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Our Ref: JDC:JDC:200548



9 June 2020

Victorian Planning Authority
Level 25
35 Collins Street
Melbourne 3000

By email only: amendments@vpa.vic.gov.au

Dear Sir/Madam,

**Amendment C243 to the Hume Planning Scheme
170 Lancefield Road & 45 Gellies Road Sunbury VIC 3429**

We act on behalf of the landowner in respect of the land at 170 Lancefield Road & 45 Gellies Road Sunbury VIC 3429 (**Subject Site**), Moremac Property Group.

We have had the opportunity to review the materials exhibited as part of Amendment C243 to the Hume Planning Scheme (**Amendment**) which seeks to introduce the Sunbury South and Lancefield Road Infrastructure Contribution Plan (**ICP**) into the Hume Planning Scheme (**Scheme**). Despite a number of written requests made to the Victoria Planning Authority (**VPA**) seeking the provision of further information to inform this submission, have not yet received any response. Accordingly, this submission is made on the basis of information currently available and our client reserves its right to make a supplementary submission once the requested material has been made available by the VPA and we have had reasonable time to review and consider same.

Broadly, the following matters are raised:

1. Any suggestion by the VPA (as is made on their website where they note that "... *the current ICP Amendment will not further consider the merits or strategic need of each infrastructure item...*") is a denial of natural justice and procedural fairness. This is particularly in circumstances where cost implications of particular infrastructure items would have significant bearing on the merits/utility of such an item and in the absence of such costings, alternate options were not explored/means tested.
2. The absence of a full cost analysis and review of the financial implications of particular infrastructure items contemplated by the PSP is a fundamental flaw in the process, which has the potential to undermine the delivery of development outcomes contemplated by the PSP.

Specifically, the following matters are raised:

Infrastructure costs – bridges

3. Our client has concerns with the significant cost of supplementary items included in the ICP, most notably two bridge crossings of Jacksons Creek with a combined cost of close to \$200 million. The scale and cost of the bridges proposed in the Sunbury South and Lancefield Road ICP are not in proportion to the connector road status of the road network and would appear to be excessive when compared to bridges in other nearby PSP areas. The extent of the bridges are more in proportion to arterial road bridges that are ordinarily funded by State or Federal Governments and are far longer than is strictly necessary to span the 100 year flood extents of Jacksons Creek.

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4. Specifically, infrastructure items LR-BR-01, LR-RD-02-01B and LR-RD-02-02A are “supplementary levy” items relating to a northern bridge crossing of Jacksons Creek within the Lancefield Road PSP area, including bridge approach roads, and have a combined cost of \$134.7 million for a two-lane “boulevard connector street”. At the western end, the bridge will connect to Elizabeth Drive. At the eastern end, the bridge will intersect a north-south connector street at a T-intersection. A total of 74% of the bridge cost and 100% of the approach road cost is apportioned to the two PSPs (Sunbury South and Lancefield Road), i.e. a total cost of \$107.7 million allocated to the ICP. The balance is to be apportioned to the Sunbury North and Sunbury West PSPs which have not yet commenced.
5. Infrastructure item SS-BR-01 is a “supplementary levy” item relating to a southern bridge crossing of Jacksons Creek within the Sunbury South PSP area, with a cost of \$41.7 million for a two-lane “boulevard connector street”. The boulevard connector street is proposed to extend from the Sunbury Road/Lancefield Road intersection generally in an east-west direction across Jacksons Creek and the railway line to Vineyard Road and includes three bridges/culverts and a road underpass of the railway line, all of which are supplementary items. A total of 74% of the bridge cost is apportioned to the two PSPs (Sunbury South and Lancefield Road), i.e. a total cost of \$30.9 million allocated to the ICP. The balance is to be apportioned to the Sunbury North and Sunbury West PSPs which have not yet commenced.
6. In relation to these matters, the following concerns are raised:
 - a. The decoupling of the PSP and ICP process in this instance, where there is a substantial component of potentially expensive infrastructure that will not fall within the “standard levy” (i.e. bridge crossings of escarpments and railway overpasses and underpasses) is not appropriate, as it is necessary to fully understand the cost implications of major infrastructure items when deciding on their merits.
 - b. The Transport Construction Supplementary Levy is more expensive than the Transport Construction Standard Levy and raises the cost to the point where development of the land becomes unviable.
 - c. The need for these bridges has not been demonstrated. This is particularly in instances where the SS and LR Traffic Modelling Report (GTA – October 2015) which tested a number of scenarios to determine the suitability and necessity of the Jacksons Creek crossings for an interim and ultimate scenario, concluded that the bridges ... *“provide more flexibility in the network and reduce volumes in the town centre. Notwithstanding, the results [of the modelling] demonstrate from a transport perspective that the two PSPs are able to function regardless of the introduction of the river crossings”*.
 - d. Without the bridge crossings, a number of other supplementary infrastructure projects become unnecessary, including SS-RD-06, SS-RD-07 and SS-RD-08 (with a combined cost of \$17.4 million) which provide connection via Fox Hollow Drive, Watsons Road and Crinnion Road to the Calder Freeway interchange at Bulla-Diggers Rest Road.
 - e. While the supporting documentation suggests that it is desirable to build the bridges at the beginning of development, the high cost of the bridge infrastructure items means that Council would not be in a financial position to construct the bridges until the entire PSP areas of Lancefield Road, Sunbury South, Sunbury North and Sunbury West were substantially built-out in order for the bulk of the funding to be available. We would not expect developers to construct the bridges as works in kind. Accordingly, by the time the bridges are open to traffic, the surrounding communities will have established travel patterns, alternative routes (including the Bulla Bypass and

