3 Planning Proposal for Alspec Industrial Business Park

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Outcome	*Shape our growing city*
Strategy	*Navigate balanced growth and plan strategically*
Principal Activity	*Ensure our strategic framework and vision are contemporary and guide land use planning to meet the needs of our community and growing population*

Previous Items: **2- Alspec Industrial Business Park Planning Proposal- Councillor Briefing- 29 Sep 2025 7:00PM**

Procedural note: Section 375A of the Local Government Act 1993 requires that a division be called in relation to this matter.

Proponent: HB & B Property Pty Ltd

Subject Land: 221-235 Luddenham Road, Orchard Hills

Executive Summary

Council is in receipt of a Planning Proposal for the Alspec Industrial Business Park (AIBP) at 221-235 Luddenham Road, Luddenham.

The Planning Proposal (separately enclosed) seeks to amend Penrith Local Environmental Plan 2010 (LEP 2010) to increase the Height of Building (HOB) control on a portion of the site, known as lot 11, from 24 metres to 40 metres. The proposal will enable high bay warehousing development on this lot within the AIBP. The proponent for the Planning Proposal is HB & B Property Pty Ltd.

An assessment of the Planning Proposal has been undertaken by Council officers. It is consistent with all relevant strategic plans and is supported. The Planning Proposal is also supported by the Local Planning Panel (LPP).

This report recommends that Council endorse the Planning Proposal to be forwarded to the Minister for Planning and Public Spaces with a request to issue a Gateway Determination.

Background

The subject site is located at 221-235 Luddenham Road, Luddenham and forms part of the broader AIBP. The site was rezoned under a previous Planning Proposal that came into effect on 20 May 2024. The previous Planning Proposal included the following amendments to LEP 2010:

- Rezone part of the site from RU2 Rural Landscape to part E4 General Industrial and C2 Environmental Conservation
- Introduce a HOB control of 24 metres

- Reduce the minimum lot size to 1,000m2
- Introduce density provisions to ensure a mix of large and smaller lots, with Area 5 to provide 40 lots and Area 6 to provide 60 lots (Clause 7.24 of LEP 2010).

This rezoning established the framework under which the AIBP and subsequent Development Applications (DAs) could be progressed. Since this time, several DAs have been prepared and lodged with Council, as well as one State Significant Development Application (SSDA) lodged with the Department of Planning Housing and Infrastructure (DPHI).

A voluntary planning agreement (VPA) was prepared in support of the rezoning. The VPA facilitates the delivery of new and upgraded roads, traffic management facilities for Luddenham Road and Patons Lane, and the dedication of land for the future widening of Luddenham Road. The VPA was executed on 14 May 2024.

A new development control plan (DCP) chapter, E18 Luddenham Road Industrial Business Park, was introduced into Penrith DCP 2014 to guide future development within the AIBP.

Current Situation

A Planning Proposal has been submitted that seeks to amend the HOB Map in LEP 2010 to increase the HOB control on a portion of the subject site from 24 metres to 40 metres. The amendment is only proposed to apply to the western portion of 'lot 11'. No other changes to LEP 2010 are sought. A draft HOB map is provided at Attachment 1.

The proposed amendment to the HOB control will enable the progression of a concurrent SSDA (SSD-814314988) which has been lodged with DPHI. The SSDA seeks consent for the construction and operation of a new storage and distribution warehouse, which includes a high bay warehouse component. The high bay component will not result in additional gross floor area (GFA) but will utilise tall storage racks to maximise storage capacity. The proposed LEP amendment will enable progression of the SSDA by ensuring the building height is compliant with LEP 2010.

A masterplan showing the subject site (lot 11) is provided at Attachment 2 and the area that contains the height exceedance at Attachment 3.

The proposal is consistent with the intended outcomes for the AIBP, and, as it will not create additional GFA, it is not expected to generate additional environmental, traffic or parking impacts.

No amendments to the executed VPA or DCP chapter are required in association with this Planning Proposal.

Key Considerations

Visual Impact Assessment

A visual impact assessment (VIA) has been submitted in support of the Planning Proposal. The VIA explores eight different viewpoint locations to illustrate how the proposed HOB increase would impact the surrounding vicinity.

