



Planning

***MAJOR PROJECT ASSESSMENT:
Hanson Asphalt and Concrete
Facility, Eastern Creek***



Director-General's
Environmental Assessment Report
Section 75I of the
Environmental Planning and Assessment Act 1979

June 2010

Cover photo (Department of Planning): Existing operations on the Hanson site
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EXECUTIVE SUMMARY

Hanson Construction Materials Pty Ltd (Hanson) own and operate an asphalt and concrete production and recycling facility at Eastern Creek in the Blacktown LGA, which is approximately 35 kilometres west of the Sydney CBD. The Hanson facility previously comprised a hard rock quarry (the 'Pioneer quarry'), that commenced operations as early as the 1950's.

Operation of the quarry ceased in 2005 and the quarry void itself was sold to THAQUARRY Pty Ltd & ACN114843453 Pty Ltd (ThaQuarry). The use of the quarry void as a non-putrescible landfill is the subject of a Major Project approval MP06_0239 granted by the former Minister on 22 November 2009.

Hanson currently operate their concrete and asphalt facility under two Environmental Protection Licences, Council approvals, and also claim existing and continuing use rights for their operations. However, there is a great deal of legal ambiguity regarding the approvals regime for the site.

In July 2006, Hanson submitted a concept plan application for the remainder of the former quarry site. The concept plan application seeks to modernise and regularise activities on site. The concept plan also seeks consolidation of operations from ThaQuarry's land to Hanson's land, and includes demolition and relocation of existing facilities in order to develop:

- Concrete Batch Plant with a production capacity up to 144,000m³ per annum;
- Logistics/ Fuel Depot & Workshop;
- Concrete Recycling Facility importing & processing up to 100,000 tonnes per annum / Materials Storage Depot (with import of up to 36,000 tonnes of materials per annum); and
- Asphalt / Emulsion Plant with a production capacity up to 360,000 tonnes per annum;
- Concrete Masonry Plant;
- Subdivision; and
- Office and Plant

Following extensive consultation, in October 2009, Hanson submitted a preferred project report, and as a result, the concrete masonry plant no longer forms part of the concept plan proposal. In addition, a preferred precinct road alignment through the Hanson site was submitted.

The proposal is located within the Western Sydney Employment Area which is a strategically important area of western Sydney that is located around the intersection of the M4 and M7 Motorways. The area has been identified in key planning instruments for Sydney as an area of future employment growth and economic development. The area is unique in its access to key road networks and the relatively large areas of land that have remained un-developed.

The key strategic objectives for the area are detailed in the Metropolitan Strategy and *State Environmental Planning Policy (Western Sydney Employment Area) 2009*. The objectives of these instruments are consistent with regard to identifying employment areas in western Sydney, encouraging appropriate development of such land for employment uses, and ensuring adequate provision of infrastructure and services.

The Department received six submissions on the Hanson proposal during the exhibition period. These included three submissions from government agencies and three from adjoining landowners. The key issues raised in submissions included concern about the developer contribution to local and regional infrastructure, odour, dust and noise impacts.

The Department has assessed the merits of the proposal, with particular consideration of the strategic objectives of the Western Sydney Employment Area, the adequacy of the proposed infrastructure contribution and the amenity impacts of the proposal on adjoining land uses.

The Department's assessment of the Hanson proposal concluded that the progressive modernisation of the Hanson concrete and asphalt production and recycling facility would contribute positively to the broader economic development of the area. The Department considers Hanson offer an essential and centrally located concrete and construction material supply and recycling service to a rapidly developing employment area. In addition, the Department is satisfied Hanson would adequately contribute to both local and regional infrastructure and service provision, that will in turn facilitate the orderly development of the area.

The Department is further satisfied that the potential amenity impacts of the existing operations can be managed in the short term, and as elements of the concept plan are implemented through subsequent project applications, there would be an improved level of environmental performance of the facility overall in the longer term.

On balance, the Department is satisfied that the project's benefits outweigh any residual costs, and that it is in the public interest to provide certainty over the site and regulate the environmental performance of the facility into the future. The Department considers the proposal should be approved, subject to conditions.

1. BACKGROUND

1.1 Project Site

Hanson Construction Materials Pty Ltd (Hanson) owns and operates an asphalt and concrete production facility at Eastern Creek in the Blacktown LGA (on the area shown in blue on Figure 1). The site is located at Eastern Creek approximately 35 kilometres west of the Sydney CBD.



Figure 1: Site Location, Eastern Creek

Until 2006, Hanson owned a 60 hectare site at Eastern Creek which included a hard rock quarry and a range of associated facilities to the north (as shown in yellow edging on Figure 1).

There is evidence to suggest extractive operations at the quarry started in the 1950's. The former Pioneer quarry reached the end of its economic life and ceased operations by 2005. Approximately 33 hectares of the site, including the quarry void, was subsequently sold to 'ThaQuarry', which has since gained a separate approval from the former Minister for a non-putrescible landfill and resource recovery facility on the former quarry void site (referred to as the Eastern Creek Waste Facility).

A consequence of this sale is that Hanson now proposes to consolidate its operations on the remaining 25.95 hectares of the site (approximate site area shown in blue edging at Figure 1). However, in the short term, Hanson proposes to continue operations on both their land and parts of ThaQuarry's land, until such time as they implement each element of their concept plan.

1.2 Project Setting

The project is located immediately south of the 'Eastern Creek Waste Facility' at Eastern Creek in the Blacktown Local Government Area. The site is located within the area defined as the Western Sydney Employment Area (WSEA), and is approximately 35km west of the Sydney CBD.

The site covers an area of 25.95 hectares (see Figure 1), however, following a boundary adjustment registered in December 2009, existing operations also occupy a small portion (approximately 2 hectares) of ThaQuarry's land. Hanson currently lease this land from ThaQuarry. However, no component of ThaQuarry's operations form part of this application.

The site is zoned IN1 General Industrial under the *State Environmental Planning Policy (Western Sydney Employment Area) 2009* (WSEA SEPP) and the proposal is permissible with consent in that zone (see Figure 2).

The site is surrounded by land owned by ThaQuarry, Tesrol, Australand, Jacfin, the Department of Planning and Sargents, all of which is earmarked under the WSEA SEPP to be redeveloped for higher end industrial and employment uses over the next decade.

The closest residential areas are located approximately 950 metres from the northern boundary of the site at Minchinbury, and 1.5 kilometres to the west of the site at Erskine Park.

While the site is located in close proximity to the M4 and M7 Motorways, the regional road network within the WSEA is only just starting to be developed. Consequently, access to the site is currently via a right of carriageway which connects to Old Wallgrove Road near the M7 interchange (see Figure 1).

The site has generally been cleared of vegetation, but has a tributary of Ropes Creek running through the south of the site. Some riparian vegetation along the creek has been identified as having 'low ecological value' in Blacktown Council's Eastern Creek Precinct Plan, which applies to the site.

With the identification of the WSEA as strategic employment lands, coordinated development of the area has progressed. Recent approved developments within the Eastern Creek and Erskine Park Precincts include high employment generating uses such as warehousing, distribution and freight logistics centres. In the Eastern Creek Precinct, developments include the Coles-Myer National and Chilled Distribution Centres. The exception to this general development pattern is ThaQuarry's approved waste recycling and landfilling facility immediately north of the site and Hanson's existing concrete and asphalt production and recycling facility.

Hanson's existing operations are strategically located in the centre of the WSEA (see Figure 2) with good access to the M7 & M4 motorways. Whilst Hanson itself is not a significant employment generator, both the current facility and future concept proposal provide an essential construction materials supply service to the rapidly developing employment lands in the immediate vicinity. A centrally located facility such as this can potentially provide environmental benefits by minimising the transport of goods to industry developing in the area, and minimising impacts on local road infrastructure.

