

1 November 2023

Victorian Planning Authority RE: Officer South Employment PSP Level 25, 35 Collins Street MELBOURNE VIC 3000

osepsp@vpa.vic.gov.au

Dear Sir/Madam

# DRAFT OFFICER SOUTH EMPLOYMENT PSP – draft for consultation – September 2023

This letter is in submission to Planning Scheme Amendment C274card, otherwise known as the Officer South Employment PSP (the PSP). Casey is a vested stakeholder with significant interest in the PSP. This submission will focus on the future Thompsons Road bridge/extension as outlined in the PSP and proposed ordinance and seek clarity from the Victorian Government on how and when this important asset will be constructed.

Under our *Connecting Casey* advocacy agenda, Casey has been campaigning for the extension of Thompsons Road from Berwick-Cranbourne Road in Clyde North to Koo Wee Rup Road in Pakenham. We align with the interests of Cardinia Shire Council in that it would create a high-capacity route from Carrum to Pakenham and unlock more than 100,000 jobs and increase regional economic output by billions of dollars.

It is our intent in this submission to clearly outline to the Victorian Planning Authority (VPA) and its stakeholder agencies, the importance of the extension to Thompsons Road including the bridge within the policies informing this PSP, to highlight that the success of this precinct is jeopardised by the lack of stated commitment to its delivery. That Thompsons Road is noted so specifically within not only the PSP itself but also the two major underpinning policies further fuels our advocacy for a committed delivery through this PSP.

# Plan Melbourne 2017-2050 Integrated Transport – Southern Metro Land Use Framework Plan

Plan Melbourne (the Plan) informs the PSP with highest order policy. The PSP seeks to achieve Outcome 3 of Plan Melbourne, ensuring the Southern Metro Region (as part of Greater Melbourne) has an integrated transport system that connects people to jobs and services and goods to market. Thompsons Road is specifically noted within the framework as being a key east-west arterial road linking

employment areas in Carrum Downs, Dandenong South to the South Eastern Growth Corridor.

Direction 13 of the Plan strategizes to improve transport connections to support the productivity of the Southern Metro Region, of which the Thompsons Road principal freight network is a primary contributor.

#### **MICLUP**

The Melbourne Industrial and Commercial Land Use Plan (MICLUP) builds on policies, strategies and actions in Plan Melbourne and informs the PSP on best possible outcomes for the Southern Metro Region's largest employment precinct.

With the Officer-Pakenham state-significant industrial precinct (SSIP) immediately adjacent to Casey, there is already a significant investment in its successful delivery. The entire SSIP is anticipated to bring with it over 64,000 jobs in the next eight years, and Casey reasonably expects residents to be able to capitalise on that. The SSIP needs to be accessible on multiple fronts, and the entirety of Thompsons Road as the principal freight network will be a major benefactor. A bridge over Cardinia Creek is imperative.

#### Exhibited Documents - The PSP

This structure plan has strong underpinning policies, derived from both the Plan and MICLUP. The industrial precinct is established within both of those policies as having status as a SSIP, with an anticipated strong transport system. The PSP acknowledges a reliance on the completed extension to Thompsons Road to achieve the overarching objectives.

The Vision and the Purpose set the tone of expectations for the practical and timely delivery of this precinct.

### Section 2.1 PSP Vision

The vision of this PSP is to deliver to the region a high amenity regionally significant commercial area and state-significant industrial precinct with excellent connectivity on a north-south, east-west freight axis. The vision sets an expectation that significant freight movement via Thompsons Road will allow for direct access to broader south-east employment precincts and population centres.

#### Section 2.2 PSP Purpose

Purpose 3 of this precinct is the release of key transport/economic links – "Officer South Employment incorporates strategic planning for the alignment of Thompsons Road, a pivotal east—west arterial freight route that will unlock the Pakenham-Officer

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SSIP" A clear question arising from this statement must be, what is the state's strategic plan being implemented? There is no proposed priority, timeframe or funding for the Thompsons Road bridge asset BR-04 and no discernible strategy for its timely delivery.

## Exhibited Documents – Ordinance Draft Incorporated Document State Infrastructure, Officer South Employment Precinct, September 2023

This document will be triggered in any subdivision or development application under the Specific Controls Overlay (proposed SCO14). It is through this mechanism that the most control over orderly planning outcomes of the precinct arises.

