

Legislative Assembly  
Standing Committee on Transport and Infrastructure  
Inquiry into Utilisation of Rail Corridors

**NSW Government response**

**May 2013**

## Response to recommendations

*Recommendation 1: That a specialised unit within UrbanGrowth NSW be given the role of promoting and co-ordinating development in the air space, and on land adjacent to, the rail corridor in the Greater Metropolitan Area of Sydney, including the Hunter and the Illawarra.*

### NSW Government response – Not supported

Planning and strategic land use decisions should be made by the Department of Planning and Infrastructure in close consultation with Transport for NSW. Both agencies have established the integrated planning and transport framework through the Metropolitan Plan and the Long Term Transport Master Plan.

The development of airspace must recognise the local strategic land-use priorities set out in these plans, including the identification and prioritisation of appropriate renewal locations, in consultation with UrbanGrowth NSW.

UrbanGrowth is an appropriate organisation to coordinate and deliver transit orientated development (TOD) projects consistent with its focus to deliver housing across NSW.

*Recommendation 2: That UrbanGrowth NSW's functions with regard to land adjacent to and air space above the rail corridor include:*

- *Identifying and promoting specific opportunities for development and use of land along the rail corridor and at rail transport nodes.*
- *Creating standard guidelines or principles for transit oriented development precincts.*
- *Assisting with planning and approvals processes, including local planning instruments to facilitate developments that benefit the local community.*
- *Consulting and co-ordinating with local councils and state government agencies.*
- *Working with developers and investors to achieve a balance between commercial opportunities and community benefits.*

### NSW Government response – Partially supported

UrbanGrowth NSW functions include the promotion and delivery of transit oriented development. UrbanGrowth NSW has a key role in selected Urban Activation Precincts and other key government sites, for example: North Ryde, North-West Rail link, Green Square Town Centre. In these precincts UrbanGrowth NSW will:

- promote opportunities and develop new strategic frameworks;
- coordinate infrastructure and resolve any barriers;
- coordinate with local councils, state agencies and other key stakeholders; and

- facilitate private sector development.

In other precincts, UrbanGrowth NSW could have a role in consulting and co-ordinating state agencies and local councils, and working with the development industry to remove impediments.

The Department of Planning and Infrastructure in consultation with Transport for NSW will lead:

- the identification and prioritising of appropriate renewal locations around rail infrastructure consistent with the Metropolitan Plan and the Long Term Transport Master Plan; and
- the preparation of transit orientated development guidelines and principles (this could include technical guides to support NSW planning policies or model development guides under the new planning system as proposed in the Government's White Paper).

Department of Planning and Infrastructure will prepare standard guidelines and principles for transit orientated developments in accordance with strategic planning policy documents and in consultation with TNSW and UrbanGrowth NSW. The guidelines and principles will vary depending on whether development is over, beside or in the wider catchment of rail corridors.

*Recommendation 3: That, as part of the current review of the NSW planning system, the NSW Government consider ways to shorten approval timeframes, consistent with statutory requirements, and provide for early community consultation for identified priority developments along the rail corridor.*

### **NSW Government response – Support**

A key part of the proposed NSW planning system is a shift to community participation in strategic planning when setting an area's future direction. The Subregional Delivery Plan process (outlined in the White Paper) will allow for community participation in consideration of priority development sites along the rail corridor, taking into account centres and growth areas in the wider area beyond the rail corridor. The Urban Activation Precinct program will allow for early consultation and shortened approval timeframes in key nominated precincts. The Department of Planning and Infrastructure will streamline approvals processes following the strategic planning phase in the Urban Activation Precincts.

The approval process for construction over rail lines is required to demonstrate compliance with key Transport for NSW principles including:

- transparent and appropriate risk allocation between the parties;
- a suitable return to Government;

- clear accountabilities for maintenance and upgrade of both rail infrastructure and the development; and
- provisions that allow for expansion and upgrades to rail infrastructure.

*Recommendation 4: That, as part of the current review of the NSW planning system, the NSW Government develop a standard, comprehensive state planning instrument for major transport corridors.*

### **NSW Government response – Partially supported**

The strategic planning framework in the proposed new planning system will ensure that the future direction for how an area will change is set by relevant policy documents. The new planning system will ensure that State planning priorities are coordinated and addressed consistently at a local level.

