



NSW GOVERNMENT
Department of Planning

Departmental Review

Queanbeyan City Council Residential and Economic Strategy 2031

April 2007

Departmental Review Queanbeyan Residential and Economic Strategy 2031
© Crown copyright 2007
State of New South Wales through the Department of Planning

23–33 Bridge Street
Sydney NSW Australia 2000

www.planning.nsw.gov.au

ISBN 0-7347-5830-8
DOP 07_016

Disclaimer: While every reasonable effort has been made to ensure that this document is correct at the time of printing, the State of New South Wales, its agents and employees, disclaim any and all liability to any person in respect of anything or the consequences of anything done or omitted to be done in reliance upon the whole or any part of this document

Summary

In order to resolve the issue of land releases in the Queanbeyan area the Minister for Planning requested Queanbeyan City Council to prepare a 25 year residential and employment lands strategy. Council used the principles of the recently signed memoranda of understanding between the NSW and ACT Governments on water supply and settlement, as well as considering the findings of the Queanbeyan Land Release Inquiry, to prepare its Strategy.

The Queanbeyan Land Release Inquiry Panel was established by the Minister for Planning to provide advice on the rezoning proposals for residential land development. The recommendations of the Panel have been considered in this report. Whilst the Panel hearings and report, have provided a good basis for assessing the proposed rezonings, the recommendations did not fully address the broader Government concerns of housing affordability through competition in the market place; the importance of securing a housing supply that aligns with the 25 year time frame of each region; the provision of adequate infrastructure to service the preferred release area of Googong; and a matching of employment land supply with the projected demand. Weighing up these important planning priorities against supporting the regionally important role of the airport is a key aspect of this report.

In November 2006 Council asked the Minister for his endorsement of the Strategy. Council's final Strategy identified that it needs to create the capacity to accommodate growth in the order of an additional 10,000 dwellings and 100 hectares of employment lands over the next 25 years. This report has been prepared for the Minister and reviews Council's Strategy.

The Department's review of the Strategy has focused on:

- Queanbeyan's future employment lands needs
- Aircraft noise
- The importance of addressing housing affordability
- Transport and traffic implications of the new development
- The most appropriate spatial arrangement of new development, and
- Water supply to the new residential areas.

From its analysis the Department has concluded that new residential and employment lands development in Queanbeyan can be supported as provided in the Strategy subject to the changes and requirements recommended in this report. Specifically, the report concludes that adequate employment land should be set aside; that the impact of aircraft noise is a relevant planning consideration with certain residential releases not to proceed and others temporarily deferred as part of further discussion with the ACT Government; that a transport and traffic solution is integral to any future housing; and that satisfactory arrangements for the orderly provision of infrastructure, specifically water need to be in place.

The recommendations of this report provide a balance between the need for new affordable residential development in Queanbeyan, the provision of appropriate supporting infrastructure for roads, community facilities and water supply as well as the continued operation of Canberra Airport.



Sam Haddad
Director General

Introduction

This report reviews the Queanbeyan City Council Residential and Economic Strategy 2031 as submitted to the Minister for Planning in November 2006. The Strategy was prepared by Council following a request from the Minister to prepare a 25 year strategy for the future residential and employment lands needs of Queanbeyan. The Strategy considers the findings of the Queanbeyan Land Release Inquiry, as well as the Memoranda of Understanding between the ACT and the NSW Government concerning settlement and water supply in the ACT-NSW Cross Border Region.

Background

There is a long and protracted history relating to the consideration of proposals for the residential expansion of Queanbeyan. Consideration of the various residential proposals has been complicated by a number of factors including the relationship of Queanbeyan to the ACT, the need for multiple development fronts to provide affordable housing for the community and the need to respond to environmental issues.

Resolution of these issues is critical given that Queanbeyan has virtually exhausted its supply of new residential land. At risk are increasing housing prices given the area's history in providing an affordable housing alternative to the ACT. Given the continued strong demand for housing and the expected ongoing population growth projected for the area, the identification and development of new residential land is critical.

In May 2006 the Minister constituted a Panel to inquire into the residential development options available to Queanbeyan. The Queanbeyan Land Release Panel was asked to examine the various residential proposals taking into account agreements signed between NSW and the ACT Governments on cross-border settlement and water supply issues. The Panel provided its report to the Minister in August 2006.

To assist its deliberations the Queanbeyan Land Release Panel developed a series of planning principles to assess the various development proposals. While the Panel's proposed planning principles were a solid foundation for the assessment of the various proposals, the Department's analysis of the report identified that the Inquiry Panel did not delve into the issues of employment land demand, residential land demand and effectively deferred other issues relating to the development of South Jerrabomberra to a subsequent strategic planning process.

In terms of the specific land release issues, the key recommendations of the Panel in summary were:

- Residential use of land affected by aircraft noise should be avoided where alternative greenfield residential development opportunities exist within the Queanbeyan local government area and the cross border region generally.
- The Googong site should be considered favourably for residential development on the basis that it is largely unconstrained.
- The Poplars site should not be considered further for residential development given the adverse affects of aircraft noise.
- The Tralee site should be considered a significant regional asset for employment and transport uses. It should not be considered for residential development.
- Tralee Station, and Environa/Robin should also not proceed for the same reasons as Tralee.

