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#### Introduction

1. This supplementary submission to the Parliamentary Standing Committee on Public Works is made on behalf of Randwick City Council. This submission should be read as a supplement to Council's earlier submission dated March 2003.

2. Randwick City Council is the largest and oldest of the eastern Sydney metropolitan Councils, a local government area with 121,497 residents, covering a land area of 37 square kilometres, with 25 kilometres of Sydney's eastern seaboard extending from Clovelly in the north into Botany Bay in the south.

3. With the exception of works approved under Commonwealth jurisdiction and identified in the Notice of Intention (NOI) for the site, Randwick City Council is the consent authority for the redevelopment of the Defence Site. The planning and development processes for this redevelopment are well underway.

4. The area of the site declared as surplus to Defence's requirements, together with an area of land proposed as the "Army Oval" have now been rezoned, through amendment No. 23 to Randwick Local Environmental Plan (LEP), published in Government Gazette No. 83 of 9 May 2003. LEP amendment No.23 permits, subject to development consent, the use of the subject land for, residential, open space and environmental protection purposes, consistent with the adopted Master Plan for the site, 21 November 2001. The LEP zoning map and built form control map is attached at appendix A, it enables the Master Plan and sets up appropriate land uses and controls for the site.

5. A site specific Development Control Plan (DCP) for the surplus Defence land was adopted by Council on 11 March 2003 and became effective 21 May 2003. The DCP is consistent with the adopted Master Plan and set specific controls for the development of the site. The DCP represent an important step forward for Randwick in terms of sustainability provisions and will ensure that this development when complete will be a model development. All efforts have been undertaken to minimise the ecological footprint of the future development, particularly in terms of water sensitive urban design, maximising renewable energy use, minimising green house gas emissions, waste minimisation and environmental education. The DCP document may be viewed at Council's web site <u>www.randwick.nsw.gov.au</u>

6. A number of development applications have now been made to Council by Defence under the provisions of Randwick Local Environmental Plan (LEP) 1998 for the redevelopment of the surplus Defence land.

7. Randwick City Council has determined the following applications in good faith with the understanding that commitments made to Council will be met by Defence, particularly with regard to the satisfactory remediation of the site and the satisfactory delivery of the



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major provisions of the Master Plan, including a community facility and a number of parks/open space areas, including Randwick Environmental Park :

8.		
No	Type of application	Determination
WA 01/0005	Master Plan Defence Site, Randwick	Adopted by Council with
	Barracks	variations 21 November 2001.
DA 02/0427	Development Application Stage 1A	DA approved by Council 23
CC 02/0769	infrastructure works and Construction	September 2002, CC approved
	Certificate	27 February 2003.
DA 02/0426	Development Application Community	DA approved by Council 23
CC 03/0818	Facility works and Construction	September 2002, CC approved
	Certificate	18 December 2003
DA 02/0428	Development Application Stage 1B	DA approved by Council 23
	infrastructure works	September 2002, deferred
		commencement.
DA 02/0747	Development Application establishment	DA approved by Council 23
	Randwick Environmental Park	September 2002, deferred
		commencement.
	Plan of Management (PoM) for	Endorsed by Council as land
	Randwick Environmental Park	owners PoM 22 July 2003
DA 03/0062	Subdivision of land into 34 lots for future	DA approved 18 November 2003
	residential use	
DA 03/0063	Subdivision of land into 2 lots for future	DA approved 12 September
	residential use and public road	2003

9. Deferred commencement approval means that consent does not commence until the matters subject to that deferred commencement have been satisfied. Typically the matters are related to the satisfactory remediation of the site, standards for which were discussed in our first submission, particularly in the "Need for the works" section (ii). Some supplementary information follows from paragraph 12.