The VIA is provided as an appendix to the Planning Proposal. An extract of viewpoint locations and images is provided in Attachment 4 and summarised below.

- Viewpoint 1 is within 1.3 kilometres of the subject site at 443-457 Luddenham Road, Luddenham and looks north towards the project from a rural landscape. The overall impact of the project from this viewpoint is considered to be moderate.
- Viewpoint 2 is located within 625 metres from the subject site on Luddenham Road and the significance of the visual impact is considered to be none. The future development will essentially hidden by existing vegetation from this viewpoint.
- Viewpoint 3 is within 576 metres of the subject site and is located adjacent to 262 Luddenham Road, Orchard Hills and looks north west. The majority of the proposed building would be screened by existing vegetation within the private properties to the east of AIBP. The significance of the visual impact at this location is considered minor.
- Viewpoint 4 is 628 metres of the subject site from Luddenham Road (Adjacent to AIBP), Orchard Hills and looks in a westward direction. The significance of the visual impact is considered to be moderate as the high-bay element would form as a new highly recognisable element within the view which would be recognised as an industrial development. The development of lot 1 within the AIBP will screen subject site from this viewpoint and would effectively reduce the visual impact as a result of the HOB increase.
- Viewpoint 5 is approximately 1.5 kilometres from the subject site at Luddenham Road (Approach from North), Orchard Hills and looks in a southward direction. The significance of this viewpoint is considered to be minor/negligible as surrounding future development of the AIBP will occur behind the existing tree line.
- Viewpoint 6 is approximately 300 metres from the subject site at the future Metro Western Sydney Airport corridor and looks in an eastward direction. The significance of the visual impact is considered to be moderate to minor.
- Viewpoint 7 is approximately 1.1 kilometres from the subject site at 405 Luddenham Road, Luddenham and looks in a northward direction. The significance of the visual impact is minor with the development of the AIBP being screened behind the existing tree line.
- Viewpoint 8 is approximately 3.35 kilometres from the subject site at 2 Homestead Road, Orchard Hills and looks in a southward direction. The significance of the visual impact is moderate to minor with future development of the AIBP being behind the existing tree line.

As the AIBP will develop over the next decade alongside the development of the Orchard Hills South, the Mamre Road Industrial Precinct and Western Sydney Aerotropolis, the overall impacts are considered moderate to minor. The views that will be experienced by passing motorists from Luddenham Road and from land dedicated for the future Outer Sydney Orbital, and pedestrians in very close proximity to the site are transient and temporary as the surrounding area develops. On this basis, the proposed height increase is deemed acceptable.

Strategic Merit

The proposal is located within a precinct currently zoned E4 General Industrial and will support the realisation of the AIBP. The increase to building height will encourage diverse industrial and employment activities.

The Planning Proposal aligns with state and local strategic plans:

Greater Sydney Region Plan: A Metropolis of Three Cities

The Planning Proposal is consistent with the Greater Sydney Region Plan as it will enable delivery of large warehousing development which will support the economic growth of the

region. The proposed development will leverage from its proximity to the Western Sydney International Airport (WSI Airport) and the broader Aerotropolis Precinct to deliver industrial employment land to support the economic growth of the Western Parkland City. The delivery of high-quality warehousing will support establishment of the AIBP and will grow investment, business and employment opportunities for existing and future residents of the LGA and the broader Western Economic Corridor.

Local Strategic Planning Statement (LSPS)

The relevant Planning Priorities in the Local Strategic Planning Statement are:

- Planning Priority 1: Align development, growth and infrastructure
- Planning Priority 11: Support the planning of the Western Sydney Aerotropolis
- Planning Priority 12: Enhance and grow Penrith's Economic Triangle.

This Proposal is consistent with Planning Priority 1, 11 and 12:

- Planning Priority 1: The AIBP will deliver an industrial precinct that will support freight and industrial activities to service the LGA and surrounding region. An existing Voluntary Planning Agreement (VPA) has been executed for the site which secures the delivery of new and upgraded road infrastructure.
- Planning Priority 11: The proposed development will offer industrial land uses in proximity to the Western Sydney Aerotropolis and will support the significant growth and change currently occurring.
- Planning Priority 12: The AIBP will contribute to the delivery of industries and job opportunities. Freight and logistics industries will be located in a prime location to leverage the economic opportunities growing within Penrith. The project will aid in creating future industrial lands which are critical to ensuring communities have access to jobs and services close to home.

