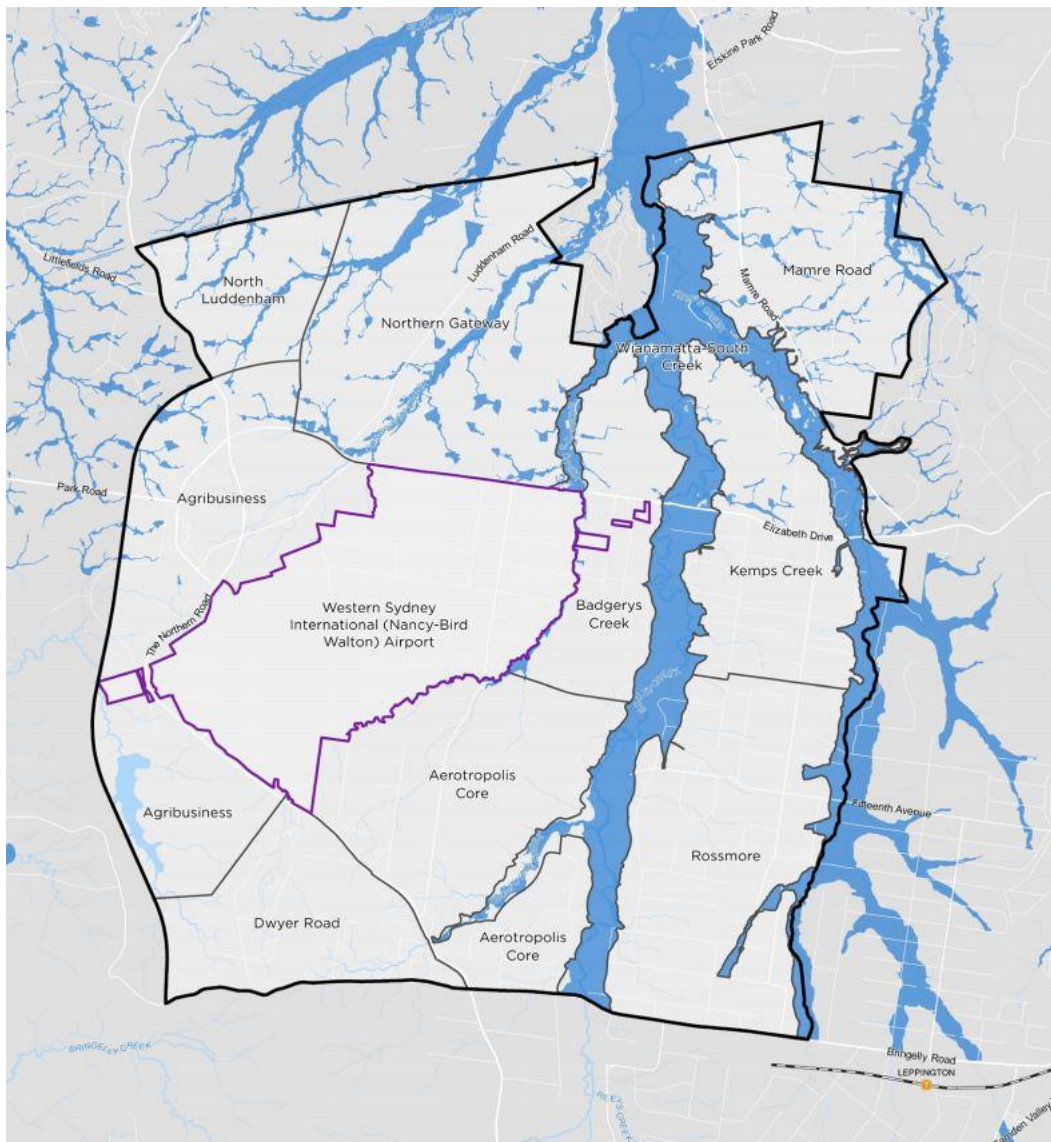


Draft Aerotropolis Contributions Plan 2020



Prepared for Penrith City Council and Liverpool City Council

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Part 1 Plan Summary

(a) Introduction

The Western Sydney Aerotropolis will be a new regionally and nationally significant gateway in the Cities of Penrith and Liverpool. Its future development forms an important part of the Western Parkland City's objective to create employment and house up to 1.1 million people by 2036.

The Aerotropolis is an area that surrounds the Western Sydney International (Nancy-Bird Walton) Airport that is currently under construction. Planning for the Aerotropolis is guided by the *Western Sydney Aerotropolis Plan* and *State Environmental Planning Policy (Western Sydney Aerotropolis) 2020*.

This contributions plan is to enable developers of land in the Western Sydney Aerotropolis to make monetary contributions to help meet the cost of providing the local infrastructure that supports the area's development. At the time this plan was prepared, the following Aerotropolis precincts had been rezoned to permit development that together are envisaged to accommodate over 100,000 workers and over 30,000 residents:

- Aerotropolis Core Precinct,
- Agribusiness Precinct,
- Badgerys Creek Precinct
- Northern Gateway Precinct, and
- Wianamatta South Creek Precinct.

The high order infrastructure to support the airport and associated Aerotropolis development – for example, arterial roads, metro lines, and water and wastewater facilities - will be provided by Commonwealth and State government agencies. Local councils and land developers will be responsible for providing local infrastructure such as local and collector roads, stormwater drainage facilities, parks and community services.

Where the demand for local infrastructure is generated by a number of different developments, the infrastructure is funded by development contributions conditions imposed on those developments under either section 7.11 or section 7.12 of the *Environmental Planning and Assessment Act 1979*.

Where the development consent authority is a council or a planning panel, such conditions can only be imposed in accordance with a contributions plan.

The contributions in this plan are based on an assessment of local infrastructure needs only. State or regional infrastructure, including regional open space and recreation purposes in the Wianamatta - South Creek precinct, are not included in this plan. State or regional infrastructure is to be funded through other sources, including for example, a Special Infrastructure Contribution determined by, or state planning agreements negotiated with the Minister.

(b) Fixed rate levy contributions plan

The type of contribution authorised by this plan is called a fixed rate development consent levy (or s7.12 levy), in which the contribution amount imposed on a development is determined by applying a fixed percentage rate to the cost of that development.

The percentage rate has been calculated, using strategic level information, to estimate:

- the different types and total costs of expected development, and

- the types, extent and total costs of shared local infrastructure that will be required to meet the expected development,

in each of the Aerotropolis precincts listed above.

A map and summary of expected development and required infrastructure for this development is contained in Appendix A.

Detailed investigation of infrastructure needs and costs is contained in the *Western Sydney Aerotropolis Local Infrastructure Contributions Plan Background Report* (October 2020).

The s7.12 rate to be applied to development is higher than that currently permitted by the *Environmental Planning and Assessment Regulation 2000* (EP&A Regulation) and as such, the councils have applied to the Minister to approve the higher levy rate.

(c) Why has a fixed rate levy plan been prepared instead of a nexus-based contributions plan?

At the time this plan was prepared, the specific location and extent of local infrastructure for each Aerotropolis precinct was not yet finalised. A nexus-based – or s7.11 - contributions plan cannot be prepared without specific layouts of collector road, trunk drainage, open space and community facilities networks.

However, several Aerotropolis precincts have already been rezoned and development applications are already being lodged. A contributions plan needs to be in place so that developments can be approved without delay and also make a reasonable contribution towards the cost of shared local infrastructure that will be needed to support the development of each Aerotropolis precinct.

This need is supported by clause 271 of the EP&A Regulation which requires that development (apart from minor development) must not be determined by the consent authority unless a contributions plan has been approved for the land to which the application relates.

This fixed rate levy plan is based on high level information, which was the only information available to the councils when the precinct rezonings were gazetted in September 2020. When more detail is available about the development that is likely to occur in each precinct, and detailed studies of infrastructure requirements for each precinct have been undertaken that accurately specifies the local infrastructure items and their costs, the relevant council would have the opportunity to revise this plan, or prepare a nexus-based (s7.11) contributions plan.

This fixed rate levy plan therefore is needed so that development in the Aerotropolis can be determined without being held up by delays in preparing s7.11 contributions plans. These delays and uncertainty could be magnified by a lack of clarity on when sufficient planning information would be provided to enable the commencement of the preparation of a s7.11 plan.

The only other potential alternative is for each council to negotiate developer provision of, or monetary contributions for, local infrastructure through a planning agreement under s7.4 of the EP&A Act. This approach is not preferred because it is likely to delay the issue of consents because of the time taken to negotiate, draft, exhibit and enter into a planning agreement in respect to each and every development. This is in addition to the fact that such agreements have to be voluntarily entered into, whereas a contributions plan adopted by a council or councils allows developments / CDCs to be determined without delay with the requirement to pay local infrastructure contributions.

(d) Levy rates

The levy rates authorised by this plan are shown in Table 1.

Table 1 - Section 7.12 levy rates

Aerotropolis precinct	Levy rate
Aerotropolis Core Precinct	
Development that has a proposed cost of carrying out the development:	
- up to and including \$200,000	Nil
- more than \$200,000	6.5% of that cost
Agribusiness Precinct	
Development that has a proposed cost of carrying out the development:	
- up to and including \$200,000	Nil
- more than \$200,000	6.5% of that cost
Badgerys Creek Precinct	
Development that has a proposed cost of carrying out the development:	
- up to and including \$200,000	Nil
- more than \$200,000	6.5% of that cost
Northern Gateway Precinct	
Development that has a proposed cost of carrying out the development:	
- up to and including \$200,000	Nil
- more than \$200,000	6.5% of that cost

Part 2 Administration and operation of this plan

1 Name of this plan

This plan is called the Aerotropolis Local Infrastructure Contributions Plan.

The plan provides information about the local infrastructure contributions payable, how to impose, pay and settle contributions, and other administrative matters.

Appendices A and B of the plan provides the schedule and maps showing the infrastructure planned to be provided on land affected by this plan.