The principal concerns of the Department with the Panel's recommendations are:

- They significantly overestimate the amount of employment land required – 1200 ha of land at South Jerrabomberra represents over 200 years of supply

- Provide for only 15 years supply of residential land – at odds with the Department’s regional strategy process which aims to secure 25 year futures for each region
- Providing only a single land release area at Googong leaves the market exposed to a single supplier with potential for negative impacts on housing affordability and choice
- Gave excessive weight to a single issue (aircraft noise) as against other issues such as the desirability of multiple land releases and importance of land release contiguous to Queanbeyan
- Required yet another planning process to investigate and finalise the optimum use of the South Jerrabomberra lands.

Following receipt of the Panel report the Minister requested Queanbeyan City Council to examine its recommendations and findings and to prepare a residential and employment lands strategy. Specifically the Minister asked the Council to use the findings and planning principles from the Panel to prepare a 25 year strategy for Queanbeyan.

Council’s Strategy

Council provided the Minister a strategy for the future residential and employment lands needs of Queanbeyan. The Strategy consists of a written document and two accompanying maps that establish the location and extent of future residential and employment lands in Queanbeyan.

Based on its Strategy Council is recommending that:

- Residential development occur at the Googong site incorporating 5,550 dwellings (as recommended by the Panel, but not including the Eco-Living areas)
- In order to ensure ongoing housing affordability within the region, and to ensure that sufficient housing is identified for the next 25 years, that additional development fronts be identified in South Jerrabomberra
- A further 305 hectares or 4,000 dwellings is required in the South Jerrabomberra area to meet expected demand for dwellings
- The identification of supporting urban uses in the South Jerrabomberra area including a private high school site, a community facilities precinct and an expansion to the existing commercial area of Jerrabomberra.
- The proposed 10,000 dwellings for the Council area, or 400 dwellings per annum, reflects the current rate of dwelling demand in Queanbeyan and is approximately 10% of the broader region’s demand for residential dwellings
- Based on a projected employment lands take-up rate of 5 hectares per annum, that 100 hectares of additional employment lands will also be needed over the next 25 years
- The best location for additional employment lands is in the South Jerrabomberra area of Queanbeyan, adjacent to the existing Hume industrial area and the railway line.
- The proposal to identify 1,200 hectares of employment land in the South Jerrabomberra area (as recommended by the Independent Panel) would result in an excessive identification of employment lands (between 113 and 240 years depending on take-up rates).

Council has taken the basic positions above and applied them in a spatial sense to identify a future pattern of residential and employment lands expansion for Queanbeyan. In identifying a spatial expression of residential and employment lands expansion for Queanbeyan, the Council has taken into account a number of spatial constraints including, the existing and projected 2050 noise contours of Canberra Airport (expressed as an ANEF), the location of threatened species and endangered ecological communities, industrial noise buffers, riparian buffers to Jerrabomberra Creek and the servicing/visual impacts necessitating development staying below the 740m contour of the range to the south of the Jerrabomberra Valley.

Based on the spatial constraints identified above, Council's residential and employment lands strategy maps describe:

- The development of the Googong lands as proposed in the current draft local environmental plan (eg without the eco-living areas)
- The development of 100 hectares of employment lands adjacent to the Hume corridor employment area
- Residential development in 3 key locations in South Jerrabomberra, including:
 - Land in Tralee South and Environa/Robin (south) area close to the proposed employment lands
 - Lands to the east of the existing Hume industrial area and to the south of Jerrabomberra Creek in Tralee North and Environa/Robin (north) area
 - Lands to the north of Jerrabomberra Creek and to the west of the existing Jerrabomberra residential area at the Poplars
- Development of commercial areas at the Poplars adjacent to the existing Jerrabomberra centre, as well as a new town centre on the Googong site
- The provision of land for a potential private high school (on the Tralee North land), as well as the provision of a regional community facilities precinct on the Poplars land
- The identification of extensive lands at Tralee Station for future urban development (beyond the life of the Strategy).

Issue requiring resolution

The broader issue requiring resolution through the Strategy is the scale, quantum and location of development in the Queanbeyan area. Queanbeyan has been growing at a constant rate linked to its supply of affordable housing for the ACT and Cross-Border region market, but is reaching the end of its supply. There have been a number of proposals brought forward. However, the issues of staging, location, aircraft noise impacts and the ability to provide water from ACT controlled sources have delayed their development.

Analysis

The key issues associated with the assessment of Council's strategy and the resolution of the future employment and residential land releases have been identified to be:

1. The veracity of Council's employment lands analysis
2. The implications of identifying potential residential lands within the 20-25 ANEF 2050 noise contours for Canberra Airport
3. Transport and traffic issues
4. The proposed spatial arrangement of settlement
5. Water supply
6. Regional land supply and housing choice.

Employment Lands Analysis

The Department has already identified in its review of the Land Release Panel report that the employment lands needs of the Queanbeyan area were over-estimated. Based on existing take-up estimates in the range of 5-11 hectares the identification of approximately 1,200 hectares of land would provide between 113 and 240 years worth of supply. The timeframes are expanded if consideration is made of the existing and proposed employment lands supplies within the ACT which would increase the available stock and spread take-up over multiple sites.

There are two key factors in the analysis of employment lands needs: the amount of supply in Queanbeyan and the take-up rates of employment lands in the Queanbeyan/ACT region.

Council has identified that there is available industrial land within the Queanbeyan area. However, these land supplies are limited to small and isolated sites. It is understood that there are regular requests within the Council's Economic Development Unit for the location and potential development of large lot sites within the Queanbeyan area. As such there is an urgent need for the creation of additional employment lands.