Employment Lands Strategy

The relevant Direction in Council's Employment Lands Strategy is:

- Direction 3 – Build on our strengths and facilitate new enterprises.

The AIBP will help deliver short- and medium-term job demands for the Penrith LGA. The proposal will facilitate greater flexibility in height limits applying to part of the site, thereby encouraging diverse industrial and employment activities within the precinct.

Local Planning Panel Advice

On 24 September, the Planning Proposal was presented to the LPP for advice. The LPP considered the Planning Proposal and the preliminary assessment prepared by Council officers and recommended that the Planning Proposal be progressed through to Gateway stage, as it is consistent with state and local strategic plans. A copy of the LPP's advice is provided at Attachment 5.

Financial Implications

There are no financial implications for Council associated with this report.

If made, the LEP amendment would not impact the executed VPA, including infrastructure or timing for delivery of works. Further, as the proposal will not generate additional GFA, an amendment to the VPA is not required.

Risk Implications

There are no risk implications associated with this report.

Next Steps

Should Council endorse the recommendations in this report, the Planning Proposal will be forwarded to the Minister for Planning and Public Spaces with a request for a Gateway determination.

The Planning Proposal will be assessed by delegated officers from the Department of Planning, Housing and Infrastructure, who will then issue a Gateway determination which indicates whether the proposal can proceed or not.

If the Gateway determination allows the Planning Proposal to proceed, Council will publicly exhibit the proposal in accordance with the timeframes and conditions in the Gateway determination and in accordance with the community consultation requirements of the *Environmental Planning and Assessment Act 1979* and the *Environmental Planning and Assessment Regulation 2000*.

Following public exhibition, a further report will be presented to Council on the outcomes of the public exhibition and any submissions received.

Conclusion

Council is in receipt of a Planning Proposal which seeks to amend LEP 2010 to increase the HOB control for certain land in the AIBP at 221-235 Luddenham Road, Orchard Hills. The proposed amendment will enable the delivery of high bay warehousing development on 'lot 11' and supports a concurrent SSDA proposal.

The Planning Proposal is consistent with all relevant strategic plans and is supported by the LPP.

This report recommends that Council endorse the Planning Proposal to be forwarded to the Minister for Planning and Public Spaces with a request for a Gateway determination.

RECOMMENDATION

That:

1. The information contained in the report on Planning Proposal for Alspec Industrial Business Park

2. Council endorse the Planning Proposal (separately enclosed) of this report to be forwarded to the Minister for Planning with a request to issue a Gateway Determination. The submission will include a request to issue Council with Delegation to be the local plan making authority.

3. The General Manager be granted delegation to make any necessary changes to the Planning Proposal referred to in Item 2:

    - prior to Council's submission of the Planning Proposal to the Minister for Planning and Public Spaces to request a Gateway Determination;
    - as a result of negotiated changes sought by the Department of Planning, Housing and Infrastructure in the lead up to issuing a Gateway Determination; and
    - prior to public exhibition in response to the conditions of the Gateway Determination or negotiation with State agencies.

4. Council publicly exhibits the Planning Proposal for a period specified in the Gateway Determination and in accordance with the community consultation requirements of the Environmental Planning and Assessment Act 1979 and the Environmental Planning and Assessment Regulation 2000.
5. A further report be presented to Council following the public exhibition.

ATTACHMENTS/APPENDICES

1.	Draft Height of Buildings Map	1 Page	Attachments Included
2.	Masterplan for Subject Site - Lot 11	1 Page	Attachments Included
3.	Height Breach Diagram	1 Page	Attachments Included
4.	Viewpoint Images and Locations	3 Pages	Attachments Included
5.	Penrith Local Planning Panel Report and Advice - Alspec Industrial Business Park – 221-235 Luddenham Road Orchard Hills	6 Pages	Attachments Included