As we interpret this document, the specific controls in the form of permit requirements activates the staging plan at *Plan 12 – Infrastructure and Development Staging* of the PSP, which formalises the order in which development may occur. The occurrence may only be permissible when certain major infrastructure assets are completed. Two of these assets are party funded through the Infrastructure Contributions Plan (ICP) and two of those are entirely State funded, with no committed timeframe. Thompsons Road is one of those assets entirely State funded, and Thompsons Road falls within stage 4 of the staging plan. Stage 4 will not be developed as intended by the PSP until three other major infrastructure assets are completed, one of which is entirely state funded with no committed funding or timeframe for delivery.

It is noted that Grices Road, being a secondary arterial road, is in stage 3 of the precinct, ahead of Thompsons Road, a primary freight network road. We see Thompsons Road as an investment priority, and that the delivery of this extension should be staged ahead of Grices Road.

In the absence of a commitment to fund and deliver the Thompsons Road extension, we infer that the State is seeking innovative funding models such as GAIC Works-In-Kind (WIK) agreements to facilitate the funding and delivery of these works. There are practical difficulties in implementing a GAIC WIK agreement in the Officer South Employment precinct, given the cost of the Thompsons Road extension works required to be delivered and the absence of a developer with land and GAIC liabilities of scale to offset the cost of these works. A critical review of funding models is required to ensure the timeliest delivery of these works. The Victorian Government must drive this process to realise the vision for the development of the precinct.

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Minta Farm Infrastructure Contributions Plan Project ID: BR-01 and Draft Officer South Employment Infrastructure Contributions Plan Project ID: OS-PB-01

This project is a shared pedestrian and cyclist bridge over Cardinia Creek into the Minta Farm precinct. This project will be funded by the Minta Farm ICP (50%) and the Draft Officer South Employment ICP (50%). The Minta Farm ICP reference design for the project is a 42m long bridge in accordance with Benchmark Cost Item 24. The project is currently costed at \$2,432,849.10, with the internal apportionment to the Minta Farm ICP being \$1,216,424.55. However, the Draft Officer South Employment ICP proposes an alternate reference design, namely, a 412m long bridge with 14 piers in accordance with the *Transport Concept Design Pedestrian Bridge PB-01* drawings prepared by Stantec (alternate reference design). The alternate reference design is costed at \$24,268,238.

The decision to proceed with the alternate reference design introduces:

- conflicts in the project reference design between the Minta Farm ICP and the Draft Officer South Employment ICP; and
- a significant unfunded liability of \$10.9M for Casey if the alternate
  reference design proceeds, noting that, since the gazettal of the Minta Farm
  ICP, Casey has collected infrastructure contributions for the 42m long bridge in
  accordance with Benchmark Cost Item 24 and the Minta Farm precinct is now
  approximately 35 per cent developed.

Casey does not support the alternate reference design because it exposes Council to a significant unfunded liability, with no means of cost recovery identified by the VPA. Casey reserves its right to make further representations on this item to the VPA Standing Advisory Committee.

#### Summary

The Officer South Employment PSP is an important precinct for the delivery of much needed heavy industrial land in the southeast region. Whilst Casey supports this PSP for the long-term outcome, we seek clarity from the state government on how and when the Thompsons Road bridge asset will be constructed.

The City of Casey and Cardinia Shire Council commissioned the *Thompsons Road Upgrade and Extension: Economic Impact Assessment*. This report highlights the importance of the full extension to Thompsons Road as soon as possible. The local jobs (over 120,000), regional economic output (over \$90B over 30 years) and improved liveability of the region (up to 90-minute commute each way, each workday) that will result from the delivery of this asset is a strong argument to the government to prioritise this primary freight network. The project is supported by

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Greater South East Melbourne (GSEM) group of councils, of which Casey and Cardinia are members.

The entire PSP, from underlying policies to the precinct vision and purpose is dedicated to the delivery of a state significant industrial precinct. It boasts exceptional outcomes of innovation and sustainability derived from common landuse sub-precincts, connected with effective networks.

However, Casey does not believe the vision and purpose of this PSP will unfold as intended, and the lack of a connected east-west primary freight network will compromise the precinct. The Thompsons Road bridge is integral to the success of this PSP and the funding and delivery of this infrastructure should be prioritised as such.

Casey does not support the alternate reference design for Draft Officer South Employment ICP Project ID: OS-PB-01 because it exposes Council to a significant unfunded liability, with no means of cost recovery identified by the Victorian Planning Authority.

#### Status of this Submission

Casey officers provide this draft submission to the VPA prior to the presentation of an Officers' Report to the Council at the Tuesday 21 November 2023 Council meeting. The Officers' Report will recommend that Council resolve to endorse this draft submission. Casey officers will update the VPA on the outcome of this Council meeting.

## Queries

Should you have any questions about our submission, please contact

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