In terms of the take-up rates for employment lands it is important to consider both the take-up rates for the Queanbeyan as well as the ACT region. The following considerations are important:

- Council's proposed take-up rate of 5 hectares (identified in the strategy) of employment lands per annum is conservative in broader regional trends, but exceeds the current 1 hectare per annum rate in Queanbeyan (constrained by the lack of supply)
- Work commissioned by the Village Building Company has identified a 7.7 hectares per annum rate averaged across the Region
- Work commissioned by the Department for the Sydney-Canberra Corridor Regional Strategy suggested approximately 12 hectares per annum, but this was also across the region.

The most appropriate take-up rate will be influenced by the type of industry and the potential land supplies that exist. Council makes an argument that more large lot land is necessary to meet demands, but recognises that there have been recent developments of bulky-goods homemaker style centres in the airport precinct. There have also been a number of investigation areas identified in the Canberra Spatial Plan. Clearly this has influenced Council's identification of the more conservative 5 hectares per annum take-up rates – leading to the identification of 100 hectares of employment land over the next 25 years.

Council appears to have made the assumption that it will only capture a proportion of the Region's employment lands market. Given the wide range of development potential still remaining in the ACT this assumption appears reasonable.

Council's analysis has identified the need for capacity to be identified to provide approximately 4,500 industrial and employment lands style jobs. Based on current participation and unemployment rates, it is estimated that the population growth in Queanbeyan will require an additional 9,000 estimated jobs. Assuming that half of these jobs will be in the service, commercial and retail sectors (and located in centres and dispersed locations) capacity needs to be created for the remaining 4,500 in industrial areas.

Using a generally accepted standard of 100 square metres for every industrial job, there will be a need to identify 50 hectares of industrial and employment lands. As a result the Council's identification of 100 hectares will provide a competitive surplus in land that will enable potentially higher rates of job creation to be pursued. It should also be noted that other emerging industries may require a much higher rate of employment land per worker. Council's identification of surplus employment lands should provide some scope to accommodate these potential emerging employment lands trends.

Council's identification of the location of 100 hectares of land is directly adjacent to the railway and the existing Hume industrial estate. However, the location of the employment lands is quite linear in nature, and being constrained to the north, east and west by the rail line and proposed residential development, there is very little potential to expand should the estimates of employment land needs be conservative.

It should be acknowledged that there is a very low containment rate for jobs within Queanbeyan and a high degree of cross-border commuting. Council's Strategy identifies that 65% of Queanbeyan workers commute to the ACT for work, and 40% of ACT workers commute to Queanbeyan. With such a high degree of cross-border commuting, it is clearly appropriate to look at employment lands needs from a region wide perspective.

Conclusion

The identification of an additional 100 hectares of employment lands is considered to be of the right order, but conservative when examined in a regional context. However, the spatial arrangement proposed by Council will not allow expansion of the employment lands if the take-up rates are found to be too conservative and additional land needs to be identified. An additional 30 hectares of employment land can be identified in South Jerrabomberra through the reconfiguration of the proposed urban footprint.

Aircraft Noise Issues

Development in the South Jerrabomberra Valley will be heavily influenced by the management of aircraft noise issues at Canberra Airport. The issue of aircraft noise has been an area of ongoing dispute in the identification of future residential development options for Queanbeyan.

South Jerrabomberra is located between 7 and 11 kilometres to the south of Canberra Airport. The airport has identified the area in its masterplan as a High Noise Corridor and has actively sought to prevent additional development in this area.

The High Noise Corridor has been referred to by Canberra Airport as a planning tool, but it has no official status as a land use planning restriction. Under the NSW planning system, specifically the section 117 Ministerial Direction No.12, the location of residential and other uses (eg schools and hospitals) adjacent to airports is controlled by the Airservices Australia endorsed Australian Noise Exposure Forecasts (ANEF) contours. Under the direction, residential development is prevented in areas within an ANEF contour of 25 or higher and residential development between the 20 and 25 contour must comply with the Australian Standard AS 2021 relating to interior noise levels.

The Airservices Australia ANEF contours for Canberra Airport are set out in the airport's masterplan. These contours are based on the practical ultimate capacity of the airport. The location of the ANEF 20 and 25 contours reflect the high use of the main runway for jet landings from the south.

Canberra Airport has consistently argued that a high noise corridor should be used to guide land use decisions. The Airport argues that the ANEF system and the accompanying standard adopted for construction design are a responsive approach to aircraft noise, rather than a proactive approach, such as avoidance of the noise conflict.

The Inquiry Panel identified that Canberra Airport is an important regional strategic asset and that curfew free operations are important for its continuing contribution to the entire Queanbeyan / ACT region. However, the Inquiry Panel did not see the High Noise Corridor as an appropriate planning tool, preferring instead the approach of limiting development to outside the 20 ANEF where alternatives existed. Queanbeyan City Council does not support this approach or the use of the High Noise Corridor, and has based its strategy on the application of the section 117 direction and the endorsed ANEF contours.

Following the Inquiry and Council's preparation of the draft strategy Canberra Airport commissioned a review of its ANEF contours to incorporate changed noise patterns arising out of the introduction of Required Navigation Performance (RNP) approaches for instrument guided jet landings from the south. RNP approaches involve the use of a combination of GPS systems, head-up displays and the Boeing B737-800 aircraft to fly a 'curved approach' route around existing urban areas at Jerrabomberra before lining up with the glidepath above Tompsitt Drive. Canberra Airport states it has instituted RNP approaches to avoid noise impacts on existing Jerrabomberra residents, obtaining a commitment to use the technology from QANTAS and Virgin Blue.

