



Consultation paper

**Proposed amendment to the State Environmental
Planning Policy (Penrith Lakes Scheme) 1989
(Penrith Lakes SEPP)**

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Acknowledgment of Country

Penrith Lakes is located on Dharug land, on the banks of what is traditionally known as Yandhai, or the Nepean River.

The Department of Planning, Industry and Environment acknowledges the Traditional Owners and Custodians of the Dharug people and pays respect to Elders past, present and future. The Department also acknowledges the Deerubbin Local Aboriginal Land Council and the Murru Mittigar Corporation for their work in representing and advocating for the First Nations people of the Penrith area.

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1.0 Introduction

1.1 Planning for the Penrith Lakes site

Since 1989, development on the land within the Penrith Lakes Scheme has been governed by the Penrith Lakes SEPP. This SEPP has provided a regulatory framework to support quarrying, rehabilitation and dedication of land on the site.

One of the key planning considerations for the areas on the Hawkesbury Nepean floodplain has been, and continues to be, the potential of the area to flood. As a consequence, the Government released the Hawkesbury Nepean Floodplain Management Strategy (the Strategy) which applied the findings of the 2014 Hawkesbury Nepean Valley Flood Management Review.

In 2016 the Government announced the first components of the Strategy, including the investigation into the environmental and economic approvals to raise the Warragamba Dam wall, the provision of the greater flood evacuation capacity through the road infrastructure upgrades and a regional approach to land use planning to recognise flood and flood evacuation routes in the event of a significant flood event. In 2014 the Government prepared a Draft Vision Plan for Penrith Lakes to guide the future development and management of the site. This aimed to realise the economic and social potential of the Lakes and environs while ensuring resilience to flood events. Flood evacuation concerns affect the extent to which zoning effect can be given to the notional uses contemplated in the Draft Vision Plan.

In 2017 a zoning regime was established to best reflect the current development capacities, consistent with the Government's stated objectives for the site and its current understanding of the site. This zoning regime has been updated as new commercial, recreational and employment generating opportunities have come along.

The long term intention of the Government is to secure the dedication of the lakes and parklands within the Penrith Lakes scheme for public use, while also allowing Penrith Lakes Development Corporation (PLDC), to gain some economic return from its quarrying activities now the land is rehabilitated.

The proposed amendments facilitate an economic boost to Western Sydney potentially generating some 6,000 direct jobs and about 18,000 indirect jobs. Facilitating employment in the precinct is aligned with the goals of the Greater Sydney Region Plan and Western City District Plan. Construction investment value is expected to exceed several hundred million dollars.

1.2 Proposed amendments to facilitate economic activity

The Department of Planning, Industry and Environment (the Department) is recommending amendments to the State Environmental Planning Policy (Penrith Lakes Scheme) 1989 (Penrith Lakes SEPP).

The proposed amendments (amending SEPP) seek to:

1. permit new land uses at specific sites within the Scheme, including:
 - a heliport
 - the Penrith Lakes Development Corporation offices
 - film production precinct and other ancillary uses
 - a private golf course and associated facilities
 - tourism and commercial uses of a local heritage item

2. adopt new mapping under the Penrith Lakes SEPP to allow access through the NSW Planning Portal and align zoning boundaries with current cadastre boundaries
3. include new provisions for protecting solar access and key vistas and view corridors
4. ensure flood evacuation will be considered for all land use proposals within the Penrith Lakes Scheme (the Scheme)
5. amend the satisfactory arrangements clause for designated State public infrastructure

This Consultation Paper has been prepared for the purpose of publicising an explanation of the intended effect of the proposed amendment to the Penrith Lakes SEPP under section 3.30 of the *Environmental Planning and Assessment Act 1979* (the Act).

1.3 Background

The amendment to the Penrith Lakes SEPP would facilitate new economic land use opportunities in Penrith Lakes and Western Sydney tied to outcomes in the District Plan such as building the tourism potential of the area, creating opportunities for improved accessibility to waterways and the creation of local employment opportunities. The proposed amendments would also improve the usability of the Penrith Lakes SEPP and strengthen the development assessment process, while ensuring appropriate contributions are provided to State public infrastructure.

The amending SEPP is consistent with the Department's broad vision for the implementation of the Penrith Lakes Scheme, the Greater Sydney Region Plan, Western City District Plan and the Government's policies that ensure a resilient Hawkesbury Nepean Valley.

