

TENDER

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Briefing: Minister for Transport and Infrastructure  
FOR APPROVAL

## Parramatta Light Rail Transit: Compulsory Acquisition of Land at Camellia

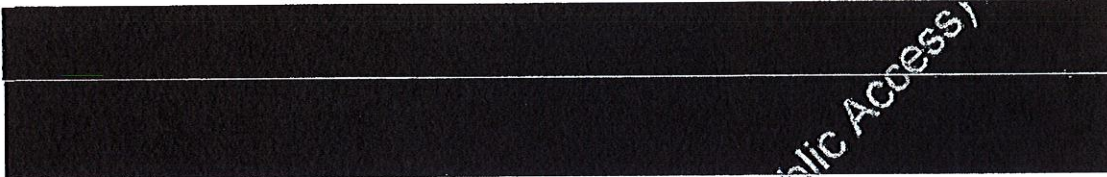


Transport  
for NSW

Topic: Acquisition of 6 Grand Avenue, Camellia

**Analysis:** TfNSW has identified a preferred location for the proposed light rail vehicle stabling facility to service the Parramatta Light Rail (PLR) project. Access to the privately owned land is required by 2018 in order to meet the current programmed construction timeline.

### Recommendations



### Key reasons

#### Parramatta Light Rail (PLR)

On December 8, 2015 the NSW Government announced the preferred 20 kilometre route for the PLR project. The network will connect Westmead Hospital with Parramatta CBD then to Camellia and travel via Sydney Olympic Park to Strathfield. A light rail line will also branch to Carlingford replacing the existing heavy rail line.

#### Proposed Construction Timeframe

TfNSW has started work on the scoping and definition stage of the PLR project, with the Final Business Case and Assurance due in June 2017. In parallel, TfNSW will be preparing a draft Environmental Impact Statement. Procurement for construction contracts is planned for 2017 to allow construction to commence in late 2018.

#### Depot, Maintenance and Stabling Facility at Camellia

6 Grand Avenue, Camellia has been identified as a suitable site for the stabling and maintenance facility located on the corner of Grand Avenue and Colquhoun Street in Camellia, adjacent to Rosehill Racecourse. It is geographically central to the PLR corridor with good road access.

#### Agreement on Compensation is unlikely to be achieved by negotiated agreement

Compulsory acquisition of the land is required because it appears unlikely that an agreement on compensation will be achieved.

A recent title search of the subject property confirms the site is owned by Grand 4 Investment Pty Limited, mortgaged to the former registered proprietor Akzo Nobel Chemicals Pty Ltd.

Objective Reference: 4981395

Contact: James White, Technical Director Project  
Property Services, Phone No. 9200 0957  
Mobile No. [REDACTED]

**SENSITIVE: NSW GOVERNMENT**

Document tendered by	Mr Daniel Moshley MBE
Received by	Time Moshley
Date:	25 / 02 / 2021
Resolved to publish	Yes / No

Grand 4 Investment Pty Ltd directors are William Kinsella and John Kinsella whom are the founders of Billbergia, a private development company based in Sydney. Billbergia is the largest developer of waterside apartments in Wentworth Point and Rhodes. Billbergia are a member of Westline Partnership group established with the aim of helping fast-track the delivery of a light rail route along Sydney's Olympic Corridor.

The site has recently been purchased with a view to short/medium term leasing with urban renewal residential development planned for within the next 10 years.

**Supporting analysis**

**Risks and Mitigation**

The subject site is contaminated and is listed on the Environmental Protection Authority (EPA) register. Compulsory acquisition of the site will be on an 'as is' basis with TfNSW dependent on the Valuer General making an allowance for site clean-up and a site audit statement for a suitable use in the Determination of Compensation. TfNSW will then need to undertake the remediation works, to a level suitable for the Depot use.

**Financial Impact**

There are several parties potentially with interests in the site and may have a claim for compensation including:

1. Owner – Grand 4 Investment Pty Ltd;
2. Mortgagee - Akzo Nobel Chemicals Pty Ltd;
3. A possible tenant (Lion).

The funding to acquire the land is to be made available from the PLR project budget.

**Options**

Option	Analysis
1 Acquisition by Compulsory Process	This is carried out under the powers of the <i>Transport Administration Act 1988</i> . It ensures a timely acquisition in accordance with the <i>Land Acquisition (Just Terms Compensation) Act 1991 (LAA)</i> to meet project delivery commitments. The current registered proprietor Grand 4 Investment Pty Ltd has advised interim leasing arrangements are being finalised and future development of the land will be planned. The earlier the compulsory acquisition is undertaken the total cost including any litigation costs can be minimised as the future development is not progressed to approval.
2 Acquisition by Negotiated Agreements	TfNSW will endeavour to acquire the site by a negotiated agreement. Negotiations can be undertaken in parallel with the compulsory process. TfNSW has commenced discussions with Grand 4 Investments Pty Ltd.

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**Consultation**

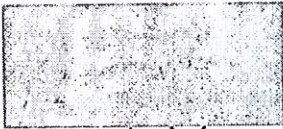

High level consultation has occurred with the Department of Planning and Environment, who are currently undertaking structure planning of the Camellia precinct. Feedback from officers suggests that a light rail depot at this location is compatible with proposed future planning controls.