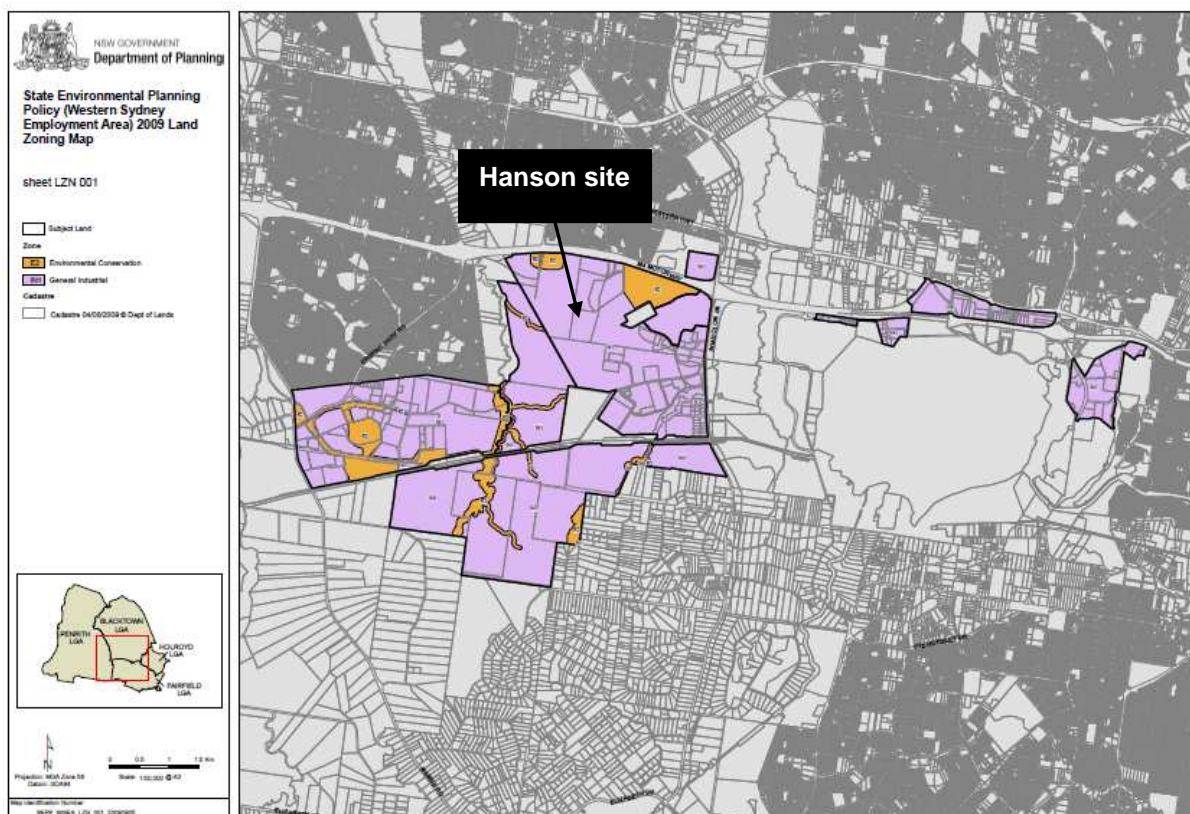


Figure 2: State Environmental Planning Policy - Western Sydney Employment Area Zoning Map

2. PROPOSED DEVELOPMENT

2.1 Existing and Continued Uses

On 27 July 2006, Planning Workshop Australia (Planning Workshop), on behalf of Hanson, lodged an application with the Department seeking approval for a concept plan under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). Planning Workshop further asserted there was sufficient detail in the Concept Plan documentation for the Minister to grant project approval for subdivision and other elements of the Concept Plan.

The Department understands the basic motivation for Hanson's Concept Plan application is to modernise and upgrade their existing operations, and consolidate operations onto their own land. However, in the short term, Hanson proposes to continue its' operations on parts of ThaQuarry's land until such times as they implement each element of the concept plan.

The Department has reviewed Council records, the various planning instruments that have regulated development on the land since 1951 and historical aerial photographs dating from 1947.

The review suggests that there is a high degree of ambiguity regarding the legality of aspects of Hanson's existing operations because:

- most of the existing or continuing uses that Hanson refers to were ancillary to the adjoining quarry which has now ceased operations and the land containing the quarry has been sold. Hence, the link with ancillary uses (such as the asphalt and concrete plants) has been severed and these uses may potentially not be considered existing uses in their own right;
- many of the existing works and uses on the site, such as the asphalt and concrete plants, and could therefore be considered unlawful; and
- some of the lawful uses are not complying with the relevant conditions of approval.

However, in assessing the concept plan, the Department considers the proposal to be generally consistent with strategic planning instruments that substantially govern the site (see sections 3 and 5 below). The issue is therefore around resolving the legal ambiguity of the existing operations whilst elements of the concept plan are being implemented.

The Department considers it is in the public interest to provide certainty to all parties regarding the status of the existing operations and avoid expensive and protracted litigation regarding the lawful basis of those operations.

At the same time, the Department considers it is also in the public interest to provide a rigorous environmental regulation regime for the site now, and into the future.

To provide certainty and better regulation of the facility the Department has recommended the following approval regime:

- Concept Plan approval be granted for the proposal;
- Project approval be granted for subdivision and implementation of the precinct road, and continued uses of the existing facilities only;
- a three (3) year sunset clause be given in the Project approval for continuing operations on the site, giving Hanson a fixed period to implement elements of the Concept Plan & modernise the site;
- no expansion be permitted beyond the existing operations without further project approval and production rates of existing operations be capped; and
- an environmental management and monitoring system for the site be implemented within 4-6 months of approval to regulate the environmental performance of the facility in the interim period between the concept approval and implementation of the more detailed project stages.

The above mentioned combination of a Concept Plan, and a time limited project approval for continued uses is the basis by which the Department has finalised its assessment of the proposal. To be clear, whilst the Department is satisfied that Project approval can be granted for subdivision and continued uses on the site for a short period, the Department considers further project applications will be required to implement the remaining elements of the Concept Plan. The Department has

recommended the assessment requirements for these subsequent project applications in the recommended conditions of approval for the Concept Plan.

2.2 The Proposal

The original Concept Plan application included demolition, relocation of existing facilities, construction of a new concrete masonry plant and asphalt plant, subdivision and allowance for future expansion.

However, following extensive consultation, on 2 October 2009 Hanson submitted a preferred project report, and as a result the concrete masonry plant no longer forms part of the Concept Plan. In addition, a preferred precinct road alignment through the Hanson site was submitted. Finally, a boundary adjustment was registered by ThaQuarry and Hanson in December 2009. The boundary adjustment supersedes the plan of subdivision originally proposed in the EA. Therefore, the only subdivision plan remaining in the application pertains to the alignment of the proposed precinct road through the Hanson site.

The final proposed Concept Plan and Project are summarised in Table 1. Existing Operations are seen in Figure 3. The Concept Plan is shown in Figure 4, a full description is provided in the Environmental Assessment in Appendix D and the Preferred Project Report documentation at Appendix B.

