

An aerial photograph of a suburban neighborhood. In the center, there is a green space with a circular driveway and a small tree. Surrounding this are rows of houses with grey roofs. A road runs horizontally across the middle of the image. The overall scene is a typical suburban residential area.

Project Charter

Western Sydney Planning Partnership

LAND ACQUISITION & DEDICATION
(STAGE 2 IMPLEMENTATION)

PROJECT CHARTER

23 August 2023

1 Project title

Early Land Dedication and Acquisition Policy and Land Acquisition Guideline (Part of Stage 2 Implementation)

2 Project purpose

The purpose of the project is to develop:

- an early land dedication and acquisition policy, and
- land acquisition guideline.

3 Project context

WSPP has been developing and assessing initiatives for early land acquisition by local councils to facilitate growth in Western Sydney and achieve liveable and sustainable communities and urban areas. WSPP has completed a land acquisition and dedication study in partnership with local councils and the Department of Planning and Environment (DPE).

A key finding of the study is that local councils are often unable to meet the full cost of acquiring the land needed for the local infrastructure that is required to support new development. This is due to the high cost of acquiring privately owned land and insufficient revenue collected through contributions plans. The structural gaps in the financing and delivery of land acquisition has been estimated across Western Sydney growth areas contributions plans as being \$1.1 billion (GLN/Atlas, 2023). Proactive early land acquisition will fast-track development in precincts that have fragmented land ownership, including precincts that are a priority to achieve housing supply targets. Two key recommendations of the study are the development of an early land dedication and acquisition policy and a land acquisition guideline.

To progress the development of the policy and guideline, WSPP has negotiated the establishment of two pilot early acquisition schemes that will inform this work. The first will be with Camden Council, where an early acquisition scheme will be prepared for the Leppington and North Leppington precincts of the SW Growth Area. The second pilot early acquisition scheme will be with Liverpool City Council and will apply to the Austral precinct in the SW Growth Area.

4 Project objectives

The project objectives are:

- Preparation of draft early land acquisition principles (including timing) and selection criteria,
- Using the principles, identify land (in Camden Council LGA and Liverpool City Council LGA) which will be considered for early land acquisition post rezoning,
- Review examples of other acquisition schemes by local and state government that should be considered in the scheme design,
- Develop an early land acquisition scheme, including eligibility, timing for acquisition, method of acquisition, implementation resourcing, take-up assumptions in fragmented lands, relationship to hardship and compulsory acquisition,
- Develop a paper on the financing of the early acquisition schemes ensuring that contributions plans make adequate provision for funding land acquisition over the life of the plan,
- Develop a policy to guide early land acquisition program and acquisition processes,

- Develop a resourcing plan to finance early land acquisitions (including estimate of hardship claims),
- Draft an early land dedication and acquisition policy and land acquisition guideline for consideration by local council and DPE, and
- Seek endorsement from the relevant local council and state government (through DPE) for the resourcing of the scheme. This will include resourcing of the preparation and delivery by the local council (post-WSPP involvement) of an implementation plan for commencing early land acquisition processes.

5 Benefits targeted

Project benefits sought from the work to be undertaken will be:

- Combined with a Net Present Value approach to rate setting (separate component of the Stage 2 implementation), an early land acquisition scheme has the potential to significantly reduce contributions plans funding shortfalls.
- An early land dedication and acquisition policy and land acquisition guideline, based on pilot early acquisition schemes, are considered to provide significant benefit to councils in reducing the funding gap in contributions plans for land acquisition.
- The development of an early land dedication and acquisition policy and land acquisition guideline (and guidance and training) for use by council staff would facilitate implementation of early land acquisition schemes by WSPP councils.

