Indicative Plan* (Indicative Plan) has been provided as background to the Proposal to illustrate the actual routes for the major transport infrastructure approved within the Appin (Part) Precinct, the proposed routes for the major transport infrastructure within the Site, and the potential routes for the major transport infrastructure beyond the Site.
- 29. Both the Transport Corridor Map and the Indicative Plan are drawn to scale and the corridor widths are consistent with the endorsed TMAP.
- 30. This approach is consistent with the Appin (Part) Precinct.
- 31. The Transport Corridor Map preserves a corridor through the North Site for the north-south connection of a rapid public transport to connect Appin to Campbelltown through Gilead. Another corridor is reserved for the east-west road linking the Hume Highway and Appin Road through the North Site.
- 32. Definitive routes for the major transport infrastructure outside the Appin (Part) Precinct and the Site will be determined in future Planning Proposals to rezone that land by others.

Flood Prone Land

It is noted that areas of the site have the potential for flooding and no flood study has been prepared as part of the draft proposal. Further work has been done by the proponent with an updated Water Cycle Management Strategy, this report still highlights the need for a Hydraulic Flood Assessment with is recommended to be a condition of Gateway with necessary changes to remove UDZ from any flood affected land.

33. The nature of the Site is such that the development catchments will drain directly to Elladale Creek and Ousedale Creek. The Flood Study mapping shows that flooding within these creeks is well contained within the riparian corridors and the site will not be impacted during a major flooding event and the Water Cycle Management Strategy mitigates water quality and quantity outcomes.

Site Contamination

Contamination concerns have been identified based on the preliminary site investigation. Prior to this proposal proceeding to a Gateway or as part of a condition of gateway, it is recommended that a detail site investigation occur to ensure the sites are suitable for dwellings.

- 34. <u>Local Planning Direction 4.4</u> requires the Planning Proposal Authority only consider a preliminary investigation.
- 35. A preliminary investigation has been undertaken, concludes that the site may be made suitable for the intended land uses, and satisfies Chapter 4 of State Environmental Planning Policy (Resilience and Hazards) 2021 and the Contaminated Land Management Act 1997 (CLM Act).
- 36. This is the appropriate level of investigation required for the Planning Proposal Authority to conclude that the Site is suitable, or can be made suitable, for the intended land uses, consistent with the <u>contaminates</u> land planning guidelines.
- 37. A Detailed Site Investigation will be undertaken to inform any future Development Application when consent is sought for the carrying out of development that will change the use of the land. Should the DSI identify contamination that is required to be remediated then a Remediation Action Plan will be prepared.

Acoustic Issues

The site is in close proximity to the Appin Mine power station and the proposed mitigation methods for impacts on dwellings have not been supported. The acoustic report requires further work to ensure these mitigation methods will ensure dwellings in close proximity are not significantly impacted. Specifically, the acoustic report needs to look at the fans associated with Appin Coal seam Methane power station and the vent shafts associated with Appin Coal seam mine infrastructure. It is recommended that these works are a condition of the Gateway.

- 38. The Acoustic Assessment has assessed the noise impacts from these sources and provided a preliminary solution.
- 39. The proponent will undertake further noise analysis and meet with the operators of the Appin Power Station and Appin Coal Mine to determine the feasibility of any proposed mitigation measures as part of the preparation of the future Development Applications.
- 40. This is the appropriate time to consider the impacts on any future dwellings and any mitigation measures considered before development consent is granted for the subdivision of residential lots.

Drinking Water and Sewer

Sydney Water cannot service the site for drinking water at this stage. If the proposal was to proceed the upgrade works that are required would need be undertaken by the proponent to provide services to the site. The negotiation of a SPA for these works may be a requirement of a gateway condition. Ideally, this would be resolved before further rezoning occurs. It is important to understand what is being planned for Appin Part Precinct 1 as this could help service any subsequent planning proposals. This may include but not be limited to how funding will be and delivery of the key road network, the school sites, ambulance, fire and rescue and police site. Currently the information on state funding and any proposed SPA is not available to the public with no current SPA.

The proponent has also provided further information and their agreement with Conexa on the sewerage delivery. The Appin Part 1 and Part 2 areas will be serviced by Conexa not Sydney Water. More detailed

information is recommended to be provided as part of a gateway condition to ensure timeframes can be provided for this demand.