# TERMS OF REFERENCE FOR THE HEARING

10. The Committee is required by the Public Works Committee Act 1969 to report to Parliament on:

- *i.* The need for the work;
- ii. If the proposed work will adequately satisfy the need;
- iii. If the estimated cost of the work can be justified; and
- iv. The amount of revenue, if any, the work will generate for the Commonwealth



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# i) THE NEED FOR THE WORK

11. The statement of evidence prepared by Defence specifies the following main areas of the need to be addressed as:

- a) Decontaminate and remediate the site to a level suitable for public use;
- b) Meet the identified commitments to Randwick City Council; and
- c) Optimise the returns to revenue from the sale of land.

# a) Decontaminate and remediate the site to a level suitable for public use;

12. Notwithstanding the fact that the remediation of contaminated land at the site is being carried out under the Commonwealth NOI approval, in adopting the Master Plan, rezoning the land and issuing deferred commencement Development Consent approvals Council required that:

13. "The site must be remediated to the maximum standard for residential and other sensitive land uses applicable under relevant State and Commonwealth legislation and guidelines. In the case of asbestos or other contaminants where no adopted standard exists, the site is to be remediated to an asbestos free level, or to a level where no unacceptable health risk remains. This will be confirmed in writing by the relevant State and/or Commonwealth Government authority. The site audit statement must certify that the site is suitable for unrestricted land uses as identified in the master plan."

14. "The site must be remediated, validated and an unconditional site audit statement issued (to the extent that it must be issued with no conditions requiring ongoing management or monitoring) by a site auditor accredited by NSW EPA, under the *Contaminated Land Management Act 1997*"

15. To date Council has received two site audit statements. One for stage 1a in the north east of the site (area sold to MIRVAC for over \$56 million) and the second for lot 11 DP 1048214, where the community facility and local park 5 is to be constructed. Unconditional site audit statements have been issued by the auditor certifying that the site is suitable for its intended land use, that being residential with accessible soil, daycare centre, preschool, park and recreational open space.

16. At Council's request the auditor has also worked closely with NSW Health to help negate actual and perceived risk to public health from asbestos in soil on site. This has included the sign off and review of the work plan, site audit statement and summary site audit report by NSW Health, prior to deferred commencement conditions relating to the satisfactory remediation of the site are lifted by Council. See appendix B.

17. Council contends that the satisfactory remediation of the site is absolutely essential for the future intended use of the site and indeed the existing use of the site by Defence personnel and the users of the existing Bundock Street community centre. The need for the completion of all remedial works is paramount.



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#### b) Meet the identified commitments to Randwick City Council

18. The statement of evidence prepared by Defence specifies the following commitments to Randwick City Council as:

- (a) the submission, by Defence of Development Applications for the subdivision of the disposal precinct and for the construction of a new community facility;
- (b) the construction, by Defence, of the community facility and its transfer, at no cost, to Council by November 2003;
- (c) the preparation, by defence, of a Plan of Management and a Bushland Regeneration Plan for the Randwick Environmental Park
- (d) the embellishment, by Defence, of the Randwick Environmental Park, at a cost of up to \$1.0m, by November 2003 and the provision of a one-off payment of \$2.5m towards the management and maintenance of the Park for the next 19 years;
- (e) construction, by Defence, of the Army oval in accordance with the NOI prior to the development of any land dependant upon its secondary role as a stormwater detention basin;
- (f) remediation works, by Defence, in accordance with the master plan and Notice of Intent; and
- (g) Council proceeding to expeditiously rezone the site and undertaking to issue development consent(s) in accordance with the agreed, master plan.

#### Community Facility

19. All developments within the State of NSW are subject of the *Environmental Planning and Assessment Act* (EP&A Act). Section 94 of the EP&A Act in particular requires the developer of a site to provide infrastructure, amenities and services, which are the result of the specific development. Following public exhibition Council adopted the s.94 Contributions Plan for the site. The plan identified the community facility, a number of pocket parks as well as the infrastructure works associated with the development. All these works are statutory requirements for the development within the framework of s.94 of the EP&A Act.

20. As outlined above, the original commitment given by Defence was to complete and transfer the community facility at no cost to Council, by 30 November 2003. Thereby satisfying the s94 developer contribution requirement and the Master Plan and community group commitments given by Defence, with regard to the community facility. This commitment has yet to be met.