2.0 Explanation of provisions

2.1 Modernising the SEPP maps

To better integrate with the NSW Planning Portal and NSW Planning Database, the mapping contained under the Penrith Lakes SEPP would be updated and consolidated to reflect the Department's standards for planning related spatial datasets and maps. This would facilitate the inclusion of the Penrith Lakes SEPP and its mapping data to the NSW Legislation and Planning Database and access through the NSW Planning Portal, improving useability of the SEPP. As part of this update to the mapping under the Penrith Lakes SEPP, the zone boundaries under the Zoning Map would be updated to align with current cadastre boundaries.

2.2 Solar access and key vistas and view corridors

The Penrith Lakes SEPP does not currently include provisions that relate to the protection of key vistas and view corridors, despite the precinct enjoying views to and being within view of several heritage buildings, the Regatta Lake, and the Blue Mountains.

The Penrith Lakes SEPP also does not contain heads of consideration regarding the protection of solar access to open space land. These matters are of specific relevance to the Penrith Lakes Scheme, which seeks to coordinate and protect the precinct as a key recreation, tourism, and environmental destination.

Controls regarding solar access protection and impacts on vistas and views are being considered for Penrith Lakes through the draft Penrith Lakes Development Control Plan – Stage 1(DCP), which is currently being prepared by the Department. Though once adopted these DCP provisions would still not apply to State significant development proposed within Penrith Lakes, in accordance with State Environmental Planning Policy (State and Regional Development) 2011.

New provisions are proposed to be included in the Penrith Lakes SEPP to ensure impacts on solar access and key views and vistas would be appropriately considered during the Development Application (DA) process for all types of development on land within Penrith Lakes.

The amending SEPP would contain the following matters that a consent authority must consider before granting development consent within Penrith Lakes:

- protecting solar access and minimising overshadowing to public open space, recreation areas, heritage items and adjoining properties; and
- protecting views between, to and from heritage buildings, the Regatta Lake and the Blue Mountains.

The new SEPP provisions would be supported by the DCP measures that are being considered by the Department separate to this SEPP amendment.

2.3 Flood evacuation

Clause 33 of the Penrith Lakes SEPP specifies that flood evacuation must be considered when determining development proposed upon land zoned Employment, Residential and Tourism within the Penrith Lakes.

Clause 33 does not apply to all land within Penrith Lakes. Other state environmental planning policies including the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* and *State Environmental Planning Policy (Educational Establishments and Child*

Care Facilities) 2017 establish land use permissibility within Penrith Lakes through the complying development certificate process, without considering flood evacuation constraints.

Given these limitations, the existing flood management provisions under the Penrith Lakes SEPP are proposed to be amended to ensure flood evacuation is being considered for any land use proposal that requires development consent. The clause would also designate Penrith Lakes as a Protected Area – Evacuation Constraint, which would preclude new land uses being established within Penrith Lakes through complying development certificate processes and without appropriate consideration of flood evacuation.

The new SEPP provisions would be supported by a Flood Response Guideline for Penrith Lakes that is being drafted by the Department separate to this SEPP amendment. The Flood Response Guideline would specify an early flood warning and site non-attendance/evacuation system for Penrith Lakes. Development that increases the number of people on the land would need to be consistent with the Guideline.

2.4 Satisfactory arrangements

Clause 34 of the Penrith Lakes SEPP requires satisfactory arrangements to be made for the provision of State public infrastructure before new subdivision of land within an Urban Release Area in Penrith Lakes.

Intensive development proposals are being made within Penrith Lakes that include land outside of the Urban Release Area and that do not necessarily involve the subdivision of land.

It is proposed to amend the Penrith Lakes SEPP to ensure adequate provision and contribution towards State public infrastructure is being made to satisfy the needs that arise from proposed development within Penrith Lakes.

2.5 Heliport

An 11.26 hectare parcel of land within Penrith Lakes, being Lot 2 DP 1013504, has been identified as the preferred new site for the Sydney Helicopters' heliport. This site is shown in Annexure 1 – Locality and Site Identification Maps.

The existing Sydney Helicopters heliport site is located in Granville and the current site is being acquired for the Sydney West Metro project. Sydney Helicopters' operation entails private tourism flights, charter flights, film and photography as well as assisting public emergency services such as the Rural Fire Service and State Emergency Service. Relocating this facility to Penrith Lakes would ensure the continuation of important emergency services, tourism, and creative arts infrastructure within the Western City District.

The site within Penrith Lakes has been identified as the preferred new site for Sydney Helicopters based on its size, favourable flight path access and compatibility with surrounding land uses. This land forms part of the existing Urban Release Area, is currently zoned Tourism and is currently used as the Penrith Lakes Development Corporation offices.