- 41. Sydney Water wrote to the Council on 10 April 2024 confirming that all water infrastructure (including drinking water) will be delivered for 12,900 homes.
- 42. The Site adjoins the initial stages of the Appin (Part) Precinct and will be delivered in conjunction with that site through an amendment to the WPC SEPP. As such the Site will be subject to <u>Clause 6.6</u> that precludes the granting of development consent unless the consent authority is satisfied that "adequate arrangements have been made to make the infrastructure available when it is required".
- 43. Drinking water and sewer infrastructure will not be required until the final urban built form (including dwellings) is occupied. This will be demonstrated at the subdivision development application stage.
- 44. No further information is required to conclude that the investigations made and confirmations provided regarding the required utility provisions are appropriate to this stage of the development process.

Minimum Lot Size

Ideally, the draft proposal would be supported by an appropriate minimum lot size to ensure that the dwelling cap is not exceeded. Density bands may not be appropriate given the amount of surplus land that remains certified for development in the Growth Area. Should the proposal proceed to Gateway this matter will need resolution.

45. Density bands have been demonstrated to be an entirely appropriate control applied consistently and effectively across the Sydney Growth Centres over the past two decades without the application of supplemental minimum lot sizes.

Outstanding Matters

As referenced with correspondence from DPHI to the proponent on the 23 November 2023, there are a number of matters that still need to progress for the Appin Growth Area. This includes:

- The updated Precinct Structure Plan (PSP) and
- Development Control Plan (DCP)
- Finalised Local Contributions Plan
- State Voluntary Planning Agreement.

It is noted that the TMAP will inform the structure plan and DCP. The letter also provided Council and Department's initial comments and highlighted the SEPP requirements for the PSP and the DCP. In addition, the SPA needs to be finalised along with a Local Contributions Plan for the Appin Growth Area.

Precinct Structure Plan

- 46. The Department are finalising the Precinct Structure Plan for the Appin (Part) Precinct (PSP1) and have sought input from the Council. PSP1 encompasses only the land that has been rezoned and does not include this Site.
- 47. A Draft Precinct Structure Plan for the Appin (Part 2) Precinct (PSP2) forms part of this Proposal and seeks to expand the land application area of PSP1 to include this Site. An amended PSP2 that responds to matters raised in the public and agency submissions forms part of the Proposal and is sufficient to progress the Proposal to Gateway Determination.
- 48. PSP2 is consistent with the endorsed TMAP.
- 49. Notwithstanding, the Site will be delivered through an amendment to the WPC SEPP. As such the Site will be subject to <u>Clause 6.1</u> that precludes the granting of development consent unless the consent authority is satisfied that "the development is generally consistent with the structure plan".

- 50. We respectfully submit that the status of the PSP does not preclude progressing the Planning Proposal to Gateway Determination and requires only that development the subject of a Development Application be consistent with any PSP.
- 51. We expect that PSP1 will be amended in the form proposed by PSP2 as part of the finalisation of this Proposal.

Development Control Plan

- 52. The Department are finalising the Development Control Plan for the Appin Growth Area and have sought input from the Council.
- 53. The Draft Development Control Plan is consistent with the endorsed TMAP.
- 54. The DCP includes provisions relevant to this Site and will ultimately only require a new Schedule be appended that relates to this Site.
- 55. Notwithstanding, the Site will be delivered through an amendment to the WPC SEPP. As such the Site will be subject to <u>Clause 6.2</u> that precludes the granting of development consent unless "a development control plan… has been prepared for the land".
- 56. We respectfully submit that the status of the DCP does not preclude progressing the Planning Proposal to Gateway Determination and requires only that the DCP be finalised prior to the granting of development consent.
- 57. We expect the inclusion of provisions to prepare a Schedule to the DCP will form a condition of the Gateway Determination.

Finalised Local Contributions Plan

58. Refer to below.

State Voluntary Planning Agreement.

- 59. We submitted Draft Letters of Offer in June 2024 to the Department to enter into State Planning Agreements. The Offers detail the scope of regional roads proposed to be delivered by the proponent in connection with the development of the Appin (Part) Precinct and this Site.
- 60. We expect that the exhibition of the State Planning Agreements will be conducted independently of this Proposal however this is a matter for the Department to determine.

