

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 19 June 2017

**PE1 – Western Sydney Airport**

**PLANNING AND ECONOMY**

**PE1**            **Western Sydney Airport**  
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TRIM 1806

**EXECUTIVE SUMMARY**

- The purpose of this report is to provide an overview of the proposed Western Sydney Airport (WSA) including historical information on the selection of the site, Council's position to date, the preparation of current plans for the airport and the process going forward.
- At its meeting of 20 February 2017 Council resolved:
  1. *That a report be submitted to Council to enable Council to consider changing its current policy position regarding the second Sydney Airport.*
  2. *That this matter be workshopped with Councillors prior to coming back to Council.*
  3. *That a Special Community Forum be held on this matter.*
- A Council discussion paper was prepared and a workshop with Councillors was held on 1 May 2017.
- The Federal Government has announced a \$3.5b package of road works upgrades for the airport and most recently up to \$5.3b over 10 years for the airports construction.
- It is recommended:
  - Council formally acknowledge the decision of the Federal Government to construct a second Sydney airport at Badgerys Creek and seek feedback from the community at a special Community Forum in regards to the priorities for advocating for the best possible outcomes for our Community.
  - A copy of this report is to be forwarded to both local members of parliament, Jai Rowell and Angus Taylor.

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**REPORT**

**BACKGROUND**

The discussions around the need for a second airport in Sydney have been ongoing since the mid 1960's. Following on from an initial Environmental Impact Statement on the preferred area at Badgerys Creek the Federal Government subsequently acquired approximately 1,700ha of land in the area for this purpose between 1986 and 1991. A proposal was then prepared by the Federal Government outlining the processes required to develop the airport with an anticipated operating start date of 1999.

At its meeting of 27 March 1995, Council resolved to '*support the development of Badgerys Creek and lobby State and Federal Governments for a new EIS*'. Council then actively lobbied neighbouring Councils to support its push for a new EIS.

An updated Environmental Impact Statement (EIS) was undertaken on this site and publically exhibited in 1997, however as a result of concerns raised during this process, the EIS was not approved and plans for development were halted.

Following the decision of the Federal Government not to proceed, the Western Sydney Alliance was formed. Council was member of this Alliance along with other Councils and community groups. The main priority of the Alliance became to lobby against the Sydney's second airport being located at Badgerys Creek.

At Council's December 2007 meeting it was unanimously resolved that Wollondilly Shire Council withdraw from the Western Sydney Alliance. Despite withdrawing from the Alliance Council continued to reiterate its opposition to any second Sydney airport including that at Wilton.

The debate around a second airport for Sydney was reinvigorated in March 2012 with the release of a Joint Commonwealth/NSW Government Study into Sydney's aviation needs. The Joint Study concluded that Badgerys Creek was the best location for a second Sydney airport. Despite this recommendation the Federal Government commissioned further studies pursuing Wilton as the preferred option.

In May 2012, in the face of this emerging proposal for a second Sydney Airport at Wilton, Council resolved to endorse a Position Paper "*The Case against an Airport at Wilton April 2012*".

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In early 2013 the Tourism and Transport Forum (TTF) released a report (*Sydney's Aviation Future*) which advocated for Badgerys Creek. The TTF is a peak industry body representing a wide range of key corporations and institutions involved in Australian tourism, transport, aviation and investment. Their report cited the economic value of a second airport in Sydney and argued that concerns about noise pollution in the western suburbs from a Badgerys Creek airport could be offset by the proper planning of runways.

Subsequently in April 2014 the Federal Government announced that Badgerys Creek will be the site of an airport for Western Sydney.

Following this announcement Council was invited by the Mayor of Blacktown Council to a series of meeting to discuss the potential impacts of the Western Sydney airport. At these meetings it was proposed that 'Due to the likely size and complex nature of the EIS and the associated technical reports and other supporting information, an alliance of WSROC and MACROC councils be formed to consider the documents.'