Economic and social value – value to tourism industry and value to emergency services operations

The proposed heliport enhances the tourism, and creative arts infrastructure within the Western City District. The co-location of the use with the proposed Film Production Precinct within Penrith Lakes has the potential to amplify the economic and employment creation benefits of the individual proposals.

Proposed amendment

A new Additional Permitted Use provision and site identifying map would be included to permit heliports at Lot 2 DP 1013504 and allow the merits of Sydney Helicopters' proposal to be considered through a Development Application process.

Planning assessment and justification

While no site constraints have been identified as a bar to the development, environmental characteristics would need be considered closely at development application stage, and notably:

- accessing the site in flood periods to support emergency services
- managing potential conflict with the operation of the Sydney International Regatta (wind and noise)
- flood and stormwater management given the site's location within the floodplain and proximity to waterways
- safeguarding airspace operations
- managing traffic and transport options to and from the site
- ensuring positive visual outcomes within the immediate and wider landscape
- noise impacts on residential land, though the site is located over one kilometre away from any residential zone, which reduces risk for significant conflict

These matters would be considered through the DA process when finalised designs and detailed assessment material is provided. A development application for a heliport has been lodged and Environmental Assessment Requirements have been issued to guide the preparation of the DA that would seek consent and test, in detail, the suitability of the site for the proposed heliport. These assessment requirements, together with the existing provisions under the Penrith Lakes SEPP and those proposed under this SEPP amendment, provide adequate safeguard for confirming the suitability of the development at the site.

The supporting application for the Sydney Helicopter's proposal is at Annexure 1 – Request for Re-zoning

2.6 Penrith Lakes Development Corporation office site and film production precinct

Penrith Lakes Development Corporation (PLDC) owns the majority of the Penrith Lakes Scheme area and is continuing to rehabilitate the site post quarrying operations. In response to the proposed heliport on Lot 2 DP 1013504, a new site for the PLDC office has been identified within the south west of Penrith Lakes. This 10,000m² parcel of land sits south of the Main Lake, fronts Old Castlereagh Road to the east and comprises vacant cleared land. This site is shown in Annexure 1 – Locality and Site Identification Maps.

Facilitates effective site administration

The re-zoning would enable the relocation of PLDC within Penrith Lakes to a site that is earmarked for urban development under the Penrith Lakes structure plan and draft development control plan. Facilitating this relocation ensures continuity of the administrative infrastructure necessary to facilitate broader development and investment throughout the Tourism zone and wider Penrith Lakes scheme.

Proposed amendment

The land identified as the PLDC new office site is zoned Tourism under the Penrith Lakes SEPP. Offices are a prohibited land use within the Tourism zone. To facilitate the proposed relocation of the PLDC offices, it is proposed to include a new Additional Permitted Use provision under the Penrith Lakes SEPP to permit *Offices* at the site.

Planning assessment and justification

While no site-specific constraints have been identified as a bar to this form of development, environmental, traffic and visual impacts would be assessed during the development application process. The provisions under the Penrith Lakes SEPP, Draft DCP and those proposed under this SEPP amendment, provide adequate criteria for ensuring the suitability of the development.

2.7 Film production precinct

Through collaboration with key stakeholders and Penrith City Council, Penrith Lakes has been identified as the possible site for a new film production precinct. This new high technology and employment precinct is anticipated to have a Capital Investment Value of \$150 million and is proposed to comprise up to 10x production stages / sheds, 3x construction mills that would be used for creating set designs and costumes, filming pool tanks, short- and long-term accommodation, film school / academy, office spaces, ancillary food and drink premises, audience holding areas, car parking and security facilities.

The 41 hectare parcel of land, which is subject to this concept proposal, forms part of the existing Urban Release Area and is currently zoned Tourism. This site is shown in Annexure 1 – Locality and Site Identification Maps.

Economic and social value – new jobs and international investment

The proposal responds to a worldwide shortage of studio facilities and safe-filming environments (COVID-19) and aligns with the NSW Government's significant \$400 million incentive package to attract filming production. The proposal represents a significant social and economic boost. It would:

- attract significant jobs (around 2,000 jobs during each major production) in new skill areas including opportunities for youth employment;
- improve the competitiveness of the Western Economic Corridor;
- bring approximately \$150 Million across 3 construction stages that would stimulate the local building economy.

Importantly, the proposed use would leverage industry opportunities from the Western Sydney (Nancy Bird Walton) Airport and complement the economic activity of the Aerotropolis by enhancing tourism, arts and cultural infrastructure. The Penrith Lakes location would draw on potential employees across Greater Penrith as well as the north and south west of Sydney assisting to deliver the 30 minute city goal of the Region plan.