Table 1: Concept Plan and Project Proposals

Component	Concept Plan
Concept Plan Summary	<i>Demolish and relocate existing facilities, construct a new concrete batching and asphalt plant, subdivision and allowance for future expansion</i>
Industrial Facilities	Demolition and relocation of existing plant to develop: <ul style="list-style-type: none"> Concrete Batch Plant with a production capacity up to 144,000m³ per annum; Logistics Centre / Fuel Depot and Workshop; Concrete Recycling Facility with capacity to import and processing up to 100,000 tonnes per annum; Materials Storage Depot (with import of up to 36,000 tonnes of materials per annum); Asphalt / Emulsion Plant with a production capacity up to 360,000 tonnes per annum; and Office, Laboratory, Plant and associated infrastructure
Infrastructure	Provision of a new drainage/detention basin and associated storm water infrastructure
Access road	Provision of a Precinct Road through the site and dedication to Council
Subdivision	Subdivision defining the alignment of the Precinct Road through the site
Potential future expansion	The southern portion of the site is identified for future expansion subject to a separate application and assessment
Capital value	\$49 million
Jobs	195 employees and 16 permanent contractors, representing an additional 64 jobs over the existing operations
Component	Project
Project Summary	<i>Continued uses of the existing facilities for 3 years, subdivision and implementation of the precinct road through the site</i>
Industrial Facilities	Continued use of the existing industrial facilities, offices, laboratory, workshop and associated infrastructure, with production rates limited as follows: <ul style="list-style-type: none"> Concrete Batch Plant with a production capacity up to 108,000m³ per annum; Concrete Recycling Facility importing and processing up to 75,000 tonnes per annum / Materials Storage Depot (with import of up to 27,000 tonnes of materials per annum); and Asphalt / Emulsion Plant with a production capacity up to 270,000 tonnes per annum.
Subdivision & Implementation of Precinct Road	Subdivision and implementation of the Precinct Road through the site, with dedication of the road to Council
Operating hours	24 hours, 7 days



Figure 3: Layout of Existing Operation

3. STATUTORY CONTEXT

3.1 Strategic Planning

A review of the Concept Plan against relevant strategic planning instruments is provided below.

Metropolitan Strategy

The Metropolitan Strategy (currently under review) presents a plan for managing growth in the Sydney region over the next 25 years. The strategy sets out key aims for employment, housing, infrastructure and service provision. One of the objectives of the strategy is to protect and enhance employment lands in the M7 motorway corridor.

The broad aims of the strategy are to be implemented through ten sub-regional plans, ensuring that the aims are translated at a local level. The Hanson site is located within the north-west sub-region which incorporates Blacktown, Baulkham Hills, Blue Mountains, Penrith and Hawkesbury local government areas.

In relation to economic and employment growth, the draft North-West Sub-Regional Strategy seeks to plan for an additional 130,000 jobs, protect strategic employment land and strengthen existing industry clusters. The Hanson proposal involves consolidation of operations and a more efficient use of valuable employment land. The proposal also creates a spare land parcel on site for future employment generating uses.

Further, the strategy identifies infrastructure and service provision as critical to orderly and economic development of employment lands. The Hanson proposal incorporates adequate contributions for development of infrastructure and services in the WSEA area (see Section 5).

The objectives of the Metropolitan Strategy and North-West Sub-Regional Strategy are further reflected in State Environmental Planning Policies, as discussed below.

State Environmental Planning Policy (Western Sydney Employment Area) 2009 (WSEA SEPP)

The WSEA SEPP replaces SEPP 59. The WSEA SEPP covers a large area of central western Sydney centred on the intersection of the M7 and M4 motorways (see Figure 2). The WSEA SEPP identifies nine precinct areas, including Eastern Creek where the Hanson proposal is located. The primary objectives of the WSEA SEPP are to protect and enhance land for employment purposes and provide for coordinated development of the WSEA.

Like SEPP 59, the aims of the WSEA SEPP are to be implemented through more detailed Precinct Plans or Development Control Plans (DCPs). The site falls within the Eastern Creek Precinct, located within the Blacktown Local Government Area. Blacktown City Council developed and adopted the Eastern Creek Precinct Plan (Precinct Plan) on 14 December 2005.

The key objectives of the Precinct Plan are to promote economic growth and employment opportunities, provide adequate and efficient infrastructure and services and ensure positive environmental and community outcomes. An assessment of the Hanson proposal against the objectives of WSEA SEPP and the Precinct Plan is provided in Section 5. In summary, the proposal is consistent with the WSEA SEPP objectives as it provides for a more efficient use of valuable employment land, provides adequate infrastructure contributions and will lead to an improved level of environmental performance of the facility.

3.2 Major Project

The proposal is classified as a major project under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act) because it is development for the purpose of cement works, concrete or bitumen pre-mix industries or related products, that has a capital investment value of more than \$30 million and therefore triggers the criteria in Schedule 1, Clause 9(c) of *State Environmental Planning Policy (Major Development) 2005*.

Consequently, the Minister is the approval authority for the project.

3.2 Concept Plan

On 13 November 2006, the Minister authorised the Proponent to submit a concept plan for the project under Section 75M of the EP&A Act.

The Minister authorised the submission of a concept plan on the basis that it would enable the strategic issues to be investigated to determine whether the project is compatible with the proposed land uses in the WSEA; and if compatible, what contributions Hanson should be required to make towards the provision of infrastructure and services, such as the regional road network.

3.3 Permissibility

The site is zoned IN1 General Industrial under the WSEA SEPP. Industries (other than offensive or hazardous industries) are permitted with consent in the zone. The proposal is permissible with consent in the zone.

3.4 Other Environmental Planning Instruments

Under Section 75I of the EP&A Act, the Director-General's report is to include a copy of or reference to the provisions of any:

- *State Environmental Planning Policy* (SEPP) that substantially govern the carrying out of the project; and
- environmental planning instrument that would (but for Part 3A) substantially govern the carrying out of the project and that have been taken into consideration in the environmental assessment of the project.

The Department has considered the project against the relevant provisions of several environmental planning instruments (including the WSEA SEPP, the Infrastructure SEPP, SEPP 33 and 55 and the *Blacktown Local Environmental Plan 1988*). The Department's assessment concludes that the project is consistent with the aims of key SEPPs (see Section 5). Consideration of other environmental planning instruments is provided in Appendix E.

3.5 Other Approvals

In addition to the Part 3A Project approval for continued uses, and the Concept approval, Hanson is required to obtain:

- Part 3A Project approval to implement subsequent stages of the Concept Plan;
- variations to its two existing EPLs for the facility; and
- consents from Blacktown Council for the local road works that are considered to be necessary for carrying out the project.

Under Section 75V of the EP&A Act, these approvals cannot be refused, and must be substantially consistent with the Part 3A approval.

3.6 Public Exhibition

Under Section 75(3) of the EP&A Act, the Director-General is required to make the environmental assessment of a project publicly available for at least 30 days.

After accepting the environmental assessment for the project, the Department:

- made it publicly available from 21 November 2006 until 22 December 2006:
 - on the Department's website, and
 - at the Department's Information Centre, Blacktown City Council, and the Nature Conservation Council;
- notified landowners in the vicinity of the site about the exhibition period by letter;
- notified relevant State government authorities and Blacktown City Council by letter; and
- advertised the exhibition in the Blacktown Advocate.

This satisfies the requirements in Section 75H(3) of the EP&A Act.

During the assessment process the Department also made a number of documents available for download on the Department's website. These documents included the:

- project application;

- Director-General's requirements for the environmental assessment of the project;
- EA; and
- preferred project.

3.7 Objects of the Environmental Planning and Assessment Act 1979

The Minister is required to consider the objects of the EP&A Act when he makes decisions under the Act. These objects are detailed in Section 5 of the Act, and include:

'The objects of this Act are:

- (a) to encourage:*
 - (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,*
 - (ii) the promotion and co-ordination of the orderly and economic use and development of land,*
 - (iii) the protection, provision and co-ordination of communication and utility services,*
 - (iv) the provision of land for public purposes,*
 - (v) the provision and co-ordination of community services and facilities, and*
 - (vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
 - (vii) ecologically sustainable development, and*
 - (viii) the provision and maintenance of affordable housing, and*
- (b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and*
- (c) to provide increased opportunity for public involvement and participation in environmental planning and assessment.'*

The objects of most relevance to the Minister's decision on whether or not to approve this project are those under Section 5(a)(i), (ii), (iii) and (vii).

