

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 20 February 2017

PE3 – Wilton South East Precinct

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Wilton South East Precinct

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TRIM 9456

EXECUTIVE SUMMARY

- On 2 November 2016, Council received correspondence from NSW Department of Planning & Environment regarding the South East Precinct of the Wilton Junction Masterplanned Area. The correspondence seeks Council's comments regarding a proponent submission to proceed with rezoning of the land.
- The proponent submission seeks to amend Wollondilly Local Environmental Plan 2011 by a State Environmental Planning Policy.
- The proposal would result in approximately 437.6 hectares of land being rezoned from rural uses to a range of urban uses including residential, commercial, business enterprise and conservation.
- The proposal will potentially yield 3,000 residential dwellings and will be serviced by a local centre anchored by a supermarket and supporting retail services.
- It is recommended that Council resolves to support the attached submission and refer it to the NSW Department of Planning & Environment.

REPORT

BACKGROUND

Since 2011, Council has been working with three major landowners, Walker Corporation, Bradcorp and Governor's Hill, to masterplan a new self-sustaining community at Wilton Junction.

After consultation with the local community and receiving independent advice from Council-appointed planning consultants, Council resolved to give 'in principle support' for a high level masterplan in December 2012.

Council subsequently requested that the NSW Government lead the development of a planning framework to implement the masterplan and resolve issues including, mining co-existence, public transport, health services and employment.

The NSW Department of Planning & Environment (DPE) has since been leading the preparation of a Land Use and Infrastructure Strategy (LUIS) to enable the implementation of the masterplan. The LUIS will set the broad planning principles which further precinct planning and subsequent rezoning will need to demonstrate consistency with. Further the LUIS will also set out infrastructure requirements and the State Infrastructure Contributions Levy framework (SIC).

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The Draft LUIS has not yet been finalised or placed on public exhibition. A number of technical reports support the draft LUIS including retail, social infrastructure, ecology and transport. These are not expected to be finalised until March 2017.

Notwithstanding, Walker Corporation lodged a 'Planning Proposal' with DP&E on 16 July 2016. DP&E have subsequently advised Council that this is a submission to assist with formation of the Land Use Infrastructure Strategy.

On 2 November 2016, DPE formally referred the proposal to Council for comment (See Attachment 1). This report provides an overview of the proposal and seeks Council's endorsement to make the attached submission to the DPE (See Attachment 2).

CURRENT STATUS

While the proposal is supported by a number of technical studies, there are a number of outstanding matters that limit Council's ability to undertake a detailed assessment. These are:

- Land Use and Infrastructure Strategy
- Section 117 Direction
- State Infrastructure Contribution Levy
- Section 94 Plan
- Development Control Plan
- Voluntary Planning Agreement
- Public interest.

As such the purpose of Council's response at this stage is primarily to outline those matters where further information is required and provide initial comment on the proposal.

If the DPE decide to progress the proposal to public exhibition stage, Council will be able to undertake a more comprehensive assessment at that time.

CONSULTATION

It is Council's usual process to open all planning proposals received to community consultation before Council considers the proposal.

However, this proposal has been lodged directly with DP&E who will presumably facilitate any community consultation process at a later date.

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FINANCIAL IMPLICATIONS

The NSW Government has adopted the position that the Wilton New Town project is at no additional cost to government and must be fully funded by the developers.

The NSW Government is proposing to establish a Special Infrastructure Contributions (SIC) scheme for the new town to coordinate the funding and delivery of regional infrastructure to ensure it is provided on time to support growth.

A Section 94 Contributions Plan will be prepared by Council to levy contributions on development within the growth area. Council will use this funding to deliver essential local infrastructure such as local roads, stormwater facilities and open space.

Local Developer Contributions in greenfield release areas such as Wilton are currently capped at \$30,000 per lot under a Direction from the Minister for Planning. It is likely that the per lot contribution will exceed this cap and in this circumstance, the State Government's Local Infrastructure Growth Scheme can be accessed to provide gap funding to meet those costs above the cap.

Under this scheme, Councils are eligible for funding from the NSW Government after their Section 94 Contributions Plan has been reviewed by the Independent Pricing and Regulatory Tribunal and their recommendations are reported to the Minister for Planning, and the council has adopted the contributions plan in accordance with the Minister's requirements.

In addition to the above, Council has been negotiating with the NSW Department of Planning and Environment and Wilton Junction Landowner's Group to recover planning costs for precinct planning, section 94 plan preparation and administrative costs associated with developing the LUIS. This is anticipated to cover Council's costs for up until end of December 2016. This is done through a Voluntary Planning Agreement.

Walker Corporation has submitted with its planning proposal a Voluntary Planning Agreement to provide infrastructure costs totalling \$90,895,000. Separately, Walker Corporation has written to Council on 17 December 2016 offering a further \$56,650 to cover Council's standard fee to meet costs associated with assessing their planning proposal.

This matter has no financial impact on Council's adopted budget or forward estimates.

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ATTACHMENTS INCLUDED IN A SEPARATE BOOKLET

1. Correspondence from Department of Planning & Environment received 2 November 2016.
2. Submission to NSW Department of Planning & Environment
3. Draft Planning Proposal
4. Draft Indicative Layout Plan
5. Draft Land Zoning Map
6. Draft Pedestrian and Cycleway Plan

RECOMMENDATION

1. That the proposal be given 'in principle support' pending the matters identified in the attached submission be satisfactorily resolved which specifically relate to the following:
 - a) Land Use and Infrastructure Strategy
 - b) State and Local Infrastructure funding
 - d) Staging and delivery
 - e) Employment generation
 - f) Biodiversity offsets
 - g) Public transport infrastructure
 - h) Housing choice and affordability.
2. That Council submit the attached submission to the NSW Department of Planning and Environment.
3. That Council agrees to commence negotiations with Walker Corporation on a Voluntary Planning Agreement which adequately provides local infrastructure to meet growth requirement and planning costs associated with Council's assessment of their proposal.