2 Commencement of this plan

This plan commences on the date on which public notice was given under clause 31(2) of the EP&A Regulation or the date specified in that notice if it is a different date.

Note: The plan will only be approved and come into effect if the levy rates in Table 1 of this plan are approved by the Minister by a direction being made under s7.17 of the EP&A Act or by amendment of the EP&A Regulation.

3 Purpose(s) of this plan

The main purpose of this plan is to authorise:

- the consent authority, when granting consent to an application to carry out development to which this plan applies; or
- the Council or an accredited certifier, when issuing a CDC for development to which this plan applies,

to require a fixed development contribution (under section 7.12 of the EP&A Act) to be made towards the provision, extension or augmentation of future local infrastructure required as a consequence of development in the initial Aerotropolis Precincts, or which were provided in anticipation of, or to facilitate, such development.

Other purposes of this plan are as follows:

- To provide an interim framework for the efficient and equitable determination, collection and management of development contributions in the initial Aerotropolis Precincts until there is sufficient information to prepare a revised plan or nexus-based (section 7.11) contributions plans
- To ensure that the early developments in the Aerotropolis Precincts make a reasonable contribution towards the cost of shared local infrastructure needed to support their developments
- To ensure that the broader community in both Penrith and Liverpool LGAs is not unreasonably burdened by the provision of local infrastructure that is required as a result of development in the Aerotropolis Precincts
- To ensure that development approvals are not unnecessarily delayed awaiting the preparation of a s7.11 contributions plan.

4 Authority to impose section 7.12 levy

This plan authorises a council or an accredited certifier, when determining an application for development or an application for a CDC on land to which this plan applies, and subject to other provisions of this plan, to impose a condition requiring a contribution under section 7.12 of the EP&A Act on that approval for:

- the provision, extension or augmentation of local infrastructure to be provided by Liverpool or Penrith Councils; and
- the recoupment of the previous costs incurred by Liverpool or Penrith Councils in providing existing local infrastructure.

The total levy amount that is imposed on any individual development is calculated by multiplying the applicable levy rate in Table 1 by the proposed cost of the development.

A section 7.12 levy cannot be required in relation to development if a section 7.11 contribution is required in relation to that development (under another contributions plan).

The types of development subject to a section 7.12 contribution are identified in clause 6 of this plan.

Accredited certifiers should also refer to clause 10 of this plan as to their obligations in assessing and determining applications.

5 Land to which this plan applies

This plan applies to land in the following precincts identified in *State Environmental Planning Policy (Western Sydney Aerotropolis) 2020*:

- Aerotropolis Core Precinct
- Agribusiness Precinct
- Badgerys Creek Precinct and
- Northern Gateway Precinct

except for:

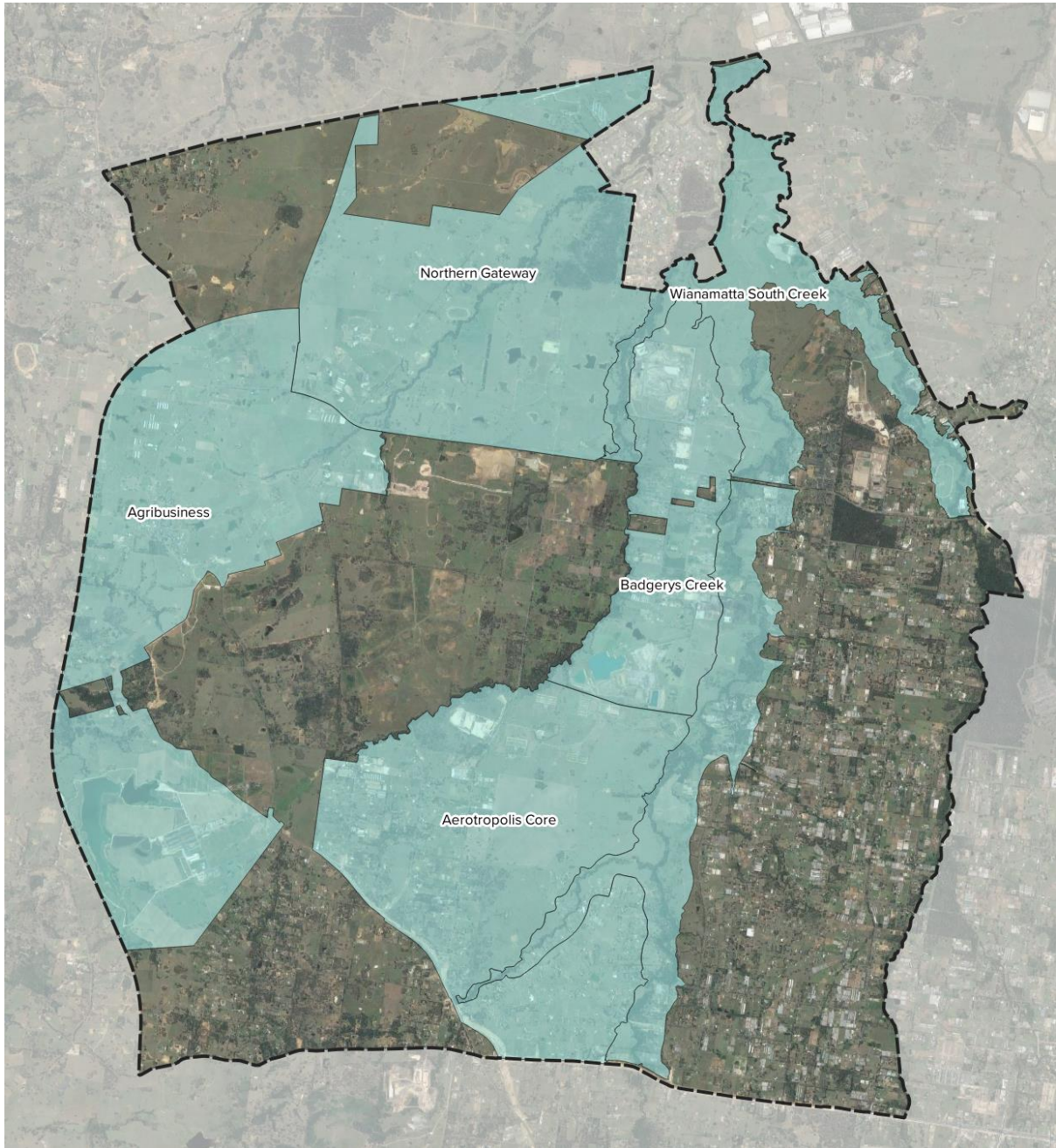
- land identified as Sydney Science Park in clause 7.23 in Penrith Local Environmental Plan 2010.

as shown in Figure 1.

For the sake of clarity, the plan does not apply to any land within the following areas:

- Western Sydney International (Nancy-Bird Walton) Airport site
- Wianamatta-South Creek Precinct (Initial Precinct)
- Dwyer Road Precinct
- North Luddenham Precinct
- Rossmore Precinct and
- Kemps Creek Precinct.

Figure 1 – Land to which plan applies



6 Development to which this plan applies

Subject to clause 7 of this plan (exempted development), this plan applies to development that:

- has a proposed capital investment value of \$200,000 or more, and
- that is not otherwise subject to a s7.11 contribution authorised by a s7.11 contributions plan adopted by either Penrith or Liverpool Councils and that is in force.

7 What development is exempted?

This plan DOES NOT apply to the following types of developments:

- (a) Development that was permissible on the land immediately before *State Environmental Planning Policy (Western Sydney Aerotropolis) 2020* came into effect.
- (b) Repair and replacement of structures impacted by natural forces and unpreventable events such as fire, flooding, earthquakes, lightning, etc.
- (c) Development exempted from contributions under section 7.17 of the EP&A Act by way of a direction made by the Minister.
- (d) Development for the following purposes:
 - (i) Government school
 - (ii) TAFE establishment
 - (iii) emergency services facility
 - (iv) health services facility owned or operated by a public authority
 - (v) passenger transport facility
 - (vi) place of public worship
 - (vii) public open space
 - (viii) public utility undertaking
 - (ix) bus depot
 - (x) recreation area
 - (xi) cemetery within the meaning of the *Cemeteries and Crematoria Act 2013*
 - (xii) public amenities or public services, for which development contributions have been imposed under section 7.11 or section 7.12 of the Act, or may be imposed in accordance with a contributions plan that is in force (when consent is granted for the development)
 - (xiii) public housing
 - (xiv) seniors housing or affordable housing, if carried out by or on behalf of a social housing provider.

8 Determination of proposed cost of development

Section 7.12 levies are calculated by the consent authority as a percentage of the cost of development.

Clause 25J of the EP&A Regulation sets out how the proposed cost of carrying out development is determined.

An extract from the EP&A Regulation that was in force at the date this plan was adopted is shown below:

- (1) The proposed cost of carrying out development is to be determined by the consent authority, for the purpose of a section 7.12 levy, by adding up all the costs and expenses

that have been or are to be incurred by the applicant in carrying out the development, including the following—

- (a) if the development involves the erection of a building, or the carrying out of engineering or construction work—the costs of or incidental to erecting the building, or carrying out the work, including the costs (if any) of and incidental to demolition, excavation and site preparation, decontamination or remediation,
 - (b) if the development involves a change of use of land—the costs of or incidental to doing anything necessary to enable the use of the land to be changed,
 - (c) if the development involves the subdivision of land—the costs of or incidental to preparing, executing and registering the plan of subdivision and any related covenants, easements or other rights.
- (2) For the purpose of determining the proposed cost of carrying out development, a consent authority may have regard to an estimate of the proposed cost of carrying out the development prepared by a person, or a person of a class, approved by the consent authority to provide such estimates.
- (3) The following costs and expenses are not to be included in any estimate or determination of the proposed cost of carrying out development—
- (a) the cost of the land on which the development is to be carried out,
 - (b) the costs of any repairs to any building or works on the land that are to be retained in connection with the development,
 - (c) the costs associated with marketing or financing the development (including interest on any loans),
 - (d) the costs associated with legal work carried out or to be carried out in connection with the development,
 - (e) project management costs associated with the development,
 - (f) the cost of building insurance in respect of the development,
 - (g) the costs of fittings and furnishings, including any refitting or refurbishing, associated with the development (except where the development involves an enlargement, expansion or intensification of a current use of land),
 - (h) the costs of commercial stock inventory,
 - (i) any taxes, levies or charges (other than GST) paid or payable in connection with the development by or under any law,
 - (j) the costs of enabling access by disabled persons in respect of the development,
 - (k) the costs of energy and water efficiency measures associated with the development,
 - (l) the cost of any development that is provided as affordable housing,
 - (m) the costs of any development that is the adaptive reuse of a heritage item.