Proposed amendment

While a number of land uses proposed under the concept plan are permissible under the Tourism zone, the Penrith Lakes SEPP would be amended to include a new Additional Permitted Use provision and site identifying map, enabling *Film Production* as a permissible land use with consent at the site and specifically listing items that would comprise this new cultural and tourist facility,

such as *Light Industry, High Technology Industry, Tourist and Visitor Accommodation, Educational Establishment, Food and Drink Premises and Office Premises*.

This would allow the merits for the proposal to be considered through a State Significant Development Application process.

Planning assessment and justification

The site is located within the Tourism West Precinct under the Draft Penrith Lakes DCP. This Precinct is promoted as an area that would provide a range of tourism and recreation uses to support the vision of Penrith Lakes as a major recreation and tourism destination. The StudioWest proposal helps fulfill this vision.

Initial assessment indicates that the land is generally suitable as it is not subject to contamination, is predominantly cleared and outside of mapped bushfire prone areas. Further, over 50% of the land, where the buildings would be located, is above the flood planning level.

Certain constraints including bulk and scale, impacts on views, heritage, traffic and transport, ecology, heritage significance and flood management are considered to be best assessed under the State Significant DA process, when finalised designs and detailed assessment material is provided.

The supporting application for the Film Studio proposal is at Annexure 2 – Request for Re-zoning

2.8 Private golf course

A new private golf course and associated facilities (i.e. club house, driving range and car parking) is proposed within Penrith Lakes. The golf course would contribute to the realisation of the Penrith Lakes Structure Plan and State and local planning priorities that support sport and recreational facilities within the urban landscape. This site is shown in Annexure 1 – Locality and Site Identification Maps.

Proposed amendment

Sitting to the east and north of the Nepean River and south of the Sydney International Regatta Centre, the land flagged for this golf course, or new private recreational facility is unzoned. The proposed golf course site also includes land identified for important tourism, environmental and infrastructure uses. These include the proposed extension of the Great River Walk, the Nepean River pump site and the proposed Southern Wetlands. Under the endorsed Penrith Lakes Water Management Plan, the Wetlands would be constructed and operate as the stormwater quality management / nutrient sink for Penrith Lakes. Therefore, it is important to demarcate the golf course area from these other uses.

It is recommended that the Penrith Lakes SEPP be amended to apply the Parkland zone to the land identified as suitable for private recreational use, but excluding land associated with these future tourism and infrastructure uses. The application of the Parkland zone to this land would permit a private recreational facility, such as a golf course, at the site while applying land use zone objectives to guide future land use planning decisions.

Planning assessment and justification

Applying the Parkland zone to the land flagged for private recreational land use is consistent with the strategic direction and structure planning for Penrith Lakes, as well as the objectives and planning priorities under State and local planning initiatives. It should ensure an adequate buffer from adjoining and significant environmental and social infrastructure. The Development

application process would ensure the proposed golf course does not conflict with the adjoining important environmental and infrastructure assets. During this process, the proposals water usage, chemical run off, stormwater management, traffic and transport and visual impacts would be assessed.

2.9 Landers Inn

Landers Inn is a 19th century inn and sandstone barn, located at Lot 3 DP 1255572. This site is shown in Annexure 1 – Locality and Site Identification Maps.

The site is currently used for residential purposes, though has been identified for possible repurposing as tourist accommodation or a commercial premises (food and drink premises, function centre, etc.), increasing tourism opportunity within Penrith Lakes and increasing awareness and appreciation of the site and area's heritage significance.

The site is locally heritage listed under *Penrith Local Environmental Plan 1991 (Environmental Heritage Conservation)*, though is not listed as a heritage item under the Penrith Lakes SEPP and associated Structure Plan.

Proposed amendment

The site would be listed as a heritage item under Schedule 3 of the Penrith Lakes SEPP. This would ensure potential impacts upon it from surrounding proposed development are appropriately considered as well as applying the provisions of clause 28 to the land, this clause allows a range of additional uses.

Planning assessment and justification

The proposal to list the site as a heritage item and trigger Clause 28(4) ensures that the consent authority must, before granting consent to development in respect of a heritage item, consider the effect of the proposed development on the heritage significance of the item or area concerned. This would allow the merits for any proposed new use of Landers Inn to be considered through a development application process, though under the guidance of a heritage management or heritage conservation management plan.

Annexures

Annexure 1 - Locality and Site Identification Maps

Annexure 2 – Requests for re-zoning