21. In May 2003 The Hon Fran Bailey, Parliamentary Secretary to the Minister for Defence, gave a commitment that the construction of the new community facility will commence prior to the end of the 2003 financial year.



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22. In December 2003 The Hon Fran Bailey, reaffirmed the Commonwealth's commitment to deliver on earlier undertakings to Randwick City Council at the "Ground Breaking" ceremony for the Community Centre. However Council was subsequently advised that due to issues associated with the application of the National Code of Practice for the Construction Industry and scheduling of a Parliamentary Works Committee Hearing, some elements of works may not be finalised before August 2004 as previously advised.

23. Council considers that the timely completion of the public infrastructure works, such as the community facility, the Randwick Environmental Park, the local parks and public domain improvements are not only essential statutory requirements, but also are imperative for the overall success of the site redevelopment, for meeting the needs of the incoming residents to the site. These are standard requirements for all redevelopment sites, as a whole as well as for enhancing the site and for its integration with the surrounding development.

# Randwick Environmental Park

24. Randwick Environmental Park (REP) contains a significant area of threatened species of Eastern Suburbs Banksia Scrub, *Acacia Terminalis* ssp. *terminalis* and an ephemeral wetland. Consequently Defence has management obligations for the REP under the *Environment Protection Biodiversity Conservation Act 1999*. The successful management and multiple use of this natural heritage area can now be achieved through the rezoning of the area and the implementation of the Plan of Management.

25. The area was rezoned Environmental Protection in May 2003 and the Plan of Management (PoM), which was prepared by Defence and reviewed by a panel of experts was endorsed by Council as a landowners PoM in July 2003.

26. Regrettably the delivery of Randwick Environmental Park with the satisfactory completion of first year works by the target of 30 November 2003 has not been met. Council is yet to receive a site audit statement for this parcel of land. It is anticipated that the work should commence immediately upon issue of a site audit statement and construction certificate.

27. As with the community facility, this park provides for essential needs of the incoming residents, in passive recreation provision. It enhances the redevelopment site and as a natural heritage area, even without any redevelopment, the area should be rehabilitated and maintained by the responsible land owner.

# Other

28. Army Oval is needed not only for Defence purposes but for stormwater detention from the adjacent catchment to be redeveloped and also for public use, subject to Defence needs. It is an integral part of the Master Plan vision for the site.



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# ii) IF THE PROPOSED WORK WILL ADEQUATELY SATISFY THE NEED

#### Remediation of site

29. A Commonwealth Indemnity has been give to Randwick City Council with regard to site contamination, indemnifying Council against all legal liability of any nature which the Council may incur for a period of 40 years.

# Community facility

30. Several planning focus group meetings between Defence, Council and representatives of all community groups to be relocated to the new facility were undertaken during the pre-lodgement phase of the Master Plan and Community Facility Development Application in 2000-2002. Detailed discussions are continuing and a number of omissions have now become apparent since the construction plans became available for viewing, at the briefing held by Defence for stakeholders in December 2003.

31. The construction plans show a higher level of detail, which was not available and is not required at DA or Master Plan stage. A summary of Council and community requests is attached at appendix C and Council understands that they are being considered by Defence. In the spirit of good community relations and to honour commitments made by Defence, Council recommends that a supplementary provision to the budget be made to accommodate the identified needs, estimated to be \$ 50,000. This will ensure that the facility adequately meets the identified user needs.

32. The Department has made a public commitment to the community, the users of the existing community facility and Council for a timely delivery of a new community facility. Consequently Randwick City Council submits that the Department should honour the commitments made as a matter of urgency and fast track the construction of the new community centre in accordance with the requirements of the Master Plan, the approved Development Application and recently identified needs.

#### Randwick Environmental Park

33. In determining the Development Application for the Randwick Environmental Park (REP) and reviewing its Plan of Management, Council consulted with relevant government agencies and community. Arising from this process three matters not previously costed were identified and subsequently conditioned on the development application DA 02/0747.