Where a section 7.12 levy is required under this plan in relation to a DA or application for a CDC, the application is to be accompanied by a Cost Summary Report prepared at the applicant's cost, setting out an estimate of the proposed cost of carrying out the development.

The relevant consent authority will validate all Cost Summary Reports before they are accepted using a standard costing guide or other generally accepted costing method. Should the costing as assessed by the relevant consent authority be considered inaccurate, it may, at its sole

discretion and at the applicant's cost, engage a person referred to in clause 9 to review a Cost Summary Report submitted by an applicant.

In all cases, the determination of the proposed cost of development by the consent authority is final.

9 Who may provide a Cost Summary Report?

The following persons are to provide an estimate of the proposed cost of carrying out development to the consent authority:

- where the applicant's estimate of the proposed cost of carrying out the development is less than \$3,000,000 – any building industry professional; or
- where the proposed cost of carrying out the development is \$3,000,000 or more – a quantity surveyor who is a registered member of the Australian Institute of Quantity Surveyors.

10 Obligations of certifying authorities

(a) Complying Development Certificates

This plan requires that, in relation to an application made to an accredited certifier for a CDC:

- the accredited certifier must, if a CDC is issued, impose a condition requiring a section 7.12 levy, if such a levy is authorised by this plan
- the amount of the levy that the accredited certifier must so impose is the amount determined in accordance with clause 8 of this plan
- the terms of the condition be in accordance with this clause 10(a).

(i) Procedure for determining the section 7.12 levy amount

1. Ensure that the development is not subject to a s7.11 contribution under this plan or any other contributions plan adopted by the relevant council and that remains in force.
2. Determine the s7.12 levy in accordance with the Cost Summary Report prepared by or on behalf of the applicant under **clause 9** of this plan using the rates included in **Table 1** of this plan and taking into account any exempt development specified in **clause 7**.

(ii) Terms of a section 7.12 condition

The terms of the condition requiring a s7.12 levy are as follows:

A levy is to be paid to [insert relevant LGA name] City Council in the amount of \$ [insert amount] for the purposes of the local infrastructure identified in the Aerotropolis Local Infrastructure Contributions Plan.

Indexation

The monetary contribution is based on a proposed cost of carrying out the development of \$ [insert amount]. This cost (and consequently the monetary contribution) must be indexed between the date of this certificate and the date of payment in accordance with the following formula:

$$\text{Indexed development cost (\$)} = \frac{\$Co \times \text{Current CPI}}{\text{Base CPI}}$$

Where:

\$Co is the original development cost estimate assessed at the time of the issue of the complying development certificate

Current CPI is the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics at the quarter immediately prior to the date of payment

Base CPI is the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics at the quarter ending immediately prior to the date of imposition of the condition requiring payment of a contribution

Time for payment

The contribution must be paid prior to any work authorised by this complying development certificate commences, as required by clause 136L of the EP&A Regulation. Deferred payments of contributions will not be accepted.

Works in kind agreement

This condition does not need to be complied with to the extent specified, if a works in kind agreement or planning agreement is entered into between the developer and the Council.

(b) Construction certificates

It is the responsibility of an accredited certifier issuing a construction certificate for building work or subdivision work to ensure that each condition requiring the payment of a monetary contribution before work is carried out has been complied with in accordance with the CDC or development consent.

The accredited certifier must ensure the applicant provides a receipt (or receipts) confirming contributions have been fully paid and copies of such receipts must be included with copies of the certified plans provided to the Council in accordance with clause 142(2) of the EP&A Regulation. Failure to follow this procedure may render such a certificate invalid and expose the certifier to legal action.

The only exceptions to the requirement are where works in kind, material public benefit, dedication of land and / or deferred payment arrangement has been agreed by the Council. In such cases the Council will issue a letter confirming that an alternative payment method has been agreed with the applicant.

11 Timing of payment

A levy amount required to be paid by a condition imposed on the development consent in accordance with this plan is must be paid at the time specified in the condition.

Generally, the condition will provide for payment as follows:

- (a) For development where no further approvals area required – before the development consent is issued.
- (b) For development involving subdivision – the contribution must be paid prior to the release of the subdivision certificate (linen plan).
- (c) For development not involving subdivision, but where a construction certificate is required, the contribution must be paid prior to the release of the construction certificate for any works authorising construction above the floor level of the ground floor.

A levy amount required to be paid by a condition attached to a CDC reflecting the wording in clause 10(a)(ii) of this plan, must be paid prior to any work authorised by the certificate commences, as required by clause 136L of the EP&A Regulation.

At the time of payment, it will be necessary for levy amounts to be updated in accordance with clause 13 of this plan.

12 Deferral of payment of a levy imposed under this plan

Deferred payment of levies will only be permitted where the deferral is in accordance with any direction issued by the Minister under s7.17 of the EP&A Act.

Note: For a development application not involving subdivision, and having a capital investment value of \$10 million or more, timing of payment will be in accordance with the Minister's direction dated 25 June 2020 which can be accessed on the website of the Department of Planning, Industry and Environment.

The direction requires that until 25 September 2022 the contribution for these developments must be paid before the issue of the first occupation certificate in respect of any of the buildings to which the consent relates.

After 25 September 2022, payment will be made in accordance with clause 11 (c) above.

13 Adjustment of levy amounts to address the effects of inflation

Levies imposed under this plan are based on a proposed cost of carrying out the development determined by the consent authority. This cost (and consequently the levy amount) must be indexed between the date of DA determination or the issue of the CDC, as the case may be and the date of payment in accordance with the following formula:

$$\text{Indexed development cost (\$)} = \frac{\$Co \times \text{Current CPI}}{\text{Base CPI}}$$

Where:

\$Co is the original development cost estimate assessed at the time of the issue of the complying development certificate

Current CPI is the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics at the quarter immediately prior to the date of payment

Base CPI is the Consumer Price Index (All Groups Index) for Sydney as published by the Australian Bureau of Statistics at the quarter ending immediately prior to the date of imposition of the condition requiring payment of a contribution

14 Cross-boundary issues

(a) Sharing of levy amounts received from development in Badgerys Creek Precinct and the Agribusiness Precinct

The Badgerys Creek Precinct and the Agribusiness Precinct comprise development areas in both Penrith and Liverpool LGAs.

Levies imposed under this plan will be paid to the relevant council and LGA that the development is located in.

The councils may, by agreement, decide to apportion each levy paid by each development in the Badgerys Creek Precinct and the Agribusiness Precinct according to the overall share of the total precinct infrastructure costs that are attributable to each part of the precinct in each LGA.

If there is no agreement between the councils then the money paid to the relevant council will be retained by that council and applied to infrastructure in its area in a reasonable time.

(b) Sharing of levy amounts where development site is situated in both LGAs

Where the development is located on a site that is situated in both Penrith and Liverpool LGAs, the entire levy will be paid to the council which has the majority of the development site within its area. The council who receives the total levy will arrange for the disbursement of part of the levy amount to the other council that reflects the proportion of the development works that are located in the other council's area.

(c) Coordination of infrastructure delivery near the LGA boundary

The councils will establish a joint management group and / or other management arrangements to ensure that the planning and delivery of infrastructure located near the shared boundary of the Penrith and Liverpool LGAs is carried out in a coordinated and timely manner.

15 Pooling of section 7.12 levies

This plan authorises monetary contributions paid for different purposes in accordance with development consent conditions authorised by this plan and any other contributions plan approved by the Council to be pooled and applied progressively for those purposes.

The priorities for the expenditure of pooled monetary contributions under this plan are described in clause 17 of this plan.

16 Alternatives to paying the levy

If a developer wishes to deliver infrastructure that is included in this plan on the Council's behalf, then the developer may – in lieu of paying part or all of a section 7.12 levy imposed under this plan - offer to enter into a planning agreement to undertake works in kind, make monetary contributions, dedicate land, or provide some other material public benefit.

Planning agreements are to be negotiated with any policy on planning agreements adopted by the relevant council.

17 Infrastructure staging and priorities

The local infrastructure included in this plan will be provided as, and when development surrounding the infrastructure occurs.

Staging/timing of delivery of infrastructure is however dependent upon various matters outside the control of the councils, including the making of precinct plans, master plans, the range of developer intentions for respective land parcels, developer works in kind offers or utility authority's growth servicing plans.

Where infrastructure is not provided by a developer as works in kind and is to be provided by a council, the priority items for contributions received (and in pooling any contributions funds as discussed in clause 15 of this plan, will be as follows:

- (a) Acquisition of land for the various infrastructure purposes included in this plan.
- (b) Acquisition of land and carry out works that 'unlock' development opportunities for many landowners.

18 Relationship to other contributions plans

Where the relevant council has adopted another section 7.12 contributions plan that applies to land within the Aerotropolis and is in force, that plan is deemed to have no effect and does not apply to the development.

This plan however does not affect development consents or CDCs containing conditions requiring contributions or levies under another contributions plan or plans that were determined or issued prior to this plan coming into effect.

19 Savings and transitional arrangements

This plan applies to a development application or application for a CDC that was determined on, or after the date this plan took effect.

20 Accountability and access to information

In accordance with the EP&A Act and EP&A Regulation a contributions register will be maintained by Council and may be inspected upon request.