Sunbury Road duplication) will have been established/completed, and the need for the bridges will not be there.

- f. Alternate designs for the bridge have not been made available for review/costing/consideration of whether they provide an acceptable alternative to the design put forward as part of the ICP. Presumably shorter bridge options were considered which would have considered steeper grades of approach roads. In a local road setting, steeper grades of approach roads would ordinarily be considered to be appropriate in order to reduce costs for local infrastructure.
- g. Both bridges are nominated as connector roads, rather than arterial roads. We are not aware of any precedent whereby local connector roads have required a bridge in excess of \$130 million to be entirely privately funded through a DCP or ICP. Had the cost been known at the time that the PSPs were being prepared, the PSPs may have been modified to make the east side of Jacksons Creek as self-sustainable as possible in terms of day-to-day needs, so as to reduce the reliance on the existing Sunbury Town Centre. As it stands, grocery shopping, community facilities, schools and access to fixed rail do not require a trip across Jacksons Creek, and Sunbury Road with the Bulla Bypass provides a good link towards Melbourne, again without crossing Jacksons Creek.
- h. There is no environmental or traffic consideration which justifies a bridge of the scale/cost proposed. Specifically, if the bridge was designed to span the 100 year flood extents (with appropriate freeboard), then the bridge would only need to be in the order of 50m length (which is similar length to the existing Sunbury Road bridge over Jacksons Creek).

Supplementary levy

- 7. The proposed Supplementary Levy (\$151,285 per hectare), which primarily relates to the delivery of the bridges, is excessive and has no comparison in other PSP areas. The extent of the levy is primarily driven by the costs associated with the northern creek crossing and, to a lesser extent, the southern creek crossing in the Sunbury South PSP area. The need for these infrastructure items is disputed on a cost benefit basis.

The Interim ICP, gazetted pursuant to Amendment C230 to the Hume Planning Scheme, was not exhibited or subject to public submissions or a Panel Hearing. Accordingly, the supplementary levy has not been tested. Accordingly, no weight should be given to the figure currently included in the Scheme.

Land equalization

- 8. The land equalization monetary rate outlined in Table 10 of the ICP (being \$1,925,073) has not been justified nor sufficient information provided to inform how this figure was arrived at. Until more information is made available, our client objects to these figures and reserves its position in respect to same.

Infrastructure costs – Community Centres

- 9. There is not appropriate detail included in the exhibited material to determine whether the costs associated with the construction of community infrastructure items is justified. Until more information is made available, our client objects to the figures associated with these items.

Intersection cost estimates

- 10. The intersection project costs allowed in the ICP associated with Kingsfield currently do not allow for service relocation costs. Of particular concern is that the signalised intersections along Lancefield Road (LR-IN-02 and LR-IN-03) will require the relocation of overhead

electrical poles and cables at each intersection, as well as protection of the Nextgen fibre optic cable that runs along Lancefield Road. The GHD costings for the intersections along Lancefield Road specifically exclude allowance for the relocation of services.

Bendigo Rail line bridge

11. There are substantial service relocation costs associated with the Bendigo Rail line bridge (SS-BR-04), in particular relocation costs associated with the APA gas transmission main (Deer Park and Sunbury pipeline PL122). These costs have been estimated at \$4.4M. These service relocation costs represent 25% of the overall bridge estimate of \$17.3M, and should bring in to question whether this bridge is essential to the development of the land on the west side of the railway line.

The information our client continues to seek to inform its further detailed submission is as follows:

12. Background materials/documents which provide justification for the quantum of costs included in the ICP for the northern and southern bridge;
13. Background materials/documents which provide justification for the quantum of costs included in the ICP for the community infrastructure items;
14. Background materials/documents which provide justification for the land equalization monetary rate and specifically any valuation methodology relied upon in informing same;
15. Alternative designs that were considered during the preparation of the PSP/ICP in respect of the bridge designs, noting that the current bridge drawing included in the exhibited material is titled "Alternative Long Option".

Should you wish to discuss matters further, please do not hesitate to contact the undersigned.

Yours faithfully



John Cicero
Principal



Eliza Minney
Senior Associate

Enc.