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Our ref Environmental Advice

Contact Martin Leong (+61 2 9335 7674)

25 October 2019

Dear Anne

**Environmental Advice for Visy Industries Australia Pty Ltd at 112-120 Euston Road, Alexandria, NSW**

KPMG SGA Property Consultancy Pty Ltd (KPMG SGA) were engaged by Visy Industries Australia Pty Ltd (Visy Industries) to provide environmental advice in relation to 112-120 Euston Road, Alexandria, NSW (the site). The site is identified as Lot 2 in deposited plan (DP) 709175 and is approximately 1.27 hectares (Ha) in area.

**Background and Objective**

The site is currently owned by Lendlease Funds Management Limited (Leandlease), which will be leased by Visy Industries who are intending to lease and repurpose the site for use as a waste transfer/recycling facility. The proposed development of the site is classified as a State Significant Development (SSD) under clause 23(2) of Schedule 1 of State Environment Protection Policy (SEPP) (State and Regional Development) 2011 where Visy Industries have received Secretary's Environment Assessment Requirements (SEARs) from City of Sydney (Council), which requests consideration of the potential contamination and suitability of the site for the intended use as required by SEPP 55 – *Remediation of Land*. The SEARs must address the characterisation of the nature and extent if any contamination of the site and a description of proposed remediation measures. The council require any preliminary or detailed environmental assessment to consider any potential soil and/or groundwater contamination that may be present at the site. In the case, where the site is potentially contaminated, the requirements and procedures of any investigation, remediation and/or validation should be undertaken in accordance with the NSW Environmental Protection Authority (EPA) approved guidelines under Section 105 of the Contamination Land Management Act 1997 (CLM Act), Contamination Land Management Regulation 2013 (CLM Regulation) and SEPP 55 – *Remediation of Land*.

The objective of this letter in conjunction with a previous assessment undertaken by KPMG SGA at the site is to address the SEARS and Council requirements relating to the potential for contamination at the site.

## **Previous Assessment**

KPMG SGA previously undertook an Environmental Site Investigation (ESI)<sup>1</sup> on behalf of Lendlease c/- Jones Lang LaSalle (JLL) to satisfy an end of lease condition for the previous tenant vacating the premises. The ESI included that advancement of twenty-three (23) boreholes and collection of soil samples for analysis of a range of chemicals of concern (COCs) including heavy metals, total recoverable hydrocarbons (TRH), benzene, toluene, ethyl benzene and xylene (collectively known as BTEX), polycyclic aromatic hydrocarbons (PAHs), phenols and volatile organic compounds (VOCs). Concentrations of COCs within all soil samples analysed were below the adopted human health assessment criteria for commercial / industrial use. The ESI concluded that the site was not adversely affected by COCs as a result of warehousing activities undertaken by the previous tenant that would preclude the use of the site for continued commercial / industrial purposes.

## **Site History**

Based upon the information reviewed as part of the ESI, the site has historically been used for industrial purposes since circa 1910's and the surrounding areas appeared to have been comprised of commercial, industrial, residential and vacant land from at least the 1930's with various areas subsequently undergoing significant industrial development.

## **Initial Appraisal**

In accordance with the SEPP 55 – *Remediation of Land*, there is a requirement for all development to consider whether contamination is present at the development site and if COCs are at suitable concentrations for the site in its current state, or whether it can be remediated to a suitable state. With consideration to the proposed development, the assessment of soil and groundwater at the site is warranted based on the industrial history of the site and surrounding properties. KPMG SGA note that the ESI has concluded that the underlying soil has not been affected by on-site activities and there were no indications of significant contamination observed while carrying out the works. The potential exists for groundwater to have been impacted by past industrial practices or an off-site source, however note that the site is located within a groundwater restricted use zone preventing the use of bore water for domestic use, which removes one exposure pathway (direct contact) for on-site receptors. Based on the initial appraisal, KPMG SGA considers there is a low potential that impacted groundwater would inhibit the industrial land use of the site as a waste transfer facility.