Canberra Airport's draft (and unofficial) ANEF contours showing revised flight paths were first provided to the Department in December 2006. The Department has not undertaken a technical assessment of the draft revised ANEF contours and has no means by which to test their accuracy. The Department notes that they show a considerably expanded aircraft noise footprint without, it is assumed, any increase in the already optimistic flight numbers projected for 2050. The Minister wrote to Airservices Australia to verify the status and application of the revised contours. Airservices advised they are currently "working with Canberra Airport to ensure the draft revised ANEF material meets the requirements" of the relevant guidelines before the ANEF are finalised.

The draft (and unofficial) contours provided by Canberra Airport to the Department show almost all lands identified by Council in the South Jerrabomberra Valley as being affected by the ANEF 20 contour and all of the Poplars being affected by the ANEF 25 contour. The proposed contours are based on the splitting and extension of the existing approach paths utilising the standard and the RNP approaches.

Analysis

The respective positions of key parties in regard to the aircraft noise issue are:

- Canberra Airport – no development at South Jerrabomberra, development to occur instead at Googong
- Development proponents and Council – manage development at South Jerrabomberra according to the section 117 direction and the existing endorsed ANEF contours
- ACT Government – support for Canberra Airport based on a concern that abandonment of the High Noise Corridor will lead to the introduction of noise sharing plans over Canberra.

Analysis of the aircraft noise issue requires examination of the following components of the problem:

1. the legitimacy and impacts of Canberra Airport's claims
2. the appropriateness of the existing Ministerial Direction to provide an appropriate planning response
3. the implications of revised noise contours for the proposed development areas
4. the outcome of Airservices Australia and the Commonwealth Minister for Transport deliberation on possible future flight path changes.

Canberra Airport's ANEF and revised ANEF contours are based on the projected growth in flight movements at the airport. These projections are shown in the table below:

Date	Actual movements	Projected movements
2004/05	76 452	
2024/25		146 159
2050		283 000

As a comparison, Sydney Airport is projected to grow from 225,000 movements in 2001/02 to 377,650 movements in 2023/24.

Given that Canberra Airport currently operates under a single runway for jet operations it is hard to see how the airport can practically achieve the growth projected. This would, for example, involve 24 hour operations with approximately 2 minute gaps between flights – whereas Sydney Airport, with 2 runways in operation has a 6 minute gap and a shorter flight window.

Of the flight movements, around 85% of landings into Canberra Airport are from the South and around 15% of take offs are directed towards the south. This is a response to wind patterns and other conditions of the Canberra Airport.

Canberra Airport's assumptions supporting the width of the noise corridor also appear to need further analysis as they have extended and widened the noise affected area, but split the travel paths.

Fundamental to this issue is the supporting assumptions used to identify future flight movements. Canberra Airport, as a licensed private operation, has used aggressive assumptions to support its growth claims. These assumptions include continued population growth of Canberra, increased tourism, particularly international tourism, as well as the use of Canberra Airport as a freight hub – a proposal recognised in its masterplan. However, the flight movements associated with the growth in international tourism appears optimistic given other airports and markets in South Eastern Australia. Also, flight movements associated with the freight hub similarly appear optimistic, as well as being dependent on the acceptance of the potential of Canberra Airport as an alternative to Melbourne or Sydney.

Irrespective of the above, protection of the potential for future growth and development of Canberra Airport needs to be recognised and considered as it is an important piece of regional infrastructure which will continue to contribute to the economic development of the region. Establishing a factual basis on which to proceed is critical.

The second issue to be considered is the role of the section 117 direction in providing a planning framework for the consideration of aircraft noise in a greenfields environment. There are two perspectives on this issue. The first is that the direction provides an established planning regime that should be applied irrespective of whether the development is infill or greenfield. The second perspective is that greenfield sites will have greater noise sensitivity as the residents are not as used to the intrusive effect of the noise and therefore a lower tolerance to noise should be expected.

The Section 117 Direction on aircraft noise does not allow rezoning for residential purposes where the ANEF exceeds 25. It permits rezoning for residential purposes where the ANEF is between 20 and 25 but requires all development to meet AS2021 regarding interior noise levels. Under the existing approved ANEFs for the Airport it is possible to restrict residential development to outside the ANEF 20 contour and still provide enough land to meet the growing needs of Queanbeyan. However if the Airport's revised ANEFs are adopted, it would be necessary to permit development in some areas which exceed ANEF 20 subject to AS2021 applying so as to adequately safeguard internal amenity.

As noted above, the implications for residential development in South Jerrabomberra would need to be subject to further testing and review of the assumptions supporting Canberra Airport's revised ANEF. Given its closer proximity to the airport, the Department believes that there may be a possibility that a revised ANEF 20 contour could impact on the Tralee North and Environa/Robin (north) area. However, the likelihood of the ANEF 20 contour extending so far south as to impact on development at Tralee South and Environa/Robin (south) is considered to be remote. The location of Poplars at the closest point to the airport in South Jerrabomberra makes aircraft noise impacts at that site more likely.

Conclusion

Aircraft noise associated with Canberra Airport is a relevant planning consideration for both the planning of new residential releases and supporting the long term regional role of the airport.