Transport Management and Accessibility Plan

61. TfNSW endorsed the TMAP on 1 May 2024 and reconfirmed that endorsement on 12 March 2025.

Local Contributions Plan

The local contributions plan for the Appin Growth area has been submitted to IPART and Council is waiting for final approval from IPART. The draft proposal should not proceed to Gateway until a local contributions plan for the area is in place and has been adopted by Council. Further any arrangements for local assets would need to comply with Council policies such as the Dedication of Land.

- 62. The IPART released their <u>final report</u> on the Draft Appin Growth Area Contributions Plan 2024 (Draft CP) on 6 March 2025.
- 63. We have raised significant concerns that the Draft CP disregards the strategic planning undertaken to date, ignores the recommendations of the Technical Assurance Panel, and subverts the assumptions that underpin the Departments rezoning of the Appin (Part) Precinct.

- 64. The Draft CP should be made consistent with the strategic planning for the Appin (Part) Precinct including PSP1 and PSP2.
- 65. Notwithstanding, the Site will be delivered through an amendment to the WPC SEPP. As such the Site will be subject to <u>Clause 66</u> of the Regulations that precludes the granting of development consent unless "unless a contributions plan has been approved for the land to which the application relates... (or) he developer has entered into a planning agreement for the matters that may be the subject of a contributions plan".
- 66. We respectfully submit that the status of the Draft CP does not preclude progressing the Planning Proposal to Gateway Determination and requires only that a Contributions Plan (or Local Planning Agreement) be finalised prior to the granting of development consent.

Mining Leases

The current Appin area is impacted by Mining leases, with not correspondence from the Department of Regional NSW a similar approach to Appin Part 1 with the extinguishing of these leases prior to any development application is recommended. This has been controlled through the SEPP with a clause imposed on the affected land.

- 67. The Site is above an existing approved underground mining lease (#CCL767) granted to Endeavour Coal Pty Ltd on 29 October 1991 which expires on 8 July 2029. However, mining has been undertaken and extraction of the resource has now concluded.
- 68. Illawarra Metallurgical Coal South 32 wrote to the Council on 12 June 2024 in relation to DA2024/334/1 and included maps evidencing that mining has been completed for the whole of the Site.
- 69. Notwithstanding, the Site will be delivered in conjunction with that site through an amendment to the WPC SEPP. As such the Site will be subject to <u>Clause 5.1A</u> that precludes the granting of development consent unless the consent authority is satisfied that "*mining operations, within the meaning of the Mining Act 1992, have ceased on the land*".
- 70. This will again be demonstrated at the subdivision development application stage and the development will be referred to Subsidence Advisory NSW under the <u>integrated development provisions</u> in the Act.
- 71. We respectfully submit that no further information is required for the Planning Proposal Authority to conclude that mining has ceased on the Site.

Planning Proposal Authority

- 72. We request the Minister appoint the Planning Secretary to be the Planning Proposal Authority (PPA) as an alternative to the Council on the basis of the following justification:
 - the Proposal relates to the realisation of the State's vision for the urban transformation of the GMGA which is a matter of State planning significance in the achievement of housing delivery to meet the requirements of the Housing Accord;
 - the Proposal relates to the realisation of the State's vision for the urban transformation of the GMGA which is a matter of regional planning significance to the Western Parkland City district;
 - the Council has actively obstructed the progression of the strategic planning for the GMGA at
 every opportunity as detailed in **Appendix A** summarising the conduct of the Council with respect
 to the progression of the GMGA and specifically the applications made by the Proponent; and
 - the Council cannot perform the PPA role as it is conflicted due to its adopted stance publicly opposing any urban development in the GMGA.
- 73. On this basis the exceptional circumstances that warrant an alternative PPA be appointed are evident.

Supporting Documentation

- 74. In support of our application we enclose:
 - A copy of the latest version of the <u>planning proposal</u>, including all supporting material and information that was submitted to the Council.
 - All <u>correspondence</u> and written advice between the Proponent, the Council and other public authorities and government agencies in relation to the Proposal, including the Council's written advice to the Proponent and the Council resolution not proceed with the Proposal.

Political Donations

75. We confirm no disclosure of reportable political donations under section 10.4 of the EP&A Act.

Conclusion

- 76. Walker would appreciate an opportunity to meet with the Department to provide a project briefing and to discuss the issues outlined in this letter.
- 77. Should you have any questions or require additional information, please do not hesitate to contact Nathan Croft at nathan.croft@walkercorp.com.au or on 0419 845 089.

Yours faithfully,

Walker Corporation Pty Limited

Nathan Croft Principal Planner