With respect to ecologically sustainable development (ESD), the EP&A Act adopts the definition in the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD 'requires the effective integration of economic and environmental considerations in decision-making processes' and that ESD 'can be achieved through' the implementation of the principles and programs including the precautionary principle, the principle of inter-generational equity, the principle of conservation of biological diversity and ecological integrity, and the principle of improved valuation, pricing and incentive mechanisms. In applying the precautionary principle, public decisions should be guided by careful evaluation to avoid, wherever practicable, serious or irreversible damage to the environment and an assessment of the risk-weighted consequences of various options.

The Department has fully considered the objects of the EP&A Act, including the encouragement of ESD, in its assessment of the concept plan.

The Department considers the proposal represents an efficient economic use of the site and would lead to an overall improvement of the environmental performance of the facility. In addition, the proposal allows for adequate provision and coordination of community and utility services as the proposed contribution to regional infrastructure is satisfactory, stormwater would be managed on site at no cost to Council and Hanson has also agreed to contribute toward the provision of the local road network (both the local Quarry link road and the Precinct Road through the site).

3.8 Statement of Compliance

Under Section 75I of the EP&A Act, the Director-General's report is required to include a statement relating to compliance with the environmental assessment requirements with respect to the project.

The Department is satisfied that, subject to the additional information provided in Hanson's response to submissions and preferred project documentation, the environmental assessment requirements have been complied with.

4. ISSUES RAISED IN SUBMISSIONS

During the exhibition period, the Department received six submissions on the proposal, three from public authorities; Blacktown City Council (Council), the Department of Environment, Climate Change and Water (DECCW), and the Sydney Regional Development Advisory Committee of the RTA; and three from adjoining landowners (see Appendix C). Hanson provided a response to these submissions (see Appendix B).

A summary of the submissions is provided below.

Public Authorities

Council raised concern about the proposed infrastructure contribution, considering it to be inadequate. Council indicated that it would result in a shortfall in infrastructure funding in the area creating an unfair and inequitable situation. Council referred to contributions from other developments in the area, including Australand and Jacfin. Council also raised concern about the proposed local access road being inconsistent with the Precinct Plan. In addition Council noted that the alignment and number of access points presented safety concerns.

Council and the RTA consider that Hanson should be required to contribute to local and regional infrastructure upgrades including roads and intersections. Council also consider that Hanson should contribute to upgrades of trunk drainage, detention basins and riparian zones. Council also noted the need for Section 94 contributions. The RTA noted that the proposed local access road should be consistent with the future road layout of the Precinct Plan.

However it should be noted that Council raised no further objection to the revised precinct road alignment lodged by Hanson at the Preferred Project stage. Contributions toward stormwater and roads are discussed further in Section 5.

The DECCW raised concerns about impacts in relation to odour and noise and the lack of assessment of Aboriginal cultural heritage and biodiversity impacts. The DECCW requested that Hanson demonstrate how odour emissions from the facility would comply with Section 129 of the *Protection of the Environment Operations Act*, prior to any approval of the project.

Neighbouring Landowners

Neighbouring landowners, Australand, Jacfin and Tesrol raised a number of common concerns about the project, including:

- the project provides an inadequate contribution to local and regional infrastructure;
- proposed contributions including the road and stormwater management system are not consistent with the Precinct Plan;
- noise and dust impacts affect the amenity of neighbouring landowners and may impact on future land uses consistent with the Precinct Plan; and
- heritage impacts were inadequately considered in the EA.

Jacfin raised additional concerns regarding impacts of contamination and flooding, and indicated that Hanson should be required to connect to Sydney Water's sewer, in accordance with other developments in the area.

5. ASSESSMENT OF KEY ISSUES

The Department has assessed the proposal, in accordance with the requirements in Clause 8B of the *Environmental Planning & Assessment Regulation 2000*, and considers the key issues relate to the strategic justification of the project, traffic & transport and the associated infrastructure contributions, and the potential amenity impacts of the proposal.

5.1 Strategic Justification

The land comprising the WSEA is progressively developing to achieve the strategic objectives of employment and economic growth for Sydney and the state of NSW. Approved and constructed developments in the Eastern Creek and Erskine Park Precincts comprise high employment generating, light industrial uses including warehousing, distribution and freight logistics centres. Both the approved non-putrescible landfill & recycling facility immediately north of the site, and the existing Hanson operations are the exceptions to this general development pattern.

Hanson has indicated that they have looked to relocate their Eastern Creek operations elsewhere, but have not found an alternative site that is so well located and supported by infrastructure. Hanson has further affirmed that their Eastern Creek site is strategically important to the future of their business.

The Hanson proposal has been considered in the context of development in the WSEA and the strategic planning documents that substantially govern development in the area.

As outlined in Section 3.1, a number of strategic planning documents apply to the site. The Department has considered the Hanson proposal in the context of the objectives of the Metropolitan Strategy and WSEA SEPP. The purpose of this assessment is to identify whether the project is consistent with the objectives of these plans as they relate to land use, employment generation, economic development and environmental protection.

The strategic objectives of the Metropolitan Strategy and WSEA SEPP are consistent with regard to identifying strategic employment areas in western Sydney, encouraging appropriate development of such land for employment uses and ensuring adequate provision of infrastructure and services.

In light of these strategic objectives, the Department has considered the following key aspects of the proposed Concept Plan:

- the project would provide a local access road (precinct road) through the site that would be transferred to Council as a Standard Collector Road as part of Hanson's proposed infrastructure contribution;
- the project would provide a reasonable contribution to Council toward the acquisition and construction of the 'quarry link road' (another local road);
- the project would provide a satisfactory contribution toward regional road infrastructure;
- the project would manage stormwater on site through an on-site detention basin and series of hume-ceptors, without cost to Council for the long term;
- the project would create 7-8 jobs per hectare; and
- the project would consolidate existing operations onto a smaller portion of the site and allow for future expansion or future high end employment generating uses;

In reviewing the key components of the project against the strategic objectives, the Department concludes that:

- whilst the proposal is not a significant employment generator, Hanson offer a key, centrally located construction material and recycling service to a rapidly developing employment area and there are environmental benefits (including greenhouse gas savings from minimal transport) gained from locating such a facility central to its market;
- the proposal incorporates a significant recycling component consistent with Government's recycling and resource recovery policies;
- there is a significant logistics component to the project (as Hanson maintain their Sydney fleet of vehicles at the site), consistent with surrounding land uses;
- the project makes more efficient use of the site by consolidating operations over a smaller land area, with the potential to free up areas of the site for high end employment uses;
- the modernisation of the site would lead to improved levels of environmental performance; and

- the project allows for adequate infrastructure and service provision (both local and regional) to facilitate broader economic development of the area. Further detail of the proposed infrastructure contribution is provided in Section 5.2.

Therefore, the Department concludes that the project is consistent with the objectives of strategic planning instruments applicable to the site and therefore is justified in a strategic context.

5.2 Infrastructure Contributions

The strategic planning documents discussed above foreshadowed the need for adequate provision of infrastructure and services to support economic and employment growth. The need for such infrastructure has been further detailed in the Precinct Plan.

The level of contributions from individual developments has been determined through developer agreements made between Proponents and the Minister, along with Applicants and Council. Recently approved projects in the WSEA have included significant contributions to local and regional infrastructure to ensure adequate and orderly development of the WSEA.

The contribution to infrastructure proposed by Hanson, as detailed in the draft Planning Agreement accompanying the EA, specifically excluded contributions for regional road infrastructure and any local (Section 94) contributions. Hanson's proposal for the local access through the site also fell short of all Government authorities' expectations.

Subsequent correspondence from Planning Worskhop, on behalf of Hanson in May 2008 proposed an additional contribution toward regional road infrastructure, however, the rate and terms of the contribution were not considered satisfactory by the Department. In addition, the provision of the local collector road through the site remained unresolved.