TfNSW has commenced discussions with Grand 4 Investments Pty Ltd. Negotiations to acquire the property by agreement will continue notwithstanding the commencement of the proposed compulsory acquisition process.

**Recommendations**



**Approval**

<p><b>Deputy Secretary, Finance and Investment</b></p>  <p>12/4/16</p>	<p><b>Minister</b></p>  <p>28/4/16</p>
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cc: Tim Reaction



28/4/16

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## Background

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### Project Works

The Preferred PLR network includes:

1. A core spine linking precincts within Greater Parramatta including Westmead health precinct, Parramatta CBD to Camellia.
2. The replacement of the existing of existing heavy rail service between Camellia and Carlingford with a more frequent light rail service.
3. A light rail service through Camellia renewal area, Sydney Olympic Park also connecting to Strathfield.

### Camellia Land Requirements

Land Area: 6.203 hectares  
 Title: Lot 3 DP843591 (Deposited Plan provided at Attachment A)  
 Owner: Grand 4 Investment Pty Limited  
 Location: 6 Grand Avenue, Camellia NSW

### Rationale for the land acquisition

The property was offered to the market through Real Estate Agents, CBRE, with an EOI campaign commencing March 2015. TfNSW submitted several EOIs for a conditional sale based on the owner remaining responsible for the contamination liability. There was considerable interest in the property from A REIT's including Goodman and GPT Property Groups, who considered the property ripe for industrial development and possible future residential development. TfNSW was ultimately unsuccessful with a private buyer entering into an unconditional contract in relation to the contamination/clean up risk.

The land size of the subject site is sufficient to serve the projected operation of up to two light rail lines under investigations to at least 2036.

The risk to the project is that land values are increasing in area due to the planned change of use of land in the area, rezoning and the light rail. The land acquisition cost for maintenance depot and stabling facilities in this location will continue to increase rapidly in the short to medium term.

It is therefore recommended to commence the compulsory acquisition process in parallel with the negotiation of an agreement for the purchase of 6 Grand Avenue, Camellia.

### Land acquisition by TfNSW

The Transport Administration Act authorises the compulsory acquisition of land by TfNSW under the terms of the *Land Acquisition (Just Terms Compensation) Act 1991*.

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**Attachments**

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A	Title
	Deposited Plan of Lot 3 DP843591



Released under NSW Government Information (Public Access) Act 2009

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Property Services, Phone No. 9200 0957  
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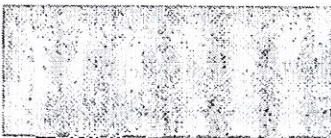
## Internal Approvals

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**Topic:** Parramatta Light Rail: Compulsory Acquisition of 6 Grand Avenue at Camellia

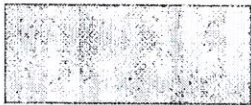
### Recommendation

It is recommended that the Deputy Secretary, Finance & Investment, TfNSW, provides the attached Briefing Note to the Minister for Transport and Infrastructure recommending that the Minister approves the compulsory acquisition of the interests therein, required for the PLR project.



James White, Technical Director Project Property Services

Date: 18 April 2016



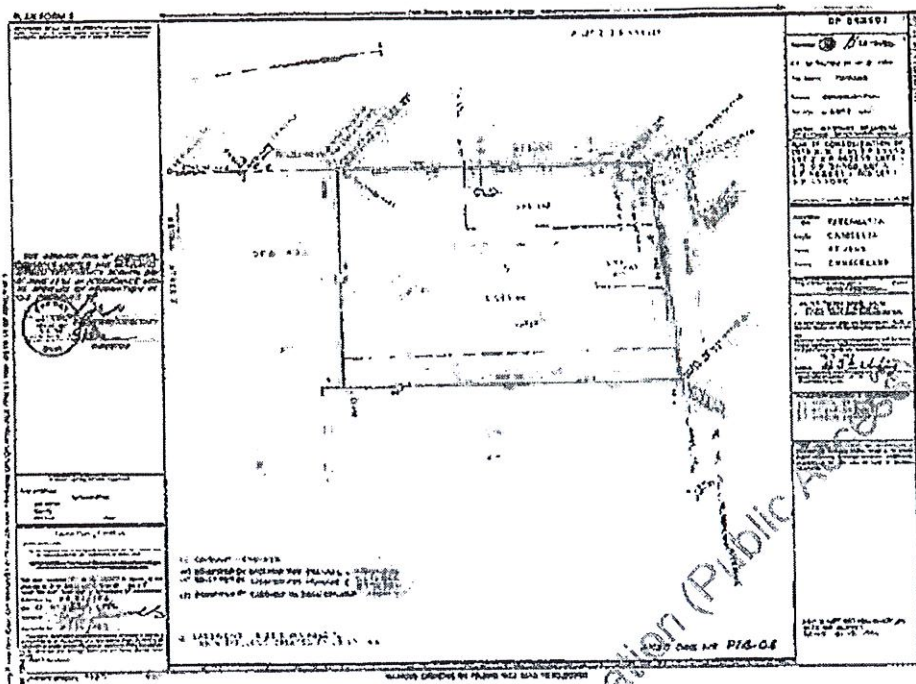
Tim Poole, Project Director, Light Rail

Date: 19 April 2016

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SENSITIVE NSW GOVERNMENT

Attachment A



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Objective Reference: 5113558

Contact: James White, Technical Director Project  
Property Services. Phone: 9200 0957

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