The register will be maintained at regular intervals and will include the following:

- Particulars sufficient to identify each development consent for which contributions have been sought
- Nature and extent of the contribution required by the relevant condition of consent
- Name of the contributions plan under which the condition of consent was imposed
- Date the contribution was received, for what purpose and the amount.

Separate accounting records will be maintained for each contribution type in this plan and published every year in the relevant council's financial accounts. They will contain details concerning contributions received and expended, including interest for each service or amenity to be provided. The records are held at the relevant council's administration office and may be inspected upon request.

21 Review of plan

Penrith and Liverpool councils intend to regularly review this contribution plan as more detail on the Aerotropolis Precincts becomes available. When more detail is available about each precinct's expected development detailed infrastructure requirements, the relevant council may update this plan, or prepare a nexus-based s7.11 contributions plans that will more accurately quantify local infrastructure contributions obligations.

Part 3 Glossary

Except where indicated in this section, the definitions of terms used in this plan are the definitions included in the EP&A Act, EP&A Regulation and relevant Penrith and Liverpool Local Environmental Plans.

For further clarity, words and phrases in this plan have the following meanings:

ABS means the Australian Bureau of Statistics.

CDC means complying development certificate.

CPI means the *Consumer Price Index (All Groups - Sydney)* published by the ABS.

Consent authority has the same meaning as in section 4.5 of the EP&A Act but also includes an accredited certifier responsible for issuing a complying development certificate.

Cost summary report means a report prepared by a suitably qualified person described in this plan that sets out the proposed cost of carrying out of development as defined in clause 25J of the EP&A Regulation.

DA means development application.

Development has the same meaning as in section 1.5 of the EP&A Act.

EP&A Act means the NSW *Environmental Planning and Assessment Act 1979*.

EP&A Regulation means the NSW *Environmental Planning and Assessment Regulation 2000*.

LGA means local government area.

Local infrastructure means public amenities and public services that are traditionally the responsibility of local government, excluding water supply or sewerage services.

Minister means the Minister responsible for administering the NSW *Environmental Planning and Assessment Act 1979*.

Planning agreement means a voluntary agreement referred to in section 7.4 of the EP&A Act.

Proposed cost of development means the cost of development proposed in a development application or a complying development application under the provisions of clause 25J of the EP&A Regulation.

Relevant council means:

- in the case of development on land within the Penrith LGA, Penrith City Council
- in the case of development on land within the Liverpool LGA, Liverpool City Council

Works in kind means the construction or provision of the whole or part of a public facility that is identified in a works schedule in a contributions plan.

Part 4 References

Department of Planning, Industry and Environment (2020), *Western Sydney Aerotropolis Plan*, September

State Environmental Planning Policy (Western Sydney Aerotropolis) 2020

Environmental Planning and Assessment Act 1979

Environmental Planning and Assessment Regulation 2000

Department of Planning, Industry and Environment (2020), *Criteria to request a higher s7.12 percentage Discussion Paper*. April

Appendix A: Relationship between Expected Development and Infrastructure Demand + Infrastructure Schedules

Introduction and Background

1 Purpose

All contributions plans must include information that shows the relationship between expected types of development in contributions plan area and the anticipated increase in demand for public amenities and services to meet that demand.

This part of the Aerotropolis Local Infrastructure Contributions Plan is intended to meet that requirement.

Section 3 of this part of the plan also contains the plan's infrastructure schedules.

More detailed information on the infrastructure needs of the Aerotropolis precincts and the assumptions underpinning them can be found in the *Western Sydney Aerotropolis Local Infrastructure Contributions Plan Background Report*, prepared by Infrastructure & Development Consulting ('the Background Report').

2 Aerotropolis plan overview and initial rezonings

An Aerotropolis is a metropolitan area whose infrastructure, land use and economy are centred on the airport and includes the outlying corridors, and aviation orientated business and residential development that benefit from each other and their accessibility to the airport.¹

The NSW Government in September 2020 issued the *Western Sydney Aerotropolis Plan (WSAP)* to establish the planning framework for the region surrounding the Western Sydney International (Nancy-Bird Walton) Airport.

The WSAP among other things:

- establishes a vision, objectives and principles for the Aerotropolis
- identifies the intended land use planning outcomes for each of the 10 precincts that comprise the Aerotropolis and a sequenced approach to precinct planning
- defines how the broader region's environment, waterways, strategic transport network, infrastructure and economy will combine to transform the Aerotropolis into a contemporary metropolitan city.²

The proposed structure plan for the Aerotropolis precincts setting out the broad land use and transport proposals is shown as Figure 1 over page.

The Aerotropolis area comprises various precincts. In September 2020, the following precincts were rezoned under *State Environmental Planning Policy (Western Sydney Aerotropolis) 2020 (WSAP SEPP)*:

- Aerotropolis Core Precinct,
- Agribusiness Precinct,
- Badgerys Creek Precinct, and
- Northern Gateway Precinct, and
- Wianamatta-South Creek Precinct,

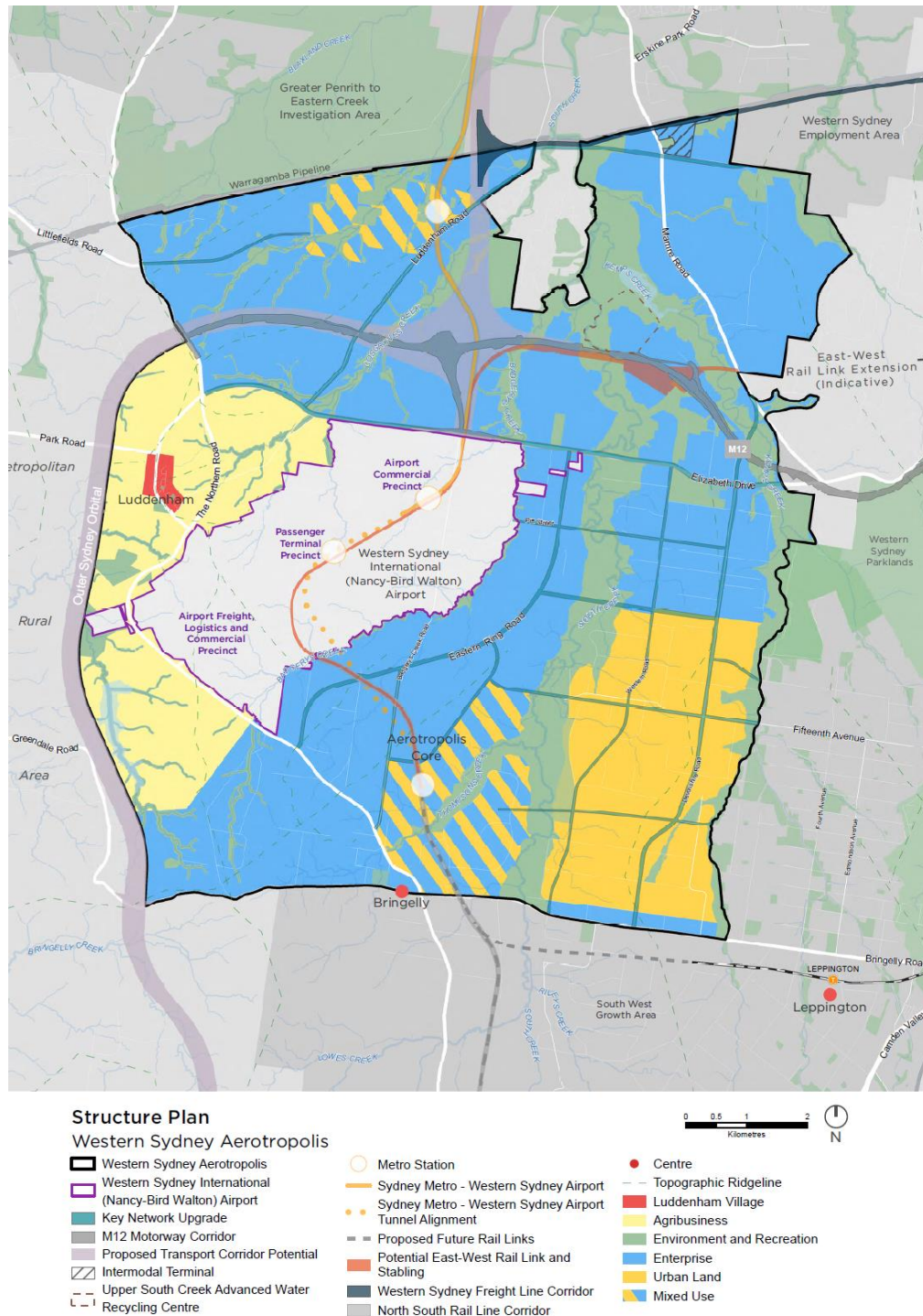
¹ WSAP, p6

² Ibid., p8

as shown in Figure 2 over page.