The opportunity exists with greenfield releases to locate housing in areas that limit the potential impact of aircraft noise.

It is possible to devise a residential release strategy that accounts for both the endorsed aircraft noise contours and the potential for change. This is necessary given the considerable uncertainty that surrounds the Airport's proposed new ANEF contours.

While all Council's proposed release areas could be approved based on the current ANEF contours, it is recommended that Poplars be excluded due to its closer proximity to the Airport and greater potential for noise affectation if revised contours are approved.

Tralee South and Environa/Robin South can be approved as they lie outside the current ANEF 20 and are at the furthest extremity from the Airport in South Jerrabomberra.

Tralee North and Environa/Robin North should be deferred temporarily until August 2007 to enable broader discussions with the ACT Government in the context of finalising the joint ACT/NSW Settlement Strategy which is to be finalised by August 2007. Any additional information on aircraft noise received during this time can be taken into account in making a final decision.

It is important to stress that all the recommended (and temporarily deferred) release areas lie outside the current ANEF 20 and do not require any special consideration in relation to construction standards. However should any residential development be located within an area that exceeds any future approved ANEF 20 contour, it will need to satisfy AS 2021 in relation to interior noise levels

Transportation and traffic networks

Council's draft Strategy recognises the need for further work on transportation issues to ensure that the traffic network is able to respond to future demands from the proposed extent of residential development. Traffic and transport issues are already contentious in the area due to congestion on Lanyon Drive (connecting Jerrabomberra to Queanbeyan and Canberra), as well as the urgent need to upgrade the intersection of Lanyon/Tharwa Road with Tomsitt Drive. Council has plans for the upgrade and extension of Edwin Land Parkway, which will provide a southern bypass of the Queanbeyan urban area connecting Old Cooma Road with Tomsitt Drive and Lanyon Drive.

The key transport and traffic issues in the area revolve around the connections and access to:

- Queanbeyan commercial district via Old Cooma Road (from Googong)
- Lanyon Drive and northwards to Canberra and Queanbeyan
- Tharwa Road and southwards to the Monaro Highway

While recognising that a transport strategy is required, Council has also indicated that the following works will be sufficient to address the expected transport needs over the coming 25 years:

- Upgrade and re-alignment of Old Cooma Road
- Completion of the Edwin Land Parkway between Tomsitt Drive and Old Cooma Road
- Intersection upgrades at Tomsitt and Lanyon Drives

Council's strategy indicates that Edwin Land Parkway is the preferred road upgrade to provide east-west access and that Dunns Creek Arterial, which will provide alternative east-west access, is not considered to be required in the lifetime of the strategy. The upgrade of Edwin Land Parkway has been identified in Council's planning instruments with contributions being collected to acquire and construct the road. Council has also identified in its local environmental study for Googong that Old Cooma Road requires re-alignment and upgrading to meet traffic flows from the Googong development.

Community concerns have been expressed regarding the traffic growth expected along Edwin Land Parkway, particularly given the current congestion on Lanyon Drive. Accordingly, the construction of the Dunns Creek Arterial should be investigated by Council as part of the Council's transport strategy. This should include further details on the proposed route, the construction of the road and the acquisition corridor. Council

has identified a potential total cost of approximately \$36M, which would need to be funded by developments at Googong and South Jerrabomberra.

The proposed transport strategy will enable Council to evaluate the options that exist for traffic management in the area and the relative contributions needed from each development area. The RTA has expressed concerns to the Department that a cumulative based traffic impact study is needed for Queanbeyan to help resolve these issues. It is critical that Council fully consider the needs of both new and existing residents when determining transport options and routes for the new releases and the related traffic issues on the existing road network.. The proposed transport and traffic strategy needs to identify works required and a mechanism for funding. This should be linked to appropriate thresholds in new lots approved.

Conclusion

Council has committed to the preparation of a transport and traffic strategy. This strategy needs to be completed, with a supporting delivery plan prepared and adopted before rezonings at Googong and South Jerrabomberra are finalised. The strategy should evaluate the need, location, cost and relative contribution of each development area to the road upgrades identified, while the delivery plan will fix a timetable for the funding, acquisition and construction of the necessary new infrastructure. Given the extent of community concern over traffic movements between the new development areas and Lanyon Drive/Tharwa Road, Council needs to include Dunns Creek Arterial in its review. Council should also ensure that an appropriate corridor is identified and reserved as early as possible together with a funding arrangement linking approved thresholds of land release at Googong to the construction of the Dunns Creek Arterial.

Spatial arrangement of settlement

Council's proposed spatial arrangement of the future employment and residential lands in the South Jerrabomberra area of Queanbeyan are set out in its Strategy map (attached 'A'). Council proposes to amend the current zonings of lands within South Jerrabomberra based on this map.

Council has arrived at its proposed arrangement on the basis of the following information and positions:

- Previous local environmental studies for Poplars and Tralee (no local environmental study has been carried out for Environa/Robin)
- Buffer zones have been proposed between residential and employment areas
- A riparian corridor has been identified along Jerrabomberra Creek
- Known environmental values such as endangered grasslands, threatened species on the Poplars site and remnant vegetation on the Environa/Robin sites have been protected
- The limitation on development imposed by the 740 m contour to Mt Pemberton for visual and servicing reasons has been recognised
- The development potential of Tralee Station lands can be protected for the longer term and the recognition that these lands are better aligned with Tuggeranong than Queanbeyan.