At its meeting on 18 May 2015, Council considered a report on the proposed independent review of the Draft EIS and resolved:

1. *That Council express an interest in being involved in further joint activities relating to the development of the Badgerys Creek Airport through the relevant ROC's.*
2. *That Council writes to the Mayor of Blacktown City Council and thank him for the invitation to attend the forums and participate in the proposed joint review of the Badgerys Creek Airport.*
3. *That the General Manager be authorised to enter into an Agreement for the expenditure of up to \$20,000 to participate in the joint independent review of the Badgerys Creek Airport EIS, as proposed by Blacktown City Council.*
4. *That WSROC do procurement on cost only basis.*

This group, under the lead of WSROC, commissioned WSP Parsons Brinckerhoff (multi-national planning, engineering and design consultants) to conduct a peer review of the Draft EIS and Draft Airport Plan. The Consultants also engaged a range of specialist sub-consultants to review specific technical reports. It was agreed that all participating councils could then use the findings of the peer review to inform their own submissions.

The Draft (EIS) and Draft Airport Plan were put on public exhibition in October 2015.

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The EIS describes the proposed WSA as a staged development. The EIS and Airport Plan defines the proposed layout and land uses for Stage 1 which incorporates a single runway with a maximum capacity of 185,000 aircraft movements (37 million passengers) per year by approximately 2050.

Thereafter, a dual runway configuration is proposed with a maximum capacity of 370,000 aircraft movements per year (82 million passengers) by approximately 2063. The package also includes a document that addresses “Airspace and Architecture Operation” which nominates operation and flight paths associated with the airport.

Based on the peer review of the Draft EIS undertaken by WSP Parsons Brinckerhoff the key findings are summarised below:

**Potential benefits:**

- substantial infrastructure investment
- potential to drive the long-term economic and social development of Western and South Western Sydney
- major influence on urban planning and regional development.

**Concerns:**

- the degree of uncertainty about the airport and its operations
- noise generation and impacts on liveability and amenity from 24 hour operation of the airport
- traffic and transport – both road and rail
- During construction and operations phase, Council’s liability for maintenance and operation of expanded local infrastructure.
- air quality and greenhouse gases
- environmental impacts
- cumulative impacts and flow-on effects.

The previous report to Council and Council’s submission on the Draft EIS are provided at Attachments 1 and 2 respectively.

On 15 September 2016, the Hon Paul Fletcher MP, Minister for Urban Infrastructure, announced the finalisation of the Western Sydney Airport EIS.

The report takes into consideration approximately 5,000 submissions on the draft EIS that was on exhibition from to 18 December 2015. The vast majority of the submissions come from the Blue Mountains region.

The key issues raised were (in order):

- The Blue Mountains World Heritage Area (71.1%)
- Flights Paths (66.4%)
- Emergency Fuel Jettison (53.6%)
- General Health Impacts (49.9%), and
- Aircraft Noise (44.3%).

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From the briefing provided by the Department of Infrastructure and Regional Development on Friday 16 September 2016 there appear to be limited changes to the original draft document. Some of the changes highlighted include:

- Updated environmental management framework
- More explanation of flight path design process
- No single merge point over single residential area
- Consultation and Forum on Western Sydney Airport
- Further development of biodiversity offset strategy
- Revised noise assessment modelling on airport construction and ground-based operations noise
- Updated air emissions assessment, reflecting traffic, transport and access changes
- Additional information about potential noise impacts on Greater Blue Mountains World Heritage Area
- Information on rail link and Joint Rail Scoping study.

The Australian Government forecasts that about five million people will use the Airport in its first year of operation in the mid-2020s, with annual passengers projected to increase to about 37 million by 2050. This is about the same number of annual passengers using Sydney Airport today. Ultimately, the Western Sydney Airport will have the capacity to cater to more than 80 million passengers per year.

The Airport and its surrounds will be a substantial source of economic and employment activity, particularly for the West District and South West District.