34. The first matter is, an elevated walk way between lots 16 and 17, to increase viability and allow connectivity between patches of Eastern Suburbs Banksia Scrub, a Commonwealth and State listed Endangered Ecological Community. The proposed elevated walkway serves as a vital connection between the community facility and car



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parking and is likely to have a high degree of pedestrian traffic, its provision will help conserve the ecological values of the REP.

35. The second matter is, the provision of solar powered lighting in three critical areas within the REP were identified for public safety reasons.

36. The third matter is, bank stabilisation works to the watercourse leading to the wetland, which is currently eroded, were identified in 2002. However recent detailed costing for Construction Certificate purposes have disclosed that this may present an unreasonable cost burden on Randwick residents and liability issues, should rectification works not be carried out by Defence prior to the Park opening. In 2001 when

37. The PWC should note that cost estimates for capital works were estimates only made without the benefit of detail investigations during the Master Plan process in 2000-2001. It is reasonable to expect variations given the lapsed time and benefit of construction plan details.

38. Randwick City Council submits that the Department should honour the commitments made and commence the embellishment of the Randwick Environmental Park in accordance with the requirements of the Master Plan and the terms and conditions of the approved Development Application. This would require an additional allocation of funding, ranging from \$300,000 – 500,000 (subject to detailed breakdown estimate) over and above the \$1 million identified in 2001 for capital works and bushland works.

# Other

39. The provision of the Army Oval in accordance with the Master Plan is vital to the development of the adjacent surplus land as it will have a subsurface stormwater detention function for part of the adjacent catchment. The Master Plan proposed that it would be constructed by Defence and completed prior to the release of stage 2. Council submits that its provision should be a high priority.

# iii) IF THE ESTIMATED COST OF THE WORKS CAN BE JUSTIFIED

40. Randwick City Council submits that the cost associated with the works are essential under the statutory requirements of the development. However, given that the works have been delayed, more robust and realistic estimates of all the required works must be carried out. This will ensure the full delivery of Master Plan outcomes and commitments and those additional matters arising from community and government agency review. As mentioned in (ii).

41. The option of doing nothing and the option of carrying out the minimum works are not supported. This option is inconsistent with the approvals for the site, which have occurred with full consultation with relevant government agencies and the public.



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42. Council further submits that additional funding is justified as the cost estimate for works were estimated in 2000 - 2002, on the expectation of immediate commencement of works, and no allowance has been made for the affect of CPI increases and the GST on the cost of materials and services. Conversely property and land value in Randwick has increased significantly over that period, which in turn will appreciably realised a far greater return in revenue for the Commonwealth than previously estimated, further discussed in section iv).

43. In offering to accept dedication of Randwick Environmental Park, 13.1 hectares of ecologically sensitive land requiring a great deal of long term care and attention, and in opening this area up to the community, Council is alleviating Defence from the significant management responsibilities, required of land owners in the proper management of threatened species, bushland, wetland and passive recreation areas. To leave this area and do nothing would severely devalue the land adjacent now rezoned for residential purposes, and leave Defence with a considerable ongoing cost burden and community disquiet. The do nothing option, importantly, contravenes the Commonwealth's responsibilities under the *Environment Protection and Biodiversity Conservation Act*, relating to threatened species.

44. The additional allocation of funding Council and the community seeks is insignificant when considered in this light. Council submits that all costs are fully justified and commitments should be fully honoured. If this is realised the community's acceptance and support for the project will be greatly enhanced and a project attaining best practice ecologically sustainable development standards will be delivered by the Commonwealth for the community and future generations.

# iv) THE AMOUNT OF REVENUE, IF ANY, THE WORK WILL GENERATE FOR THE COMMONWEALTH

45. It is important that the Committee note that the satisfaction of all commitments to Randwick City Council are to satisfy the s94 contributions required under the *Environmental Planning and Assessment Act 1979*.