As a result of the Council's decisions, the development potentials of the South Jerrabomberra area has been spread across a number of sites as shown in the table below. The table is based on a residential density of 13 dwellings per ha as outlined in the report to Council. The balance (23.4ha) of the 100ha of employment outlined in the strategy is located on the Morrison, Forest, and Tralee Station parcels. The local centre proposed on the Poplars, which will also include employment, is 7.9ha.

	Residential	Dwelling Potential	Employment
Poplars	37.09ha	482	
North Tralee	37.24ha	484	
South Tralee	61.87ha	804	76.6ha
Environa/Robin	169ha	2197	
TOTAL	305.2ha	3967	

It has already been noted that development of residential land on the Poplars site should be deleted and the potential 1,600 dwellings at Tralee North, Environa/Robin (north) sites temporarily deferred for further consideration as part of broader settlement discussions with the ACT Government. It has also been noted that the proposed spatial arrangement limits the potential expansion of employment lands if estimates of need by the Council are too conservative and an additional 30 hectares of land is necessary.

Although detailed environmental studies of the Environa/Robin site have not been completed, it is considered that the spatial arrangement of development in South Jerrabomberra should be adjusted as per the following (refer endorsed strategy map attached 'B'):

- Deletion of residential development on the Poplars site
- Identification of an additional 30 hectares of employment land at Tralee South
- Temporary deferral of Tralee North and Environa/Robin (north) as part of broader settlement discussions with the ACT Government in finalising the joint ACT/NSW Settlement Strategy
- The review of the boundaries of the Tralee South and Environa/Robin (south) sites to enable the development of 154 hectares of land to create 2000 dwellings. Opportunities to extend the Environa/Robin (south) release areas further northwards are also to be investigated as part of the Local Environmental Plan for the release areas
- Identification of the Dunns Creek Arterial road corridor.

The proposed adjustments would need to be finalised with Council. There are a number of issues that would need to be addressed. These issues include the role and ecological significance of the woodlands between the northern and southern development arms on the Environa/Robin site which would need to be discussed with DEC. The adjustments should ensure that at least 154 hectares of land in the Tralee South and Environa/Robin (south) sites exist to enable 2000 dwellings to be developed. It may also be possible to further extend the release area to the north and this should be investigated as part of the LEP process.

Revision of Council's proposed spatial arrangement of landuses would not jeopardise:

- The provision of a site for a private high school, noting however that the location will need to address the Section 117 Direction No 12.
- The location of commercial and recreational facilities adjacent to the existing Jerrabomberra Town Centre
- The opening up of development along at least 3 development sites in two major fronts (eg Tralee South, Environa/Robin (South) and Googong)
- The identification of employment lands along the Railway and adjacent to the Hume corridor to take advantage of the opportunities of this area as recommended by the Queanbeyan Land Release Panel
- An ultimate potential of up to 300 hectares of residential land can be identified in the South Jerrabomberra area to meet the residential demands identified by the Council subject to the resolution of aircraft noise issues.

Conclusion

Council's proposed spatial arrangement for the South Jerrabomberra lands be modified as proposed on the attached endorsed strategy map. It will be necessary for the precise boundaries to be determined through the rezoning process.

Involvement of the ACT Government

The Memorandums of Understanding and the Cross-Border Management Framework signed by the NSW and ACT Governments (and the Commonwealth Government in the case of the Water MOU) will have an influence on residential and employment land development in Queanbeyan. An assessment of the various land release proposals to determine whether they were consistent with these agreements were requirements of both the Land Release Panel Inquiry and the Minister's request to Council to prepare its residential and employment lands strategy.

Although the Inquiry and the Council's strategy have both dealt with the Settlement principles in the MOU on Cross-Border Settlement, the role of the ACT and NSW Governments in preparing a joint settlement strategy has not yet been addressed.

The power of the ACT Government to be involved with the decision making process over the proposed residential development proposals in the area derives from its control of the water supply. As such the ACT Government has sought to influence the form, location and quantum of development in Queanbeyan. In these matters it is understood that the ACT is influenced by the desire to maintain the commercial viability of the development of land in the ACT and is particularly concerned about the implications of competing lands in NSW.

Both the Settlement and the Water Supply MOUs require the NSW Government to consult and work with the ACT Government in the preparation of a Cross-Border Settlement Strategy before water will be allocated. The proposed Cross-Border Settlement Strategy will use the principles in the Settlement MOU to compare the relative merits of sites in both the ACT and Queanbeyan. As noted above, these principles have been used by Council to identify the proposed future residential areas in Queanbeyan, but this analysis has not yet been agreed to, or accepted by the ACT Government.

The relevant provisions of note in the MOUs are:

- Clause 8.2 of the Settlement MOU where both parties need to agree that settlement proposals accord with the 7 principles set out in the clause
- Clause 6.1 of the Water MOU where the ACT agrees to supply additional water provided that settlement is consistent with the Settlement MOU
- Clause 6.3.5 of the Water MOU identifying that settlement areas are to be consistent with the Cross-Border Settlement Strategy before the ACT will provide them with water
- Clause 8 (8.1 – 8.6) of the Water MOU setting out the approval process for the supply of additional water to residential areas in NSW. In particular, there are references back to only providing water to lands identified in the agreed Cross-Border Settlement Strategy, that the ACT Government must agree to the Settlement Strategy and that planning approval under the Environmental Planning and Assessment Act does not guarantee the supply of water.