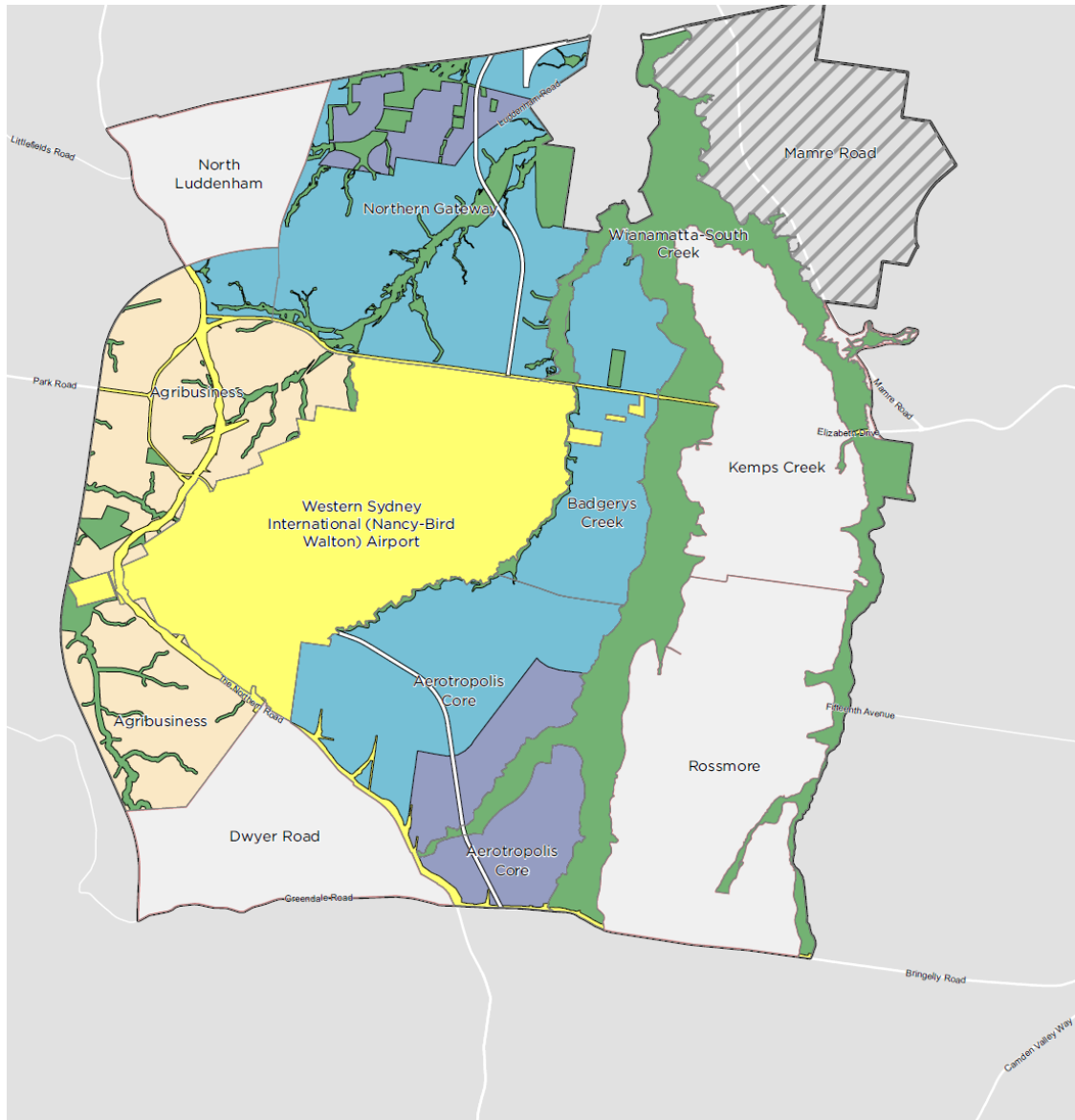
Apart from the Wianamatta-South Creek Precinct, which will be largely used for environmental and recreation purposes, these first release precincts are anticipated to accommodate development that will cater for 102,000 additional jobs and 34,000 additional residents.

Figure 1: WSAP Structure Plan



Source: WSAP, p27

Figure 2: Aerotropolis precincts rezoned under WSAP SEPP in 2020



- Land Zone**
Western Sydney Aerotropolis
- Western Sydney Aerotropolis
 - Precinct Boundary
 - Land Zone (Aerotropolis SEPP)**
 - AGB Agribusiness
 - ENT Enterprise
 - ENZ Environment and Recreation
 - MU Mixed Use
 - SP2 Infrastructure
 - Major Infrastructure Corridor
 - Deferred Matter (LEP Zone)
 - Mamre Road (WSEA SEPP)



Source: WSAP p29

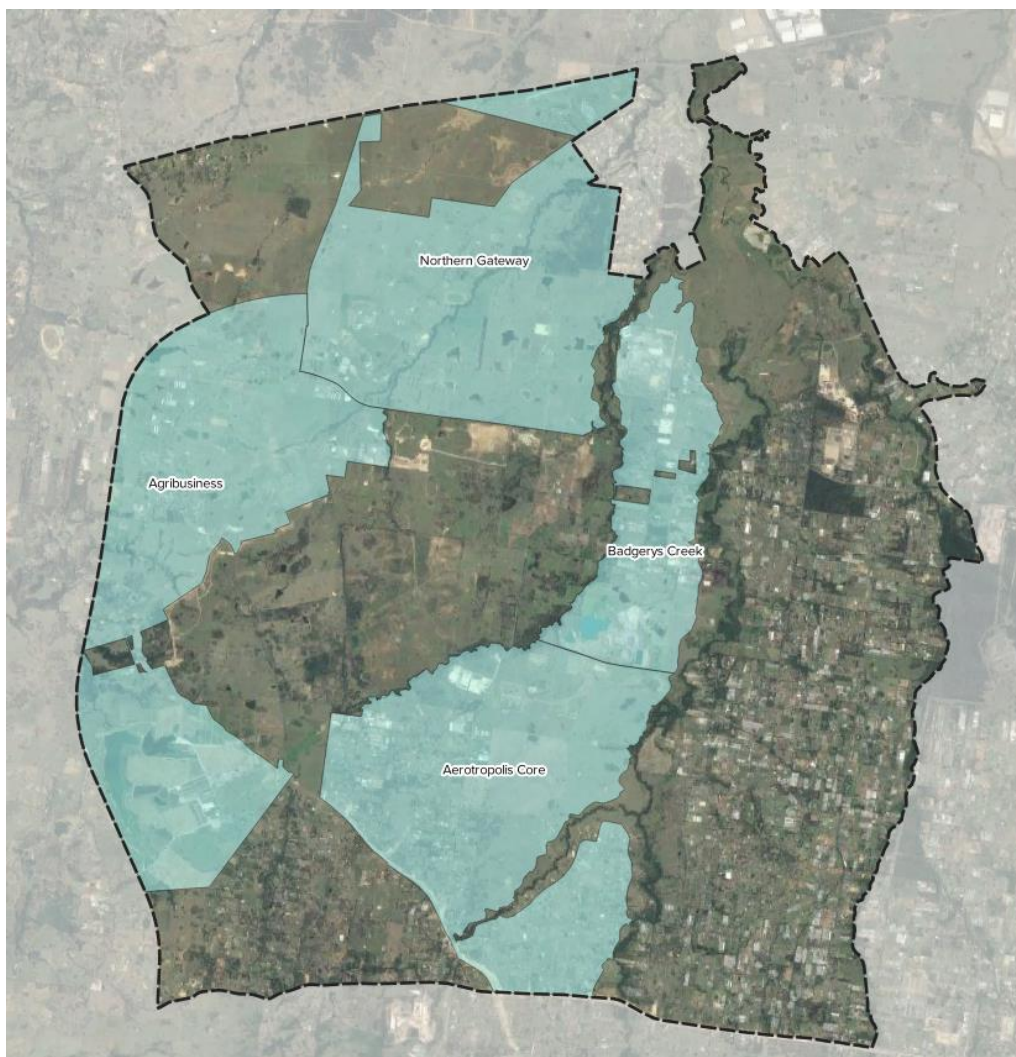
3 Land affected by this contributions plan

This contributions plan applies to the precincts rezoned under the WSAP SEPP in 2020 except the Wianamatta-South Creek Precinct, as shown in Figure 3.

The following areas and Aerotropolis precincts are not subject to this contributions plan:

- (a) Sydney Science Park land in the Northern Gateway precinct, as the future development of this site is subject to other infrastructure arrangements.
- (b) Mamre Road precinct located entirely in Penrith LGA, which has been rezoned under a different environmental planning instrument *State Environmental Planning Policy (Western Sydney Employment Area) 2009*.
- (c) A further 4 Aerotropolis precincts have not yet been released for development, being:
 - Dwyer Road Precinct
 - North Luddenham Precinct
 - Rossmore Precinct
 - Kemps Creek Precinct

Figure 3: Land subject to this contributions plan



4 Needs assessment methodology

The strategic infrastructure needs for the initial Aerotropolis Precincts are identified in the Background Report.

The following is a summary of the methodology for estimating expected development and quantifying infrastructure demand. Full details of the methodology used to identify the expected level and types of development and the associated infrastructure demands is provided in the Background Report. In summary the approach taken involved:

Estimating expected development and development costs

- Using worker and resident projections included in the draft WSAP.
- Using area and land use assumptions for the proposed Enterprise, Mixed Use, Special Purpose, Agribusiness and Industrial zones identified in the draft WSAP and draft zoning maps to inform anticipated development types and locations.
- Using other western Sydney local contributions plans to estimate dwelling occupancy rates for different dwelling types to derive the anticipated number of dwellings.
- Adopting residential dwelling densities provided in the Western Sydney Aerotropolis Stage 1 LUIMP.
- Using the draft WSAP as a guide to estimate the proportions of development types anticipated with each land use zone within in each Precinct (e.g. an 80/10/10 split between freight and logistics, warehousing and retail uses in the Northern Gateway enterprise zone).
- Reviewing comparable residential and employment developments and industrial and freight and logistics parks to determine reasonable site development metrics, such as floor space, site coverage, hardstand and landscape areas, constrained areas, and areas set aside for subdivision roads.
- Applying the above assumptions with standard development cost rates to determine itemised and total building costs for each precinct.

Estimating local infrastructure demands and costs

- Excluding roads likely to be funded by Special Infrastructure Contributions or other State funding mechanisms.
- Undertaking a baseline infrastructure assessment by reviewing different residential and industrial/employment development locations to derive, on an average per hectare basis, the likely need for local and regional roads and stormwater drainage facilities.
- Applying these rates to each precinct to determine land areas and infrastructure quantities for road and stormwater infrastructure.
- Undertaking a baseline audit of existing social infrastructure and a review of existing contribution plans for comparable areas to determine planning benchmarks for social infrastructure.
- Applying the planning benchmarks to the projected resident population to determine social infrastructure quantities.
- Using standard industry cost rates, and cost rates found in IPART-reviewed contributions plans to determine infrastructure costs and land acquisition costs.