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<sup>1</sup> KPMG SGA Property Consultancy Pty Ltd, Environmental Site Investigation, 112-120 Euston Road Alexandria NSW, reference 364678, dated 29 August 2019.



**Visy Industries Australia Pty Ltd**  
*Environmental Advice for Visy Industries Australia  
Pty Ltd at 112-120 Euston Road, Alexandria, NSW  
25 October 2019*

## **Conclusion**

KPMG SGA recommended Visy Industries to undertake a detailed site investigation (DSI) which will include the assessment of groundwater, soil data obtained during the ESI and a statement regarding the suitability of the site for its proposed use. KPMG SGA have since been engaged by Visy Industries to undertake the DSI to address the Council's recommendations to further assess potential groundwater contamination in accordance with the requirements of SEPP 55 and the SEARs. The DSI is currently in progress and will be provided to Council upon completion.

### Attachments

*KPMG SGA Report Limitations*



# KPMG SGA Property Consultancy Pty Ltd (KPMG SGA)

## Report Limitations

We advise that, unless specifically stated otherwise within the body of this document, the following Limitations apply to our Report;

- Sections within this Report may contain additional Limitations relevant to the reporting discipline concerned. These must be viewed as additional limitations that stand separately, and in addition to, the following Limitations.
- No reliance should be placed on draft reports, draft conclusions or draft advice issued by us as they may be subject to further work, revision and other factors which may mean that drafts are substantially different from any FINAL report or advice issued.
- Parts of the building built in, covered up or otherwise made inaccessible during construction, alteration or fitting out have not been inspected.
- This generally relates to ceiling voids, wall cavities and service risers. Therefore we are unable to comment as to whether such elements are free from defect or infestation.
- We have not undertaken any work of a specific engineering nature, such as engineering calculations, structural analysis, testing or measurements as the Report reflects our interpretation of the condition of the building as apparent from the inspection.
- Building services have been visually inspected where exposed to view only. No internal inspections have been undertaken of plant, equipment and machinery or where services are covered up or hidden by building structural elements or finishes. Building services have not been tested and no design calculations have been undertaken.
- The property has not been inspected specifically for termite infestation and we would only report on such if evidence of termite activity was apparent during our inspection.
- Where a variety of multiple units or tenanted areas are inspected, a random selection of each type of unit / area was inspected and used for the basis of this report.
- This Report is not a certification, a warranty or guarantee and has been scoped in accordance with the instructions given and the time allowed.
- The scope of the Report is described in the fee proposal accepted by the instructing client and disciplines not specifically mentioned are excluded from this report.
- This Report has been prepared for the benefit of the instructing client named on the cover of the document. This Report is not to be reproduced, in whole or in part, without the express written authorisation of KPMG SGA Property Consultancy Pty Ltd.
- The findings of this Report are valid for six calendar months from the date of issue of the Draft version of the document.
- Unless specifically stated otherwise, all cost estimates provided throughout the Report are subject to the following Limitations;
  - Estimates are indicative only and are provided as a guide to "order of magnitude" of the cost item. Items of work are not fully described or detailed reflecting the high level nature of the assessment, the amount of information available and the purpose for which they are prepared;
  - Preliminaries, builder's margins, overheads and contingencies are excluded;
  - Professional fees, project management fees, planning and building licence fees are excluded;
  - No allowance has been made for Tender Price Inflation throughout the budget terms considered;
  - In providing estimates we have assumed that replacements and renewals will be on a like for like basis. Unless specifically stated otherwise we have made no allowances for improvements over and above this standard.
- We have assume that WH&S /OH&S requirements will be similar to those encountered in the present and have made no allowances for any additional measures that may be required in the future.



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Capitalising on a global skill base, all senior KPMG SGA consultants are Chartered Building Surveyors, Engineers or Environmental Scientists, providing the company with a breadth of understanding across many specialist competencies, which is the key to our speed of assessment, service and delivery.

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