A technical document has previously been prepared to assess and rank the future Greenfield sites in the ACT and in the NSW Cross-Border Region (which includes Yass Valley, Queanbeyan and Palerang Councils). Areas assessed include the South Jerrabomberra lands, Googong, and Gooromon Jeir (in Yass Valley), as well as Molongolo Valley and Kowen (in the ACT). This document was prepared at a regional level and has not been formally adopted by either the NSW or the ACT governments.

The recommendations of the technical document are not endorsed by the Department of Planning and are not consistent with the proposed residential and employment lands proposals in the Council's strategy. Further, since the technical document was prepared the scope and size of the proposed residential and employment lands developments in South Jerrabomberra have changed considerably. As a result of the Land Release Inquiry and Council's Strategy a much reduced area of development has been identified, as well as the basis for a more coordinated and planned approach to settlement in the area.

It is understood that the ACT Government was prepared to recommend acceptance of the Googong area at 7,000 dwellings, but do not believe that development at Tralee, Tralee Station, Poplars or Environa/Robin should be accepted. It is also worth noting that the ACT Government's submission to the Queanbeyan Land Release Inquiry did not recommend *any* areas in Queanbeyan for residential development in the short term, preferring instead that growth in the region be met through infill development and the release of new urban lands in the ACT and Googong in the medium to longer term.

In considering the extent to which the proposed Queanbeyan urban releases are consistent with the Cross Border Region Settlement MOU due regard has been given to the analysis undertaken by Queanbeyan City Council in the Residential and Economic Strategy 2031. In preparing the Strategy, Council addressed both the Settlement Principles and the findings and principles of the Queanbeyan Land Release Panel. The Department is generally supportive of the findings of the Council Strategy.

The Department considers that the residential proposals at South Jerrabomberra and Googong substantially satisfy the seven Settlement Principles in the MOU.

Principle No 5 that seeks to support economic diversity by supporting the regional value of key infrastructure assets has been previously raised as a particular concern by the ACT Government. The key infrastructure asset is assumed to be Canberra Airport. The Department does support the regional role of the airport and considers that this Principle is addressed through a precautionary approach that aims to minimise any potential impacts of aircraft noise by:

- not supporting residential development on Poplars;
- excluding new greenfield residential development from areas within the currently endorsed ANEF 20 contour;
- requiring any residential development that exceeds any future approved ANEF 20 contour to meet AS2021 re interior noise levels and
- temporarily deferring Tralee North and Environa/Robin (north) as part of broader settlement discussions with the ACT Government

In the event that future residential development at Tralee (North) and Environa/Robin (North) fall within a future approved ANEF 20 contour it will be required to meet AS 2021 regarding interior noise levels, if supported.

The MOU Principle No 4, notes that greenfield developments should wherever possible be contiguous or self contained in their provision of services. Googong as a proposed release of over 5,500 lots while not contiguous with the existing urban footprint of Queanbeyan is intended to be largely self contained in terms of neighbourhood facilities.

It will be necessary to ensure water can be obtained before allowing residential development to occur. This will require either agreement of the ACT Government for the supply of water or alternative arrangements need to be made. There have been unconfirmed comments from proponents and speculation that high security water allocations may be purchased from elsewhere. This could be explored further if agreement cannot be obtained from the ACT. In addition, the development proponents have made commitments to reducing the potable water demands of their residential areas through water cycle management schemes incorporating stormwater harvesting, recycling and reuse principles.

Conclusion

If water is to be obtained from the ACT to service the developments, it will be necessary to gain the ACT's support through the required Cross Border Settlement Strategy. This can occur at the same time as rezoning proposals are progressed.

In favour of the NSW position that additional residential lands be identified in Queanbeyan is that the extent of development proposed in Queanbeyan has been reduced to a level consistent with 10% of the ACT's growth over the next 25 years. This has only been achieved through a reduction of the development areas and the better coordination of the identification of the future growth areas by Council.

In addition, the ACT Government had previously indicated support for 7,000 dwellings at Googong. The revised proposals will see 5,500 dwellings at Googong, 2,000 dwellings at Tralee South and Environa/Robin (south) in the short to medium term and a further 1,600 dwellings at Tralee North in the longer term subject to further discussions with the ACT Government. This is close to the quantum of development that the ACT has agreed it could service.

If water is sought to be obtained via the Cross Border agreements a Settlement Strategy will need to be prepared as soon as possible and is scheduled to be finalised by August 2007. As Council's Strategy is based on the settlement principles in the MOU, the Council Strategy, as amended, should be recognised as the NSW contribution to a Joint Settlement Strategy.

The proposed approach of using the endorsed Council Strategy as the basis of the NSW input into a joint Settlement Strategy also ensures that any decision made by the Minister about the future of Queanbeyan is not inconsistent with the ACT Government's expectations regarding the management of cross border settlement issues.

Regional land supply and housing choice

Council's own Strategy confirms a demand for 10,000 dwellings over 25 years. This is based on an assumption of 350 – 400 lots per annum and is consistent with the ACT Government's own conclusions concerning lot production in Queanbeyan (*ref: ACT Chief Minister's Department Submission to Queanbeyan Commission of Inquiry*). The manner and sequencing of how that demand is met needs to address the State Government priority of housing affordability. This is an issue equally applicable to the ACT as well as NSW. Housing affordability is a priority of the NSW State Plan (*Priority E6*) and is a principal concern of the ACT Government as illustrated by the recent release of the ACT Affordable Housing Action Plan 2007.