Expected development summary

5 Northern Gateway

The Northern Gateway will act as a key interface between the airport, the Western Parkland City and the rest of the Sydney Metropolitan Area. The precinct will also leverage off the Sydney Science Park for a diverse range of employment and education opportunities.

Desirable land uses within the precinct include high technology commercial enterprise/industry, warehousing and logistics, education, offices, retail, residential, health services, entertainment, tourism facilities, cultural and creative industries, green public and private open spaces, recreation and visitor accommodation.³

High level analysis of the expected development in the Northern Gateway Precinct is summarised in the following table:

Land use	Developable area (ha)	GFA (m ²)	Development costs
Freight and Logistics	725.5	3,627,395	\$5,169,037,476
Warehouse	90.7	453,424	\$700,540,605
Retail	90.7	680,137	\$1,852,238,429
Total			\$7,721,816,510

6 Agribusiness

The Agribusiness Precinct is located around the western edge of the Airport and captures the existing suburb of Luddenham. This Precinct will continue to support the continued growth and development of agriculture and agribusiness and will maintain lands for agricultural production with enabling connections to the airport.

Desirable land uses include agribusiness, intensive fresh and value-added food production, food innovation technology and research, food production and processing, fresh food produce markets, warehousing and logistics, high technology industry, ancillary rural residential, complementary offices and retail, education, circular economy enabling infrastructure, biosecurity enabling infrastructure, and integrated logistics hub.⁴

High level analysis of the expected development in the Agribusiness Precinct is summarised in the following table:

Land use	Developable area (ha)	GFA (m ²)	Development costs
Freight and Logistics	921.1	4,605,285	\$6,562,531,757
Warehouse	108.4	541,798	\$837,078,354
Retail	54.2	406,349	\$1,106,623,002
Total			\$8,506,233,114

7 Badgerys Creek

³ WSAP, p59

⁴ *ibid.*, p61

The Badgerys Creek Precinct is located to the east of the Airport and South Creek is located on the eastern edge of the Badgerys Creek Precinct. As the precinct is affected by aircraft noise, it is not suited to contain sensitive or residential land uses.

Desirable land uses include defence and aerospace, advanced manufacturing activity, high technology industry, airport supporting development, local retail, Aerotropolis enabling industries, modernised resource recovery industries, light industrial, and social infrastructure.⁵

High level analysis of the expected development in the Badgerys Creek Precinct is summarised in the following table:

Land use	Developable area (ha)	GFA (m ²)	Development costs
Freight and Logistics	415.9	2,079,510	\$2,963,301,716
Warehouse	48.9	244,648	\$377,981,519
Retail	24.5	183,486	\$499,694,015
Total			\$3,840,977,250

8 Aerotropolis Core

The Aerotropolis Core is anticipated to cater for the most diverse range of future development and would contain the residential development as part of the initial Aerotropolis Precincts and industrial development and social infrastructure including schools and health facilities. The precinct is wholly located in the Liverpool LGA.

Desirable land uses within the precinct include advanced manufacturing, defence and aerospace, research and development activity, high technology industry and infrastructure, education (including vocational and tertiary education); professional services, business incubator hubs, creative industries including 'pop-up installations' and festivals/events, commercial offices, food and beverage, indoor and outdoor recreation and sports facilities, medium to high density residential near the Metro station; retail, community; civic, entertainment, cultural facilities; green open and public space on public and private lands; public and private medical services, visitor accommodation, integrated health hub.⁶

The Mixed Use zone is anticipated to contain the greatest range of development types out of the initial Aerotropolis Precincts due to the presence of residential development and supporting retail services and social infrastructure.

Residential development is anticipated to use 212ha of land in the Aerotropolis Core Precinct. The Background Report suggests up to 9,143 new residential dwellings can be provided based on the assumed dwelling densities and land identified for residential uses in the Aerotropolis Core. This total would include up to 4,000 new medium density dwellings, 4,000 new low rise apartments and 1,143 high rise apartments.

High level analysis of the expected development in the Aerotropolis Core Precinct is summarised in the following table:

Land use	Developable area (ha)	GFA (m ²)	Development costs
Freight and Logistics	272.6	1,362,795	\$1,941,983,559

⁵ *ibid.*, p60

⁶ *ibid.*, p58

Warehouse	158.7	793,307	\$1,225,659,574
Retail	451.6	4,516,142	\$12,012,937,188
Education & Schools	44.8	223,819	\$630,050,077
Health Services	22.4	111,909	\$373,217,941
Medium Density Dwellings	90.1	720,000	\$1,408,631,899
Apartments (Low Rise)	72.1	440,000	\$1,102,105,519
Apartments (High Rise)	18.0	102,857	\$279,669,237
Total			\$18,974,254,994

9 Areas excluded from consideration

Western Sydney International (Nancy-Bird Walton) Airport

The land comprising the Western Sydney International (Nancy-Bird Walton) Airport has been excluded as proposals for activities on this site will be assessed and determined by the Commonwealth Government. Local contributions will not apply to airport activities.

Sydney Science Park

This Plan excludes the Sydney Science Park (SSP) site. This approach has been taken as the WSSP is addressed in an existing VPA between the applicant and Penrith City Council that contains a schedule of monetary contributions, capital works, open space works and road upgrades.

The SSP envisages:

- 3,400 residential dwellings
- 340,000m² of research and development floor space
- 100,000m² of education floor space and associated student accommodation
- A town centre with 30,000m² of retail floor space
- A primary school

It is possible that the SSP concept plan will be modified in the future. If so, Penrith City Council would seek to negotiate a new VPA with the developer or prepare a separate contributions plan for the SSP site.

Summary of Local infrastructure requirements

The range of proposed employment generating uses and new residential development will require new roads and transport infrastructure to ensure residents, business and future airport operations can move effectively across the Aerotropolis and to the rest of the Sydney Metropolitan Area. These new roads would need to perform a range of functions from local roads to collector roads to accommodate a range of vehicles from cars to B-doubles.

The anticipated level of development will see large changes in the pervious and impervious areas and drainage paths into local creeks and the regionally significant South Creek. Therefore, a suite of land will need to be acquired by Councils to provide drainage and stormwater infrastructure and riparian recreation areas.

Precincts accommodating residential development must be supported by new amenities and social infrastructure including new schools, healthcare facilities, district and local parks, multi-use function centres, sports facilities and libraries.

The following sections include tables that summarise the local infrastructure quantities (both land and works) and estimated costs for each precinct.

10 Northern Gateway Precinct infrastructure schedule

	Unit	Quantity	Costs
Engineering Infrastructure			
Local Collector	lin m	1,224	\$4,297,102
High Street	lin m	1,224	\$4,407,285
Industrial Street	lin m	13,059	\$49,622,760
Water Quantity	m ³	244,849	\$31,830,389
Water Quality	m ²	163,233	\$89,778,019
<i>Total engineering infrastructure costs</i>			<i>\$179,935,555</i>
Community Facilities			
Council owned and managed early childhood education and care centre	m ²	825	\$3,589,470
Parks			
Local Park	Ha	1	\$1,000,000
District Park	ha	5	\$6,000,000
<i>Total Social Infrastructure Costs</i>			<i>\$10,589,470</i>
Land acquisition			
Roads	m ²	294,007	\$117,602,676
Stormwater	m ²	408,082	\$98,959,862
Riparian Corridors	m ²	6,547	\$556,495
Community Facilities	m ²	825	\$330,066
Open Space	m ²	60,000	\$14,550,000
<i>Total land acquisition</i>			<i>\$231,999,099</i>
Total infrastructure costs			\$422,524,125

11 Agribusiness Precinct infrastructure schedule

	Unit	Quantity	Costs
Engineering Infrastructure			
Local Collector	lin m	1,243	\$4,364,429
High Street	lin m	-	-
Industrial Street	lin m	14,000	\$53,200,257
Water Quantity	m ²	292,571	\$38,034,240
Water Quality	m ²	195,047	\$107,276,061
<i>Total engineering infrastructure costs</i>			<i>\$202,874,987</i>
Community Facilities			
Council owned and managed early childhood education and care centre	m ²	543	\$2,362,888
Parks			
Local Park	Ha	0.5	\$500,000
District Park	Ha	5	\$6,000,000
<i>Total Social Infrastructure Costs</i>			<i>\$8,862,888</i>
Land acquisition			
Roads	m ²	291,504	\$116,601,775
Stormwater	m ²	487,618	\$118,247,476
Riparian Corridors	m ²	76,275	\$6,483,375
Community Facilities	m ²	543	\$217,277
Open Space	m ²	55,000	\$13,337,500
<i>Total land acquisition</i>			<i>\$254,887,403</i>
Total infrastructure costs			\$466,625,278

12 Badgerys Creek Precinct infrastructure schedule

	Unit	Quantity	Costs
Engineering Infrastructure			
Local Collector	lin m	330	\$1,159,266
High Street	lin m	330	\$1,188,990
Industrial Street	lin m	7,437	\$28,261,764
Water Quantity	m ²	132,110	\$17,174,306
Water Quality	m ²	88,073	\$48,440,350
<i>Total engineering infrastructure costs</i>			<i>\$96,224,676</i>
Community Facilities			
Council owned and managed early childhood education and care centre	m ²	401	\$1,362,385
Parks			
Local Park	Ha	0.5	\$500,000
District Park	Ha	-	-

<i>Total Social Infrastructure Costs</i>			<i>\$1,862,385</i>
Land acquisition			
Roads	m ²	108,597	\$43,438,957
Stormwater	m ²	220,183	\$53,394,477
Riparian Corridors	m ²	180,571	\$15,348,535
Community Facilities	m ²	401	\$160,281
Open Space	m ²	5,000	\$1,212,500
<i>Total land acquisition</i>	<i>m²</i>	<i>514,753</i>	<i>\$113,554,750</i>
Total infrastructure costs			\$211,641,810

13 Aerotropolis Core Precinct infrastructure schedule

Aerotropolis Core is the only one of the initial release precincts planned to accommodate dwellings residents. While Sydney Science Park in the Northern Gateway Precinct will also accommodate dwellings, the Sydney Science Park is excluded from this plan.