The Department further considered the proposed contributions in the context of:

- the strategic objectives of facilitating infrastructure and service provision in the WSEA;
- the State government's position on infrastructure contributions; and
- agreed contributions by other developments in the WSEA.

Transport Infrastructure

In August 2009, the former Minister approved a concept plan for the Erskine Park Link Road, the proposed link road network for the WSEA. In broad strategic terms it is comprised of a series of major north-south corridors (M7, Archbold Road, and Mamre Road), connected to major east-west corridors (M4, Lenore Lane/Link Road/Old Wallgrove Road (see Figure 4 below).

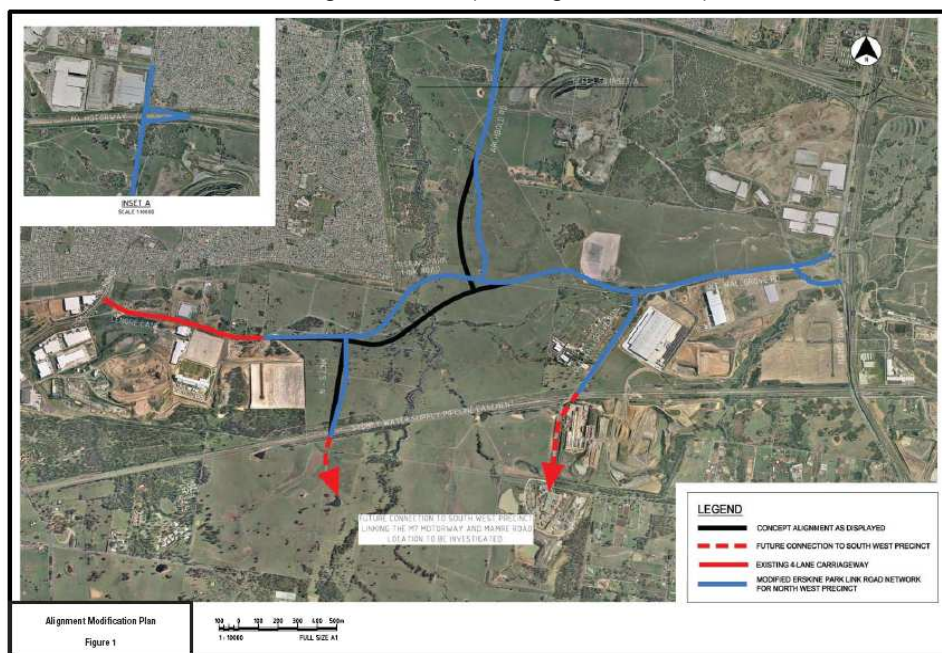


Figure 4: Concept Plan for the Link Road Network

The planning for this road network has been considered by the NSW Government, taking into account the funding and broad design layout required for implementation.

Conversely, the local road network is envisaged in Council's Precinct Plan for the Eastern Creek Precinct, ranging from local roads, collector roads to sub arterial roads. Figure 5 illustrates the Precinct Plan road network.

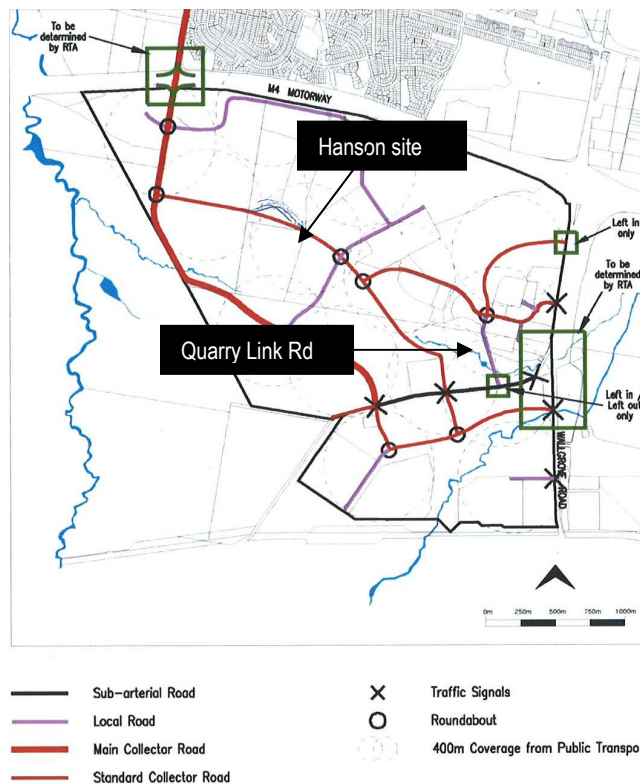


Figure 5: Eastern Creek Precinct Plan – Local Road Network

In 2009, the Government announced its intention to impose a \$180,000 State Infrastructure Charge, or SIC, per hectare of developable land in the WSEA to assist in the provision of the regional road infrastructure.

Operational traffic for the proposal is generated by deliveries of concrete tailings for recycling, materials delivery, along with dispatch of recycled products, asphalt / emulsion and concrete. In addition, general site deliveries would occur along with the light vehicle movements of staff and contractors. The vehicle type split is approximately 32% small vehicles and 68% heavy vehicles (including 2% B-double). Vehicle movements would be spread over a 24 hour period with some slight 'peaking' in the normal morning and afternoon peak periods

The proposal (as originally submitted) is anticipated to generate up to 300 vehicles in the peak periods, which is considerable. However, the Concrete Masonry Plant was deleted from the proposal at the Preferred Project stage. As a result, the associated traffic impacts of the proposal have already been reduced, as there will be up to 25,000 less heavy vehicle trips per annum than originally proposed.

The Department has considered the Government's proposed SIC contribution level in relation to the proposal and considers the proposal as a substantial traffic generator. As such, the Department further considers Hanson should be required to contribute to the provision of both regional and local road infrastructure in the WSEA.

Whilst Hanson is, and will continue to be a substantial traffic generator, the Department is satisfied that the vehicle movements can be accommodated into the surrounding road network, subject to the upgrades envisaged in the approved Concept Plan for the regional road network occurring.

Access to both Hanson and ThaQuarry's sites is via a 'Right of Carriageway' which traverses Australand's land and connects the site to Old Wallgrove Road (see Figure 1). The Department is satisfied the project can continue to utilise the Right of Carriageway until the broader local and regional road network is in place. However, for safety reasons, the Department also considers that traffic lights should be installed at the intersection of the Right of Carriageway and Old Wallgrove Road. The Department also considers that Hanson should contribute to the signalisation of this intersection as part of their regional road contribution, consistent with ThaQuarry and the other landowners that would ultimately benefit from the access point, to ensure this occurs during the development of the Link Road network.

In October 2009, Hanson made a revised offer of contributions at a rate of \$180,000 per developable hectare of land (10.7 ha) toward regional transport infrastructure, consistent with Government's position on the SIC.

With regard to local roads and in particular, the precinct road planned to go through Hanson's site (see Figure 5), the Department acknowledges that following extensive consultation, both Council and Hanson have compromised to allow for the provision of this local road.

The alignment of the precinct road through Hanson's site (submitted at preferred project stage), has been moved away from the lip of the quarry in response to safety concerns raised by Council. In addition, the alignment of the precinct road no longer compromises Hanson's existing primary jaw crusher (as indicated it would in the precinct plan alignment in Figure 5 above). At the same time, Hanson are no longer seeking compensation for severed land, and have also agreed to contribute a reasonable amount (consistent with surrounding landowners) to the provision of the quarry link road (the local road shown in purple in Figure 5 above, connecting to Old Wallgrove Rd).

A summary of contributions toward both local and regional transport infrastructure can be seen in Table 2 below. With the resolution of the contribution to the local quarry link road and the provision of the precinct road through the site, together with the final regional road contribution, the Department considers there are satisfactory arrangements in place for transport infrastructure.