46. All major redevelopment sites are required to provide open space and community facilities and other infrastructure for their incoming population. In addition this will serve to increase the attraction and marketability of the sites. It is also meeting the needs of new residents. Alternatively s94 contributions could be paid to Council to build the facilities and infrastructure, either on site or else where in the local government area. The proposed open space and community facilities provided on the Defence site will enhance the site and optimise revenue for the Commonwealth.

47. The residential rezoning of the site, which is now in place, gives the Commonwealth financial surety of good revenue returns. However the revenue will only be optimised with the satisfactory completion of the community centre, Randwick Environmental Park, the Army Oval and all other parks and public domain infrastructure envisaged in the Master



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Plan and reflected in the Local Environmental Plan, Development Control Plan and Plan of Management.

48. It may also be of interest for the Committee to note that there has been a demonstrable increase in property and land value in Randwick. With Sydney benefiting more than anywhere else in Australia, in 2003 Randwick had the ninth highest number of \$1 million plus house sales within the Sydney metro (*Sydney Morning Herald, 6 July 2003*). This increase in property value was confirmed last year with sale to MIRVAC of stage 1a, for \$56 million, representing approximately 15% of the developable area.

49. Whilst the delays in project delivery have occurred, it is clearly anticipated that the future returns to the Commonwealth will significantly cover and exceed costs. It is therefore financially prudent for the Commonwealth to continue its proposed disposal of the land after value adding and to deliver the best and most marketable product, which incudes the full delivery of the infrastructure commitments and requests.

50. Council further contends that the proposed construction program identified by Defence should be updated to a realistic timetable with grater certainty as to the staging and timing. Council is working closely with all relevant Defence officers and consultants and looks forward to this process continuing in an expeditious manor.

# CONCLUSION

51. The PWC should take into account the significant time delays in project delivery and make the necessary financial allowances for the prompt delivery of all services and amenities identified within the legislative framework.

52. The PWC should also recognise that the necessary planning framework is now set for Defence to deliver a model suburb. This is a culmination of many years of dedicated work, work which has embraced best practice planning and achieved the integration of ecologically sustainable practices into the development of the site. However revenue returns will only be optimised if all Council and community commitments are met, with allowance for the aforementioned items to community facility and environmental park.

53. The potential community benefit from this project is significant. It has the potential to deliver the protection and embellishment of sensitive land and provision of open space. It will fulfil the Commonwealth's legislative requirements relating to the *Environment Protection and Biodiversity Conservation Act.* It will provide not only for recreational and environmental benefits but also visually enhance the site, together with the community facility providing for the relocation of community assets currently on site into a new and multipurpose facility better able to cater for the new population. Thus optimising the return to the Commonwealth.

54. Randwick City Council submits that the PWC should recognise that both the satisfactory remediation and prompt delivery of the provision of all infrastructure works are



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integral to the project's success. PWC should therefore confirm its commitment to the delivery of all infrastructure and approve all the necessary supplementary funding outlined in this report, to ensure that all the commitments made to both the community and Council are fully satisfied.

Gordon Messiter

General Manager Randwick City Council



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Appendix A – Zoning map and built from map



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#### Appendix B – Correspondence from NSW Health

NSWEIHEALTH

ENVIRONMENTAL HEALTH BRANCH

H02/4778(3)

Mr Ross McFarland Site Auditor CH2M HILL Australia Pty Ltd PO Box 5392 CHATSWOOD NSW 2067

Dear Mr McFarland

I refer to your letter concerning NSW Health advice on your Site Audit Statement (SAS) and Summary Sife Audit Report (SSAR) for the North East Subdivision Stage 1A area of the Department of Defence Bundock Street site in Randwick.

Health officers have considered the SAS and SSAR and believe that Randwick Council's Masterplan Condition C44 relating to risks from asbestos in the soil has been met for the proposed future use of the site for sensitive residential purposes. The area in question had no asbestos fibres detected, only a few fragments of asbestos cement sheeting. The fragments were removed and the area validated in accordance with the work plan previously discussed with Health.

in my opinion the risk to people's health, if indeed a risk exists at all, is so small that it need not be considered further.