Each level of strategic planning will inform the following proposed plans:

- NSW Planning Policies that set the Government's planning framework for land use and development;
- Regional Growth Plans that provide high level visioning and objectives;
- Subregional Delivery Plans that provide the delivery framework for the Regional Growth Plan visions; and
- Local Plans, which are the principal legal document for a local area which provide zoning, development guides and direction for infrastructure.

Initiatives for major transport corridors will be considered at each planning level.

*Recommendation 5: That Transport for NSW and the Department of Planning and Infrastructure identify and prioritise rail transport nodes in the Greater Metropolitan Area of Sydney, including the Hunter and the Illawarra, that are appropriate for transit oriented development.*

*In conducting the assessment of sites, the agencies should have regard to relevant strategies and plans including the finalised Long Term Transport Master Plan, the Metropolitan Plan and the 20-year State Infrastructure Strategy.*

### **NSW Government response – Support**

In the proposed new planning system, Subregional Delivery Plans (guided by higher level strategies and plans) will be the main tool that the Department of Planning and Infrastructure and Transport for NSW will use to identify transit orientated development sites.

Planning around certain State-significant opportunities is already underway or being investigated by the Urban Activation Precinct program and the urban renewal program.

The Draft Metropolitan Strategy and the Long Term Transport Master Plan identified a number of potential rail transit oriented development opportunities. The appropriateness of these locations for development will be assessed on a case-by-case basis incorporating community consultation.

*Recommendation 6: That Transport for NSW and the Department of Planning and Infrastructure require precinct plans to be developed, in conjunction with local government, for each of the identified transit oriented development sites.*

### **NSW Government response – Support**

In the proposed new planning system, Councils will have a role in developing precinct plans for sites identified in Subregional Delivery Plans prepared by the Department of Planning and Infrastructure. In some instances however, it may be appropriate for UrbanGrowth NSW to work in partnership with councils, for example development sites like the Green Square Town Centre.

For identified large or State-significant transit oriented development projects, the Department of Planning and Infrastructure may take the lead role in precinct planning, in consultation with local government, UrbanGrowth NSW and Transport for NSW.

It is important that planning for all transit orientated development includes the wider area benefiting from the proposal and not solely the land directly within the strategic rail corridors.

*Recommendation 7: That, in undertaking its co-ordinating role (recommendation 1), UrbanGrowth NSW develop and promote best practice transit oriented development design principles.*

### **NSW Government response – Partially supported**

UrbanGrowth NSW and councils will promote best practice principles through the delivery of their projects. The Department of Planning and Infrastructure however, is best placed and the most appropriate agency to prepare best practice planning and design principles. This will ensure that principles are aligned with the new planning system and that additional regulation or red tape is not introduced. As a matter of course, the Department of Planning and Infrastructure will consult UrbanGrowth NSW and councils in developing principles on an ongoing basis.

*Recommendation 8: That NSW Treasury examine ways to implement value capture mechanisms for transit oriented development precincts, in order to generate funding for future infrastructure projects.*

### **NSW Government response – Support**

NSW Treasury in collaboration with the relevant infrastructure delivery agency will provide value capture options to Government as part of the broader funding analysis for future infrastructure projects.

While value capture has potential to contribute to the funding mix for infrastructure, there are issues such as:

- identifying who benefits and by how much, reflecting only the incremental value change effect associated with the specific infrastructure development;
- timing issues between the construction and operation of the infrastructure and when the value increase takes place; and
- identifying suitable value collection mechanisms that reflect each of the above, ensuring consistency in treatment while also taking into account differing characteristics of project beneficiaries and their relative capacities to pay.

These issues are unique to each development and will be taken into account when designing a proposed value capture approach.

NSW Treasury is currently working with the Sydney Motorways Project Office to explore value capture options for the WestConnex motorway project.

NSW Treasury is also in the process of consulting with Transport for NSW, UrbanGrowth NSW and North West Rail Link Project Office with a view to establishing principles that can be generally applied.