Table 2: Summary of Hanson's proposed Transport Infrastructure Contributions (Local & Regional)

CONTRIBUTION ITEM	DETAILS
Regional Road Infrastructure Including but not limited to: <ul style="list-style-type: none"> the upgrade of Old Wallgrove Rd; the upgrade of Archbold Rd; signalisation of intersections along Old Wallgrove Rd; and the upgrade of the intersection of Old Wallgrove Rd and Wallgrove Rd. 	<ul style="list-style-type: none"> Monetary contribution of \$1,926,000 payable to the Minister for Planning toward the provision of regional road infrastructure. Calculated at a rate of \$180,000 per hectare (ha) for the 10.7 ha of developable land part of the proposal. Payable at construction certificate stage for stage 1 and 2 of the project components.
Local Road Infrastructure Precinct (collector) Road through the Hanson site	<ul style="list-style-type: none"> Construction of a precinct (standard collector) road by Hanson, to Council's standard. Dedication of the 24 metre wide road corridor (which equates to 3100 m² of land), by Hanson, to Council. To be designed and constructed within 5 years of the project approval, or when an adjoining land owner is building a precinct road to a common boundary (whichever is sooner).
Local Road Infrastructure The Quarry Link Road	<ul style="list-style-type: none"> Monetary contribution by Hanson payable to Council toward the provision of the Precinct (local) Road known as 'The Quarry Link Road'. In the absence of a Section 94 Plan, the final level of contribution shall be to the satisfaction of the Director General, having regard to what other landowners in the precinct have paid, the value of the relevant land under the <i>Land Acquisition (Just Terms Compensation) Act 1991</i>, an independent quantity surveyor's report on the cost of the works and the level of contribution relative to the area of developable land part of the proposal. Payable within 3 years of the project approval, or when a Section 94 Contributions Plan that covers the site is made, whichever is sooner.

Stormwater Infrastructure

With regard to stormwater infrastructure, the indicative regional stormwater scheme depicted in the approved Precinct Plan places a regional basin on Hanson's land, in the position of Hanson's existing stormwater basin.

The Department considers that the proposed regional basin depicted in the Precinct Plan can't function as a regional basin in that particular location, due to topography and the inability of overland flows from some adjoining properties to reach the basin.

In addition, the Department considers it unreasonable to require Hanson to contribute to any future regional Stormwater scheme when they have demonstrated (both under existing operations and into the future) that they can manage water on their site sufficiently, without cost to Council.

As a result, the Department considers Hanson's proposed on-site stormwater management scheme (principally comprising a large stormwater detention basin and series of hume-ceptors), at no cost to Council, is the best stormwater regime for the proposal. The Department is further satisfied an on-site stormwater solution would not compromise the regional stormwater scheme for the broader precinct.

Conclusion

The Department did not find earlier contribution scenarios proposed by Hanson adequate, but as a result of continued negotiations, Hanson has agreed to the following:

- construction of a new stormwater detention basin on site to service the development with no cost to Council;
- construction of a Standard Collector Road to within a 24 metre corridor on an alignment agreed to by Hanson and Council (that addresses safety concerns and avoids Hanson's primary jaw crusher);
- dedication of the Standard Collector Road to Council;
- a reasonable contribution toward the acquisition and construction of the quarry link road (a local access road) (see Figure 5); and
- a contribution to the regional road infrastructure at a rate of \$180,000 per developable hectare, payable progressively as construction certificates are issued for each stage. This contribution would cover the 10.7 hectares of land being developed under the Concept Plan, resulting in a contribution of \$1,926,000 over 5 years.

With this offer of contributions toward regional road infrastructure, together with the implementation of a site sufficient stormwater scheme and conditions of approval requiring contributions to the provision of the local road network, the Department is satisfied that adequate arrangements are in place in terms of developer contributions for the project to be determined.

5.3 Potential Amenity Impacts

The Department assessed the potential amenity impacts of both the Concept Plan proposal and the option of permitting continued uses on the site in the short term, with restricted production rates (less than those sought in the Concept Plan).

Noise

A noise assessment was undertaken as part of the EA to consider noise impacts during construction, operation and from road traffic. The assessment concluded that:

- all predicted intrusive noise levels during operation would be below the day-time, evening and night-time assessment criteria and therefore, noise impacts are considered acceptable;
- predicted intrusive noise levels during construction would be below the day-time construction criteria and therefore, noise impacts are considered acceptable; and
- noise criteria from road traffic on Quarry Road would be achieved at an off-set distance of 50m during the day-time and 60m during the night-time.

The Department has considered the noise assessment in the context of both the noise goals detailed in the Precinct Plan, and the noise assessment undertaken for the recently approved Eastern Creek Waste Facility MP06_0239.

With regard to the Precinct Plan, the Hanson site is located across a number of noise zones, but principally zone 4 (see Figure 6). As a result, the proposed project specific noise criteria are a ‘hybrid’ of the noise criteria set out under the Precinct Plan.

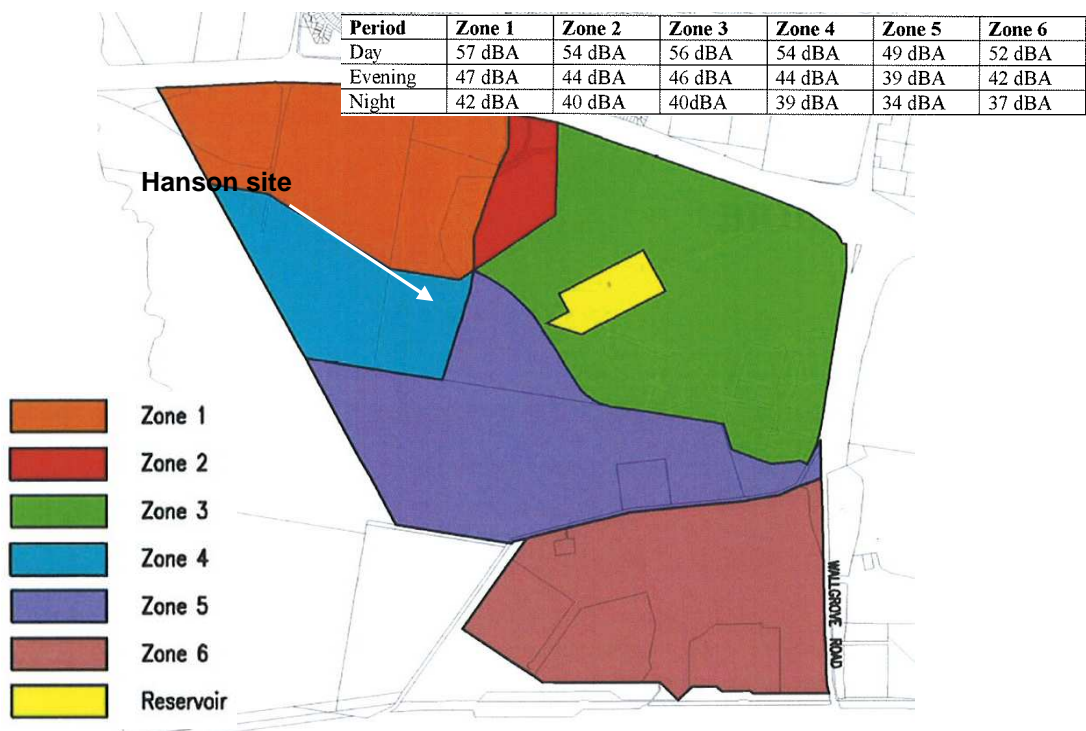


Figure 6: Optimum Noise Level Goals – Eastern Creek Precinct (Hanson site is located at the confluence of zones 1-5)

Overall, the Department considers noise contributions from the proposal would be minimal at residences (for both for the Concept Plan proposal and continued uses on site). Similar to the adjoining Eastern Creek Waste Facility, the site is separated from the nearest resident by the M4, a six lane motorway which would dominate the noise environment for residents. Both the Department and DECCW are satisfied the noise goals would be achieved at the nearest residents in Erskine Park and Minchinbury (see predicted noise contours in Figure 7).