For any further queries regarding this matter please contact Mr Geoffrey Richards, Senior Policy Officer, Environmental Health Brench by phone 02 9816 0534 or by fax 02 9816 0377.

Yours sincerely

Vicky Sheppeard A/Associate Director Environmental Health Branch

20/12/02 .



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Appendix C

TW (98/S/4189) (Contact Officer: Tony Watson - 9399.0957)

24 February 2004

Anthony Fitzsimmons Fitzwalter Group Pty Ltd 633 Harris Street ULTIMO NSW 2007

Attention: Vincent Santos

Dear Mr Santos,

#### **Re: Community Facility and Parks – Defence Site Randwick**

I am writing to clarify and address our most recent discussions regarding inclusions for the community groups being relocated within the new Community Facility currently under construction.

I would like to reiterate that the facility is to contain a facility for WIRES; a commitment that from the outset of discussions had been fully supported by Defence. Further the DA drawings, which were approved in September 2002 clearly identified facilities for WIRES. However, the specification detail were matters for the construction certificate. A copy of the relevant approved DA drawing is attached.

As with all the users, the expectation is that the reasonable provision of inclusions to enable the users to carry out their function would be provided by Defence and that all inclusions would meet applicable standards. Recent discussions with WIRES have confirmed that a suitably designed enclosing fence, with gate to the reserved area, together with a tap and sink are all that is required. Council considers this request to be reasonable and requests Defence to confirm its commitment to the WIRES facility inclusions.

Similarly for other users, an enclosing fence with access gates, to DOCS standards, delineating the private open space areas of the other users was anticipated by Council. However we have no objection to the credit from the deletion of the wall in the Day Care being used to cover additional gate costs.

I understand that there have been discussions with Mr Fitzsimmons regarding the provision of a partition wall to the main room of the pre-school just prior to Christmas. Mr Fitzsimmons undertook to take the matter up with Defence and resolve this issue.

It is further understood that notwithstanding the above requirements the recent letters received (and forwarded to yourself) from the future community facility users list a number of additional requirements and requests, which unless they form part of a prior agreement, or a minimum required standard, or can be accommodated without cost, will not proceed under the current works contract without payment for variation.



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However your attention is drawn to the attached approved DA plans, which clearly show the provision of shade structures and play equipment. These plans were publicly exhibited and the assumption by the community and Council was that they would be provided by Defence as an integral part of the facility and as part of the commitment by Defence to relocate the existing on-site community uses. If it is no longer the intention to install the play equipment and shade structures as shown on the plans, due to financial or other constraints, you are requested to advise the affected parties accordingly.

It should also be noted that in accordance with the Masterplan controls, in particular C49-C53, the conditions of development consent for the Community Facility make a number of specific inclusions, such as rainwater tanks, solar hot water heaters, AAA rated appliances, and others in particular condition 49. Once more the expectation is that all conditions of consent and Masterplan controls are fulfilled by Defence and confirmation of their provision is requested.

Parks are to be developed generally in accordance with the principles contained in Figure 40a to 40f of the adopted Masterplan. Amongst other things these figures and text detail the provision of facilities, including play space equipment and fencing to be located within each park. Masterplan control C16 is also relevant in that "all street furniture be consistent with any guidelines of Council". Works are further detailed in section 6 of the Statement of Environmental Effects DA02/0426, which also includes a Public Domain Concept Plan. The expectation is that the parks are fully embellished in accordance with the Masterplan intent at no cost to Council. These works in kind are understood to be part of Defence's commitment to the community and are being provided in lieu of a financial s.94 contribution to Council.

Clarification of your intentions with regard to the above is requested and we thankyou for your cooperation in this matter. Should you require any further information please contact Tony Watson, Team Leader Strategic Planning on 9399 0957

Yours faithfully,

Gordon Messiter, *GENERAL MANAGER* 

Per: .....

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