The finalised EIS shows that construction and operation of the Airport are expected to generate significant economic and employment effects which will grow as passenger demand increases. Construction of Stage 1 development is expected to create employment opportunities and value-add for the economy.

- about 3,180 full time equivalent jobs during the peak construction activity of which approximately 84% would be in Western Sydney
- \$2.3 billion in value-add across greater Sydney during the construction period with approximately \$1.9 billion or 83% of the value-add being created in Western Sydney.

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During the operation of Stage 1, the airport is expected to continue its role as a substantial source of economic and employment opportunities in the Western City. The operation of Stage 1 in 2031, for example, would:

- create about 8,730 full time direct on-site jobs
- potentially create a further 4,440 full-time on-site jobs within business parks on the site
- generate about \$77 million in value add for Western Sydney
- generate about \$145 million in value add for the rest of Greater Sydney
- drive growth in business profits, productivity and household income.

The Western Sydney Airport is currently a focus of the Western Sydney City Deals process and is also expected to drive employment in tourism and related industries and support the growth of tourism, accommodation, and services in the surrounding centres.

**CONSULTATION**

Our community's views on the Badgerys Creek proposal have not yet been determined through any formal consultation process or survey, however the decision of the Federal Government has made this a somewhat redundant requirement in terms of the actual airport location. However there are still opportunities to advocate on behalf of our community to ensure the best possible outcomes for our residents. For instance the views of the public in relation to the 24 hour operation can be explored as part of the consultation process. This is best undertaken by engaging with the community in a focussed forum.

**RELEVANCE TO COMMUNITY STRATEGIC PLAN**

The proposal has long term social, environmental and economic implications for our shire and for the broader region. Council has a leadership responsibility to consider such significant regional infrastructure issues and to advocate on behalf of the interests of our communities.

**POLICIES & LEGISLATION**

Nil

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**RELEVANT CONSIDERATIONS**

On 2 May 2017, the Federal Government announced that Sydney Airport Corporation have given up their option to construct and operate a Second Airport and it was announced during the recent Federal budget that the Federal Government will be taking on this role. Given the Federal Government's commitment to progressing the airport, and associated supporting infrastructure, it is important that Council identifies the key issues that are important to our community and seek to ensure that the infrastructure works benefit the Shire.

It is considered that an airport in Western Sydney would be a catalyst for investment and job creation in the region. It is estimated that the Western Sydney Airport (WSA) would generate \$24.6 billion in direct expenditure by 2060, and contribute a \$23.9 billion increase in gross domestic product to the national economy.

Benefits include:

- Jobs and economic growth
- Investment to the region
- Reduced commute times through localised jobs
- Upgraded roads.

Although Council has at times expressed opposition to any second airport being constructed in the Sydney basin, this should not prevent Council taking a fresh look at the issue and potentially adopting a new perspective. The need for Western Sydney to have long term economic and jobs growth solutions is well understood. The community of Wollondilly Shire, particularly as we grow in the future, shares that need.

It is acknowledged that the construction of the second Sydney Airport and its future use would result in alterations to traffic flows on roads in Wollondilly. Unless key infrastructure is provided like the outer Sydney Orbital and Northern Road upgrades, then it is likely that Silverdale Road will become a popular path of travel for residents in the Southern parts of Wollondilly, Southern Highlands and even parts of Camden to gain access to the airport. Further information is also required on the source of construction materials for the airport, the location of disposal of any excess soil and any resultant construction traffic impacts on Wollondilly roads.

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**Western Sydney Infrastructure Plan**

The Federal Government has budgeted to provide \$2.9 billion over 10 years from 2014-15 to 2023-24, with \$103m allocated in 2014/15. The NSW Government's funding contribution takes this to a \$3.5 billion road program.

This Plan will deliver significant upgrades to major and local roads, including:

- an upgrade of the Northern Road to a minimum of four lanes from Narellan to the M4 Motorway
- the construction of a new four-lane motorway between the M7 Motorway and the Northern Road
- an upgrading of Bringelly Road to a minimum of four lanes from Camden Valley Way to the Northern Road
- a \$200 million local roads package.