The proposed noise criteria for the proposal are actually more stringent than the criteria in the existing EPL(s) for the facility. Both DECCW and the Department consider it is appropriate to move to more stringent criteria that are generally consistent with surrounding development, and reflect the fact that noise generating quarry activities (such as blasting and excavating), no longer take place.

In addition, the Department has recommended that existing production rates at the facility be capped at levels below those sought in the Concept Plan, and that Hanson be required to demonstrate continued compliance with the noise criteria at subsequent project application stages.

Further, the Department has recommended a noise monitoring program be established to evaluate compliance with the noise criteria, which is consistent with the approval for the Eastern Creek Waste Facility

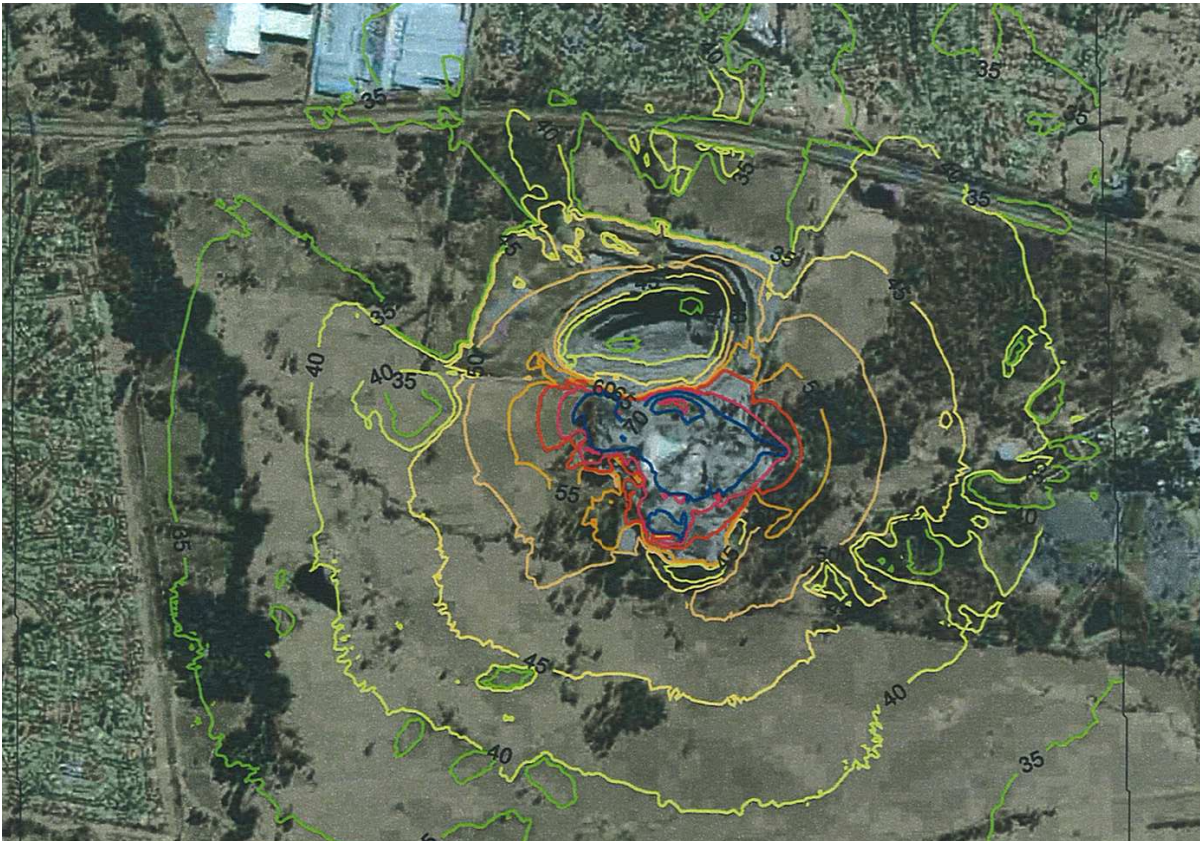


Figure 7: Predicted Day-Time Intrusive Noise [pink = 65-70dB(A), red = 60-65dB(A)]

Air Quality

An air quality assessment was undertaken as part of the EA to consider air quality impacts during construction and operation. The assessment concluded that with the implementation of specific design and operational safeguards, particulate matter, dust deposition and odour attributable to the project would be within the current DECCW air quality goals at all surrounding residences.

However, the Department notes the following issues with regard to the assessment:

- the assessment did not predict odour impacts from the production of polymer modified bitumen at the proposed emulsion plant, but noted that the facility would require mitigation to manage odour from this source; and
- the assessment did not include the cumulative impact of the adjacent Eastern Creek Waste Facility (albeit the waste proposal was subsequent to Hanson's application).

The Department further notes the Hanson proposal has some similar dust generating components to the adjacent Eastern Creek Waste Facility (e.g. crushing and grinding, and materials stock piles). The Department's experience on the Eastern Creek Waste Facility indicated that projects such as these have the capacity to exceed DECCW's short term dust criteria (24-hour average PM₁₀). This criteria defines what is an appropriate level of coarse particulate matter to have in the air, measured over a short period.

However, it should be noted that existing PM₁₀ (24-hour average) levels for Western Sydney often exceed the DECCW criteria of 50ug/m³. However, this happens all around the state, not just in Eastern Creek. Events such as bushfires and dust storms can elevate the background levels, meaning that any contribution from a proposal such as Hanson's would lead to an exceedance of the short term 24 hour criteria. As such the Department considers it critical that emissions from the Hanson site are tightly controlled and monitored, and that long-term options for minimisation of emissions (such as implementing the hardstand areas envisaged under the concept Plan) are pursued. Hanson will need to demonstrate compliance with the Department's recommended criteria at subsequent project application stages.

With the benefit of the Eastern Creek Waste Facility assessment in mind, and taking into account the similarity of some aspects of the Hanson operations with the approved waste facility (e.g. crushing,

grinding and screening of materials), the Department considers the same rigorous air quality management regime established for the waste facility should be applied to the Hanson facility, now, and into the future.

The recommended air quality management regime would include the preparation of an Air Quality, Odour and Greenhouse Gas Management Plan by an independent expert, detailing measures to control air quality emissions, triggers for remedial action, a monitoring program including best practice, real-time dust monitoring and specific measures for managing PM10 impacts including triggers for ceasing dust-generating works.

With regard to DECCW's concern that the EA did not predict odour impacts from the production of polymer modified bitumen at the proposed emulsion plant, the Department notes construction or operation of the emulsion plant is not permitted under the recommended project approval. The Department has included environmental assessment requirements in the recommended conditions of approval for the Concept Plan that require Hanson to demonstrate compliance with section 129 of the POEO Act in any future application for the Emulsion Plant

The Department is satisfied the recommended monitoring program would ensure Hanson promptly respond and manage any short-term dust events from their operations. In doing so, Hanson, consistent with the adjacent waste facility, can minimise their Project's contribution to short-term dust events in the broader area. The Department is satisfied that the recommended conditions would ensure dust and particulate emissions from the project can be effectively managed. Further, the Department predicts improved air quality in the area as elements of the Concept Plan are implemented, including substantial hard stand areas.

5.5 Other Issues

Other issues and potential impacts associated with the proposal are summarised in Table 3.