Industry benchmarks have been adopted to establish a baseline of social infrastructure needs, however, the assessment also factors in best practice approaches involving providing multi use facilities rather than single purpose facilities, locating community space in central, highly accessible locations and to provide community facilities that function as a network across local and district areas.

The social infrastructure needs of the Aerotropolis Core Precinct are shown in the table below

Social Infrastructure Type	Infrastructure Need
Community Facilities	3,260m ² of community facility space including: <ul style="list-style-type: none"> • Library floor space • Multi-purpose community hall space • Flexible meeting spaces • Cultural production space • Community kitchen • Subsidised office space • Foyer, lounge and café • Recording studio spaces • Connected outdoor and public civil space
Parks	New parks consisting of: <ul style="list-style-type: none"> • 5ha of local parks • 25ha of district parks • 20ha associated with a major destination park or city wide park
Sport and recreation Facilities	<ul style="list-style-type: none"> • District playing grounds consisting of 2 double playing fields and amenities • Multi-purpose outdoor courts • Play space co-located within park space • Outdoor fitness stations • Youth Precinct • Water play area co-located with the district park
Indoor Leisure	A 3,000m ² of leisure potentially including: <ul style="list-style-type: none"> • Outdoor toddler pool • 25m indoor pool • 2 indoor courts

- Community meeting rooms
- Amenities block
- Adjoining open space/picnic area
- Hydrotherapy indoor pool
- Community meeting rooms
- Youth recreation hang out space
- Foyer, lounge and cafe

Engineering infrastructure and social infrastructure requirements and costs for this precinct are shown in the table below:

	Unit	Quantity	Costs
Engineering Infrastructure			
Local Collector	lin m	12,770	\$44,822,739
High Street	lin m	7,003	\$25,211,728
Industrial Street	lin m	6,900	\$26,218,208
Water Quantity	m ²	305,152	\$39,669,718
Water Quality	m ²	203,434	\$111,888,949
<i>Total engineering infrastructure costs</i>			<i>\$247,811,342</i>
Social infrastructure			
District multi-purpose community hub:			
Library floorspace	m ²	1,008	\$5,796,000
Multi-purpose community hall space	m ²	528	\$2,904,000
Flexible meeting space	m ²	100	\$525,000
Cultural production space (small scale e.g. tech or pottery)	m ²	100	\$435,000
Community kitchen	m ²	150	\$709,500
Subsidised office space x 4 offices & hotdesks	m ²	150	\$415,500
Foyer, lounge & café	m ²	300	\$1,065,000
Recording studio spaces	m ²	80	\$284,000
Connected outdoor, public civil space	m ²	1,000	\$4,350,000
90 space council owned and managed early childhood education and care centre	m ²	1,350	\$4,590,000
Parks			
Local park	ha	5	\$5,000,000
District park	ha	25	\$30,000,000
Major destination park/city wide park	ha	20	\$24,000,000
Sport and Recreation Facilities			
District sports grounds (2 double playing fields and amenities)	ha	20	\$61,600,000
Multi-purpose outdoor courts	ha	0.3	\$840,000
Play space (assumed located within a park)	m ²	1,200	\$7,200,000
Outdoor fitness stations	No.	2	\$240,000
Youth precinct	ha	0.1	\$8,500,000

Water play (provided in district park)		6	\$4,800,000
Indoor Leisure Centre			
Outdoor toddler pool	m ²	300	\$1,275,000
Outdoor 50m pool (8 lanes)	m ²	700	\$2,975,000
Shower/changeroom block	m ²	200	\$580,000
Adjoining open space/picnic area	m ²	1,000	\$2,850,000
Learn to swim/hydrotherapy indoor pool	m ²	500	\$2,525,000
25m indoor pool	m ²	500	\$2,500,000
2x indoor courts	m ²	750	\$2,970,000
Community meeting rooms	m ²	150	\$787,500
Youth recreation hang out space	m ²	200	\$710,000
Foyer, lounge & café	m ²	400	\$1,420,000
<i>Total social infrastructure costs</i>			<i>\$181,846,500</i>
Land acquisition			
Roads	m ²	357,592	\$458,807,296
Stormwater	m ²	508,586	\$315,329,674
		505,254	\$42,946,590
Community facilities	m ²	4,610	\$1,844,000
Open space and recreation	m ²	708,700	\$204,730,000
<i>Total land acquisition</i>	<i>m²</i>	<i>2,084,742</i>	<i>\$1,023,657,560</i>
Total infrastructure costs			\$1,453,315,403

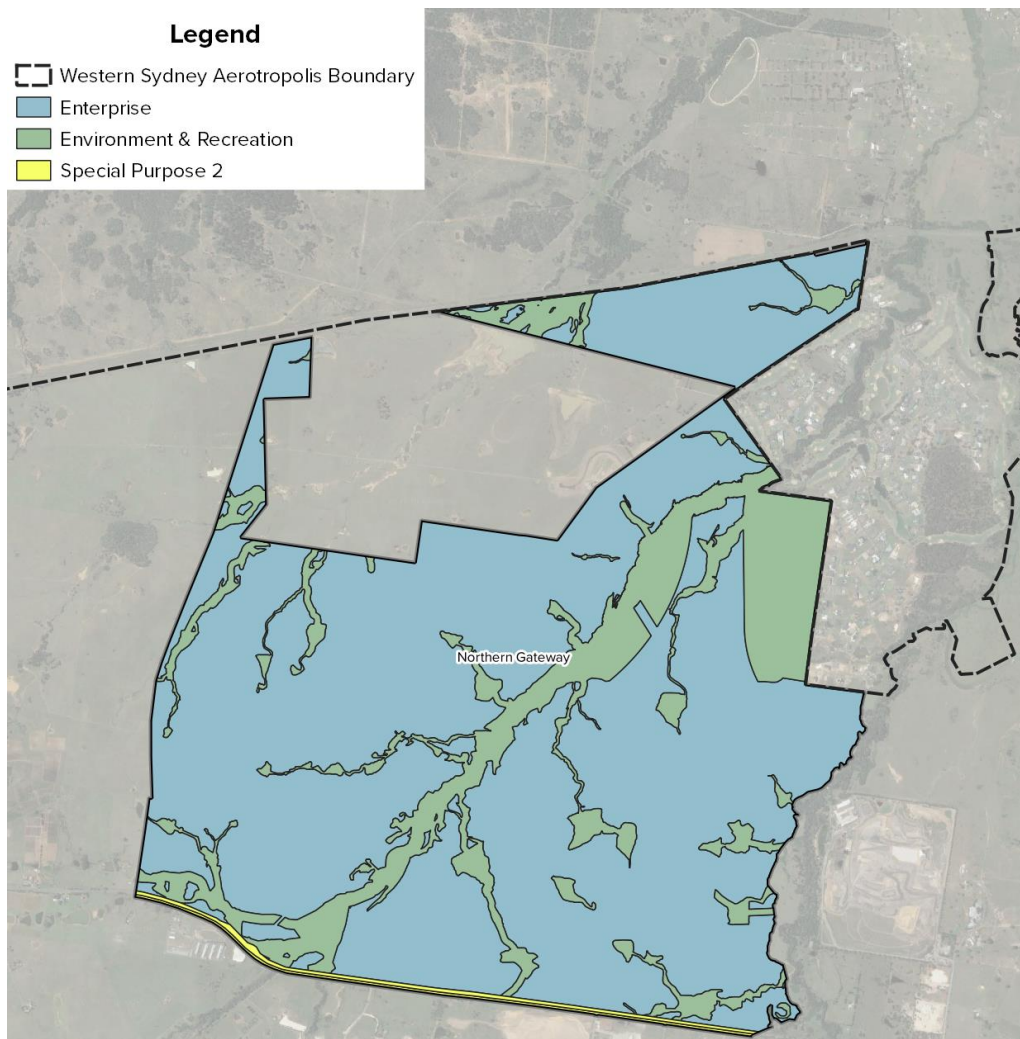
Summary of development and infrastructure costs (by precinct)

	Northern Gateway	Agribusiness	Badgerys Creek	Aerotropolis Core	Total
Development Costs	\$7,722M	\$8,506M	\$3,841M	\$18,974M	\$39,043M
Engineering Infrastructure Costs	\$180M	\$203M	\$96M	\$248M	\$727M
Social Infrastructure Costs	\$11M	\$9M	\$2M	\$182M	\$203M
Land Acquisition Costs	\$232M	\$255M	\$114M	\$1,024M	\$1,624M
Total infrastructure costs	\$423M	\$467M	\$212M	\$1,453M	\$2,554M
Plan administration (0.2% of plan value)	\$0.38M	\$0.42M	\$0.20M	\$0.86M	\$1.86M
Total infrastructure costs as % of development costs	5.5%	5.5%	5.5%	7.7%	6.5%