Affordable housing is less likely where the timing and release of land is reliant on one development front. Greater competition in the market place; the expected efficiencies in delivering lots; and providing choice for consumers is consistent with supporting affordable housing.

In terms of Queanbeyan, affordable housing choices will be facilitated through generally supporting the Council Strategy which identifies a number of potential residential releases.

In terms of the regional supply of housing, the ACT Government in releasing the Affordable Housing Action Plan 2007, stresses the importance of land supply and the commitment of the ACT Government to ensuring competition in the market place to deliver cost efficiencies and the healthy operation of the private market. The ACT is now also committed to the regular release of englobo land for housing. This general approach to land supply is consistent with the NSW approach.

The release of land commensurate with the orderly and efficient provision of infrastructure is critical to the effective sequencing of urban releases, the overall costs of land development and minimising of the costs to the community. Queanbeyan City Council will need to ensure all necessary infrastructure is able to be provided.

Conclusion

The identification of release areas at South Jerrabomberra in addition to Googong will provide increased residential land supply, greater choice and positive impacts for housing affordability.

Conclusion

Council's Residential and Economic Strategy 2031 has addressed the Minister's request that Council plan for the future housing and employment needs of the Queanbeyan area for the next 25 years. The Strategy has achieved this by taking the principles from the Cross Border Settlement Strategy, as well as the principles and findings of the Queanbeyan Land Release Inquiry to recommend the creation of sufficient development capacity to provide for 10,000 dwellings and 9,000 additional jobs (over 4,500 in industrial areas).

There are a number of issues with the Council's arrangement of the proposed residential and employment lands capacity, which can be addressed through the implementation of the strategy at the rezoning stage.

A significant issue with the resolution of future land release issues in Queanbeyan lies with the role of the ACT Government in providing water to the new sites. Agreement of the ACT to provide water will need to be obtained as part of negotiation of the joint ACT/NSW Settlement Strategy by August 2007.

Recommendations

Land Use Planning

1. The Minister for Planning provides in principle support for the Queanbeyan City Council Residential and Economic Strategy subject to the following changes as identified in Map B. which include:
 - a. Provision of an additional 30 hectares of employment lands at South Jerrabomberra by revising the area available for residential on the Tralee South and Environa/Robin (South) sites
 - b. Delete the residential precinct on the Poplars site, but retain the community facilities and commercial precinct
 - c. Consideration of Tralee North and Environa/Robin (North) is to be temporarily deferred until August 2007 to enable further discussions to be held with the ACT Government in terms of the NSW/ACT Cross Border Region Settlement Strategy. This can include further consideration of the Canberra Airport proposed revised ANEF contours if they are ratified during this time.
 - d. Allow for residential development of the Tralee South and Environa/Robin (South) sites up to 2000 dwellings over approximately 154 ha.
 - e. Opportunities to extend the Environa/Robin (south) release area further northwards are to be investigated as part of the Local Environmental Plan for the release area.

Any rezoning application for the areas identified within the Queanbeyan City Council Residential and Economic Strategy must take into consideration the changes listed above and within the attached map.

Provision of Community Facilities

2. Prior to any rezoning being concluded for any purposes on Tralee South, Environa and Poplars, the proponent and the Council must:

- a. Identify land suitable for a High School, Aquatic Centre and other community facilities
- b. Secure satisfactory arrangements for the delivery of land for the high school and the community facilities

Aircraft Related Noise

3. Prior to any rezoning being concluded Council is to ensure that all new residential development in Queanbeyan is located outside the Airservices Australia currently endorsed 2050 ANEF 20 contour for Canberra Airport or in the event that revised ANEF contours are approved, that any residential development that exceeds the new ANEF 20 contour meets AS2021 in regard to internal noise levels.
4. Council is to ensure that the location of the proposed high school complies with the s117 Direction No 12 (development near licensed aerodromes) which requires schools to be located outside areas that exceed ANEF 20. Should Council seek to locate the high school in an area not consistent with the s117 Direction, Council will need to satisfy the Director General of the Department of Planning that the location is appropriate in terms of aircraft noise.

Transport and Traffic

5. Prior to any rezoning for Googong, Tralee South, Environa and Poplars being finalised the Council is to develop a transport strategy to service the new residential and employment lands at South Jerrabomberra and Googong.

The Transport strategy shall specifically address the need and timing of Dunns Creek Arterial (including reservation of the corridor), Edwin Land Parkway, Old Cooma Road re-alignment and upgrades to Lanyon, Tompsitt and Tharwa roads. This shall ensure that the funding and timing of road and transport infrastructure is linked to specified thresholds of residential lot releases.

Satisfactory Water and Other Services Arrangements

6. Prior to any rezoning being concluded the Council must demonstrate how the approved residential development will meet the minimum water targets in BASIX and investigate and confirm commitment of higher water savings of up to 70%
7. Prior to any rezoning being concluded the Council must demonstrate that there are satisfactory arrangements in place for potable water and other services and utilities.

NSW/ACT Cross Border Region Settlement Strategy

8. The approved Queanbeyan City Council Residential and Economic Strategy 2031 is to form the basis for the further negotiation of the ACT/NSW Cross Border Settlement Strategy with the ACT Government for developments within the Queanbeyan local government area. As agreed with the ACT Government, these negotiations are to be completed by August 2007.