Table 3: Other issues

Issue	Assessment	Recommendation
Collector Road entry points	<ul style="list-style-type: none"> • Council has residual concerns regarding the number and nature of entry points to the site from the proposed collector road • The final alignment of the collector road was agreed upon in consultation with Council, responding to Council's concerns about safety by moving the road away from the quarry lip. The agreed alignment is formalised in the proposed subdivision plan, under this application. • With the alignment of the collector road resolved, the Department is satisfied that the detailed design of the road and entry points can be developed to the satisfaction of Council and ultimately dedicated to Council at no cost. 	<ul style="list-style-type: none"> • The Proponent is required to design and construct the collector road (and entry points) to the satisfaction of Council, along the alignment agreed to with Council.
Aboriginal Heritage	<ul style="list-style-type: none"> • DECCW is concerned that the Proponent has not undertaken an adequate assessment of Aboriginal heritage. • The Department has recommended only continuing uses be allowed, with no additional construction or expansion permitted (with the exception of the access road) until subsequent project applications are approved. • The Department considers the existing site highly disturbed given its use since the 1950s. • Regardless, no development is proposed or permitted in Aboriginal archaeological areas of 'high sensitivity'. 	<ul style="list-style-type: none"> • The Proponent is not permitted to disturb those Aboriginal archaeological areas indicated as 'high sensitivity' in the Precinct Plan • The Proponent is also required to prepare a detailed Aboriginal Heritage Management Plan at subsequent project application stages.

Issue	Assessment	Recommendation
Flora & Fauna	<ul style="list-style-type: none"> • DECCW are concerned that the proponent has not undertaken an adequate assessment of flora & fauna. • The Department has recommended only continuing uses be allowed, with no additional construction or expansion permitted (with the exception of the access road) until subsequent project applications are approved. • The Department considers the existing site highly disturbed given its use since the 1950s. • The Department also notes the site's vegetation is classified under the Precinct Plan as having 'low ecological value'. • The proponent is required to prepare more detailed flora & fauna assessments at subsequent project application stages. 	<ul style="list-style-type: none"> • The Proponent is required to prepare a Landscape Management Plan that includes provision for care and maintenance of the riparian corridor along Ropes Creek.
Contamination	<ul style="list-style-type: none"> • Jacfin consider there is a high probability for contamination on site due to past uses and request that a Phase 2 contamination assessment be done prior to the issue of a construction certificate. • The Department has recommended only continuing uses be allowed, with no additional construction or expansion permitted until subsequent project applications are approved. • The proponent is required to prepare a more detailed contamination assessment at subsequent project application stages. 	<ul style="list-style-type: none"> • The proponent is required to prepare a more detailed contamination assessment at subsequent project application stages.
Surface Water	<ul style="list-style-type: none"> • Adjoining landowner Jacfin suggests flooding is an issue that may affect their land. • In addition, Jacfin consider Hanson should be required to connect to sewer • Adjoining landowner Australand concerned that overland flows from their site are not provided for. • Hanson proposes an on site solution to manage surface water / stormwater. • The Department is satisfied with the preliminary design for the on-site solution and will require further detailed designs to be developed in consultation with Council at subsequent project stages. 	<ul style="list-style-type: none"> • The Proponent is required to investigate connecting to sewer in subsequent project applications. • The Department has recommended conditions of approval that make provision for overland flows from the Australand site.

6. RECOMMENDED CONDITIONS

The Department has prepared recommended conditions of approval for the Concept Plan and the Project (see Appendix A).

These conditions are required to:

- prevent, minimise, and/or offset adverse environmental impacts;
- set standards and performance measures for acceptable environmental performance; and
- provide for the ongoing environmental management of the project.

Hanson accepts the imposition of these conditions.

7. CONCLUSION

The Department has assessed the EA and submissions on the project in accordance with the requirements of the *Environmental Planning and Assessment Regulation 2000*.

This assessment shows the key issues relate to the strategic justification of the project, the adequacy of the proposed infrastructure contribution and amenity impacts on neighbouring land uses.

The Department has assessed these concerns in detail having regard to the objects of the EP&A Act, and the principles of ecologically sustainable development. The Department concludes that the progressive modernisation of the Hanson concrete and asphalt production and recycling facility would contribute positively to the broader economic development of the area by continuing the essential construction materials service it provides. Hanson has also made satisfactory arrangements with the Minister for local and regional infrastructure contributions.

The Department is further satisfied that the potential amenity impacts of the existing operations can be managed in the short term, and as elements of the Concept Plan are implemented through subsequent project applications, there would be an improved level of environmental performance of the facility overall.

On balance, the Department is satisfied that the project's benefits outweigh any residual costs, and that it is in the public interest to provide certainty and regulate the facility into the future, and should be approved, subject to conditions.

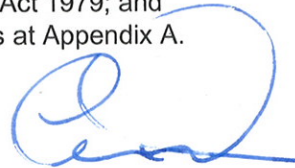
8. RECOMMENDATION

Under the Minister for Planning's delegation of 25 January 2010, It is RECOMMENDED that the Deputy Director General:

- consider the findings and recommendations of this report;
- approve the concept plan and project application, subject to conditions, under section 75O and 75J of the Environmental Planning and Assessment Act 1979; and
- sign the attached concept plan and project approvals at Appendix A.


Chris Ritchie
Manager-Industry 2/6/10


Richard Pearson
Deputy Director General 3/6/10


Chris Wilson
Executive Director 2.6.10

APPENDIX A – CONCEPT PLAN & PROJECT APPROVALS

APPENDIX B – RESPONSE TO SUBMISSIONS & PREFERRED PROJECT DOCUMENTATION

APPENDIX C – SUBMISSIONS

APPENDIX D – ENVIRONMENTAL ASSESSMENT

APPENDIX E – CONSIDERATION OF OTHER ENVIRONMENTAL PLANNING INSTRUMENTS

Section 75(2) of the *Environmental Planning and Assessment Act 1979* requires that reference be made to the provisions of any environmental planning instrument that would (but for Part 3A of the Act) substantially govern the carrying out of the project. Consideration of the proposed development in the context of the objectives and provisions of the key environmental planning instruments is provided in Section 3. Consideration of other environmental planning instruments is provided below.

State Environmental Planning Policy (Infrastructure) 2007

State Environmental Planning Policy (Infrastructure) 2007 (Infrastructure SEPP) commenced in January 2008, consolidating and updating a number of State planning instruments. The Infrastructure SEPP details planning provision and development controls for infrastructure works and development located adjacent to particular types of infrastructure development. However, the Infrastructure SEPP does not apply to project applications which were lodged but not determined before the commencement of the policy. As the project application was lodged prior to the commencement of the Infrastructure SEPP, the provisions of this SEPP do not apply to the project.

State Environmental Planning Policy No. 33 – Hazardous and Offensive Development

SEPP 33 aims to identify proposed developments with the potential for significant off-site impacts, in terms of risk and/ or offence (odour, noise etc). A development is defined as potentially hazardous and/ or potentially offensive if, without mitigating measures in place, the development would have a significant risk and/ or offence impact, on off-site receptors. There are two Environment Protection licences that pertain to the current Hanson operations on site, in addition DECCW have indicated they have the ability to licence the proposal into the future. The Department has also included a number of recommended conditions to regulate emissions from the site in accordance with the provisions of the SEPP.

State Environmental Planning Policy No. 55 – Remediation of Land

SEPP 55 applies to the project. SEPP 55 aims to ensure that potential contamination issues are considered in the determination of a development application. A desktop contaminated site assessment was undertaken and further site investigation and analysis was recommended in the EA to identify areas requiring remediation. The Department is satisfied with the consideration of SEPP 55 in the EA and requires more detailed assessment to be undertaken at subsequent Project approval stages.

Blacktown Local Environmental Plan 1988

Clause 8 (2) of the WSEA SEPP indicates that *Blacktown Local Environmental Plan 1988* does not apply to land within the Blacktown Local Government Area that is covered by the WSEA SEPP. Therefore, Blacktown LEP does not apply to the project.