Totals are rounded

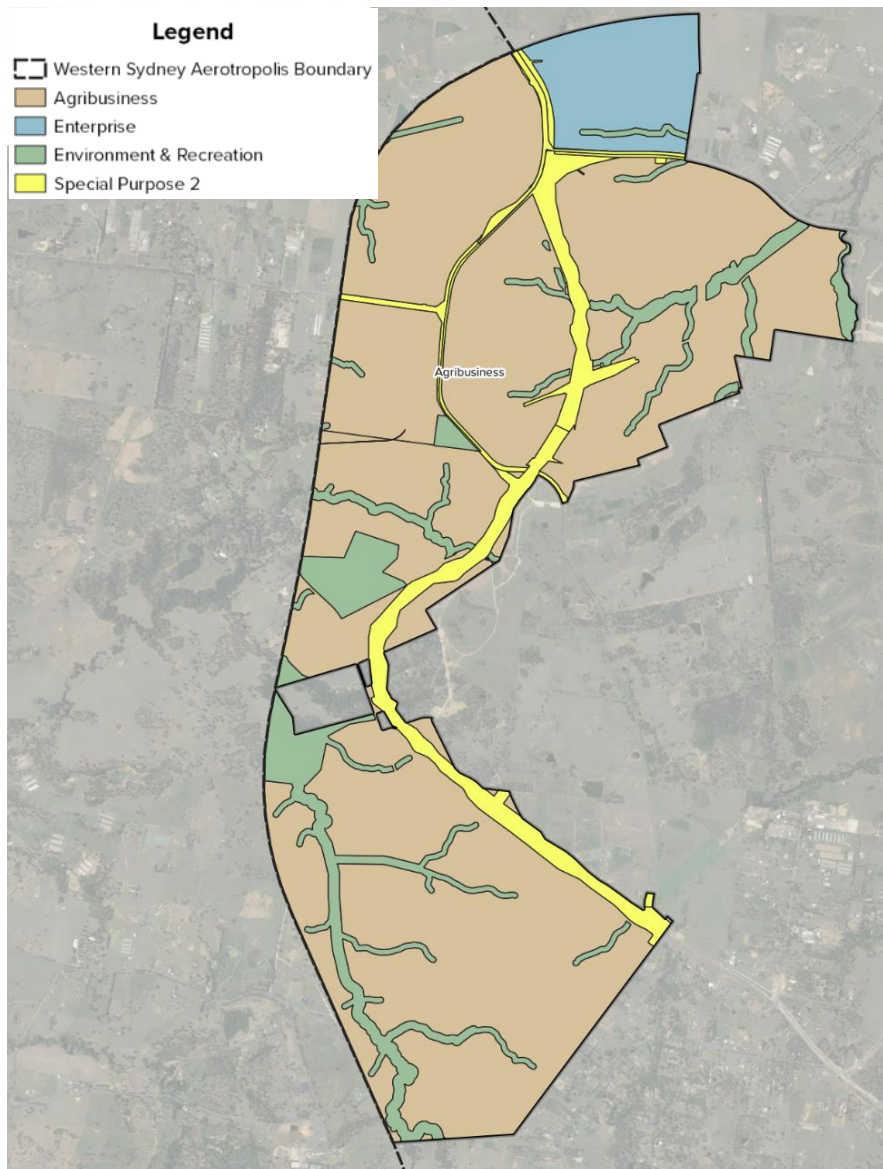
Appendix B: Infrastructure Locations Maps

Northern Gateway Works Schedule Map



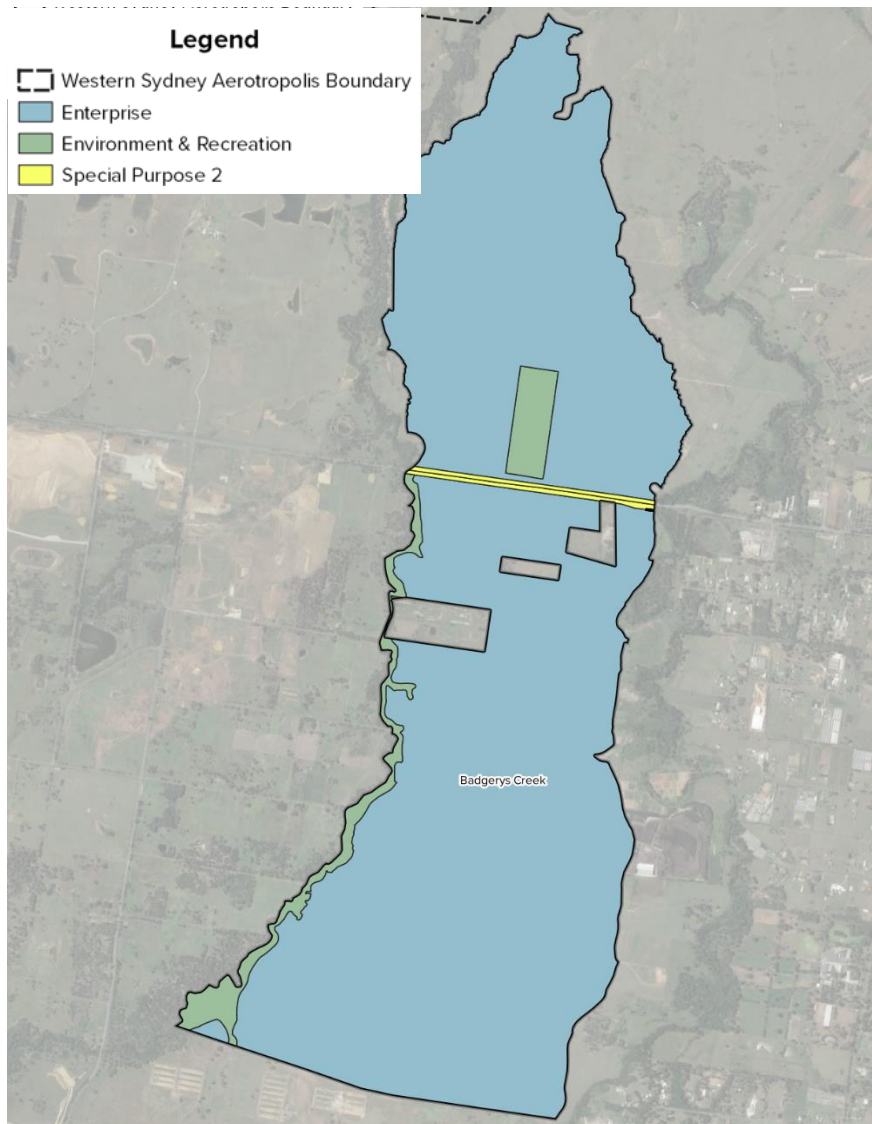
Infrastructure	Quantity
Roads Infrastructure	
Local Collector Road	1,224m
High Street	1,224m
Industrial Street	13,059m
Stormwater Infrastructure	
Water Quantity Management	244,849m ³
Water Quality Management	163,233m ²
Social Infrastructure	
Council Owned and Managed Early Childhood Education & Care Centre	825m ²
Open Space & Recreation Infrastructure	
Parks (Local, District & Major)	6ha

Agribusiness Works Schedule Map



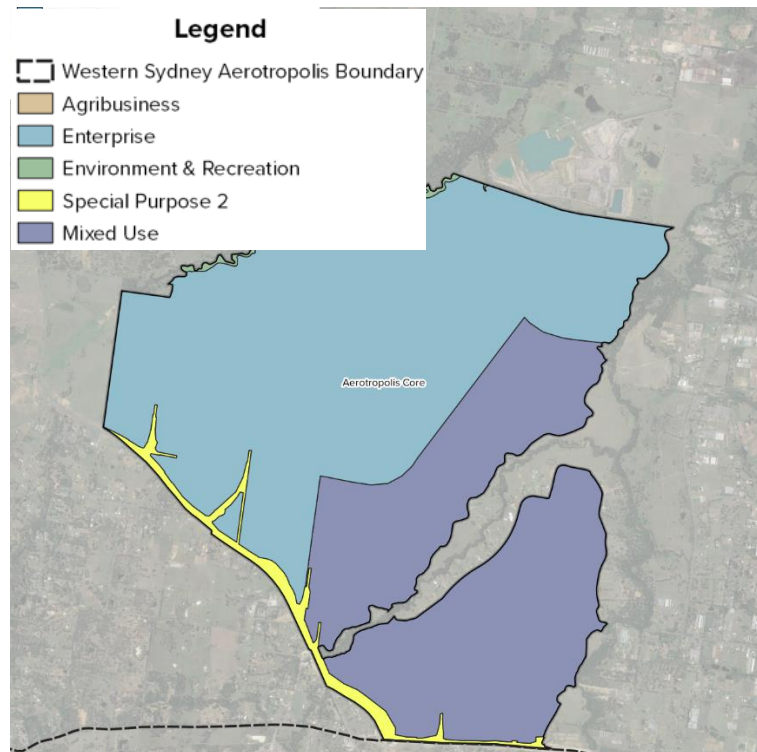
Infrastructure	Quantity
Roads Infrastructure	
Local Collector Road	1,243m
Industrial Street	14,000m
Stormwater Infrastructure	
Water Quantity Management	292,571m ³
Water Quality Management	195,047m ²
Social Infrastructure	
Council Owned and Managed Early Childhood Education & Care Centre	543m ²
Open Space & Recreation Infrastructure	
Parks (Local, District & Major)	5.5ha

Badgerys Creek Works Schedule Map



Infrastructure	Quantity
Roads Infrastructure	
Local Collector Road	330m
High Street	330m
Industrial Street	7,437m
Stormwater Infrastructure	
Water Quantity Management	132,110m ³
Water Quality Management	88,073m ²
Social Infrastructure	
Council Owned and Managed Early Childhood Education & Care Centre	401m ²
Open Space & Recreation Infrastructure	
Parks (Local, District & Major)	0.5ha

Aerotropolis Core Works Schedule Map



Infrastructure	Quantity
Roads Infrastructure	
Local Collector Road	12,770m
High Street	7,003m
Industrial Street	6,900m
Stormwater Infrastructure	
Water Quantity Management	305,152m ³
Water Quality Management	203,434m ²
Social Infrastructure	
District Multi-Purpose Community Hub	3,260m ²
Council Owned and Managed Early Childhood Education & Care Centre	1,350m ²
Open Space & Recreation Infrastructure	
Parks (Local, District & Major)	50ha
District Sports Grounds	20ha
Multi-Purpose Outdoor Courts	0.3ha
Play Spaces (in District Parks)	12
Water Play (in District Parks)	6
Outdoor Fitness Stations	2
Youth Precinct	0.1ha
Indoor Leisure Centre	3,000m ²