Significantly, the airport will impact on current journey to work patterns, with potential increases in traffic on local infrastructure in Wollondilly, such as Silverdale Road, and Werombi Road / Cobbitty Road. This may also require the widening of the bridge crossings over the Nepean River, or potentially contribute to the need for a second crossing. This issue has also been raised through the Western City Deals Process.

Council will need to monitor these potential impacts, and ensure that it is represented on any proposed coordination group that oversees the project.

**South West Rail Line Extension**

In addition to the roads program, the important role of rail transport in supporting both the growth of the Western City and the Western Sydney Airport has been recognised by the Australian and NSW Governments. They are undertaking a Western Sydney Rail Needs Scoping Study to examine the passenger rail transport needs of Western Sydney and the Airport.

A Discussion Paper released in September 2016:

- acknowledges the level of population and employment growth forecast for Western Sydney and associated transport challenges associated
- provides an overview of the transport projects underway in Western Sydney
- examines the rail demand in Western Sydney
- provides an overview of the initial set of rail options identified to service Western Sydney and the Western Sydney Airport.



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The Western Sydney Rail Needs Scoping Study will inform the final South West District Plan, the development of the Future Transport Strategy and the review of A Plan for Growing Sydney.

Council made a formal submission on the Scoping Study outlining our preference for an extension of the North-South link to connect with the T2 Airport Line and Southern Highlands line at Macarthur and the provision of a more reliable passenger service on the Southern Highlands line including the potential for upgrading to an electrified service. A copy of Council's submission is attached to this report (see Attachment 3 in the separate booklet).

**Western Sydney City Deal**

The Greater Sydney Commission's Draft District Plan views WSA 'as an intergenerational game changer'.

The revised Metropolitan Plan *Our vision – Towards our Greater Sydney 2056* introduces the emerging Western City, focusing on the proposed Western Sydney Airport and the development of an 'Aerotropolis'.

This recognises the importance of the Western Sydney Airport as a catalyst that can transform the area socially and economically over the next 40 years.

In October 2016, the Australian and NSW Governments agreed to work together with local government to deliver an agreed Western Sydney City Deal by mid-2017. The City Deal aims to improve the lives of people through better transport, improved housing supply and affordability, better access to jobs and improved environmental outcomes.

The Airport and its surrounds will be a substantial source of economic and employment activity, particularly for the West District and South West District.

The Western Sydney Airport is also expected to drive employment in tourism and related industries and support the growth of tourism, accommodation, and services in the surrounding centres.

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**FINANCIAL IMPLICATIONS**

This report recommends that a Special Community Forum be held to assist in determining the priorities to advocate for and on behalf of our residents. It is anticipated that such a forum could cost up to \$3,000.

There is currently no budget approved for this. It would need to be dealt with at the September Budget Review.

**CONCLUSION**

It is necessary for Council to recognise that the decision on Badgerys Creek Airport has been made, and that the focus of Council should be in addressing the associated opportunities and impacts with that decision. In order to best advocate on behalf of our community Council should undertake relevant consultation to ascertain the community's priorities.

**ATTACHMENTS INCLUDED IN A SEPARATE BOOKLET**

1. Council report on the Draft EIS for the Western Sydney Airport
2. Council's submission on the Draft EIS
3. Council's submission on the Sydney Rail Scoping Strategy

**RECOMMENDATION**

1. That Council acknowledge the Federal Government's decision to construct a second Sydney Airport at Badgerys Creek.
2. That Council advocate on key areas of transport and infrastructure, health, employment and the environment for the best possible outcomes for Wollondilly residents.
3. That Council hold a special Community Forum to assist in determining the priorities for this Council to advocate on behalf of the residents.
4. That a copy of the report be forwarded to both local members of parliament, Jai Rowell and Angus Taylor.