

14 November 2024

Hon Scott Farlow MLC
Committee Chair
Select Committee on the Proposal to Develop Rosehill Racecourse
Legislative Council
Parliament of New South Wales
6 Macquarie Street
SYDNEY NSW 2000

**Dear Chair** 

### Inquiry into the proposal to develop Rosehill Racecourse - Clarification of evidence

I refer to your letter dated 8 November 2024 requesting further clarification regarding my evidence at the Inquiry hearing on 9 August 2024, and in particular, some apparently conflicting recollections from other witnesses regarding the meetings held on 14 August 2024 with the Sydney Metro Independent Review (**SMIR**) team and on 25 October 2025 with the then Department of Planning, Industry & Environment (**DPIE**).

I now provide the following information for clarification for the Committee:

### 1. Evidence of Mr Peter Regan PSM, Chief Executive, Sydney Metro

- 1.1 My evidence provided to the Committee is largely consistent with the evidence provided by Mr Peter Regan.
- 1.2 Consistent with my evidence, Mr Regan confirmed that the ATC's meeting of the 14 August 2023 was with the SMIR team, and not Sydney Metro, and that Mr Regan did not attend. This is consistent with the fact that the SMIR was an independent review of the Sydney Metro project to be conducted by Mr Mike Mrdak (who was Chair of the New South Wales Regional Growth Corporation and of the Airport Development Group) as its Chair, and Amanda Yeates (CEO of SunCentral) as Deputy Chair.
- 1.3 My handwritten notes taken during the meeting on 14 August 2023, note the attendees from SMIR as Mike Mrdak, Amanda Yeates and Josh Watkins. I was not aware of any other persons attending the meeting, other than the ATC's property advisors from Mostyn Copper. However, as the meeting was held on Microsoft Teams, they may have had other government staff on the call that I was not aware of. A copy of my handwritten notes from my notebook taken during the 14 August 2024 meeting are attached as Annexure 11.
- 1.4 I note Mr Regan says in his Answers to Supplementary Questions that the meeting was attended by "two Sydney Metro staff in their capacity as Independent Review Secretariat", however if that is correct, I was not aware of this at the time. I understood at the time that all attendees were from the SMIR team and therefore independent of Sydney Metro.
- 1.5 Consistent with my introductory statement<sup>2</sup>, my other evidence at the Inquiry on 9 August 2024<sup>3</sup>, and my Answers to Supplementary Questions (1) and (2), I have a clear

<sup>&</sup>lt;sup>1</sup> Notes relating to other meetings have been redacted from this page from my notebook.

<sup>&</sup>lt;sup>2</sup> Inquiry Transcript 9 August 2024, page 3.

<sup>&</sup>lt;sup>3</sup> Ibid, pages 4, 9 and 11.



recollection of one of the SMIR team in attendance saying that typically about 40,000 dwellings would be required for a Metro Station. This was expressed as a general comment during the course of discussions and in a conversational way, rather than as a specific requirement or direction. I took it as an indication that a significant increase in dwellings would be needed from the total 25,000 being proposed by all the Camellia landowners combined, to make a Metro feasible for the Government. I also made a handwritten note of this figure during the meeting (refer Annexure 1).

- 1.6 As I cannot recall the person from the SMIR team who mentioned 40,000 dwellings at the 14 August 2023 meeting, I made enquiries of Mostyn Copper, who also attended the meeting on behalf of the ATC. They have provided their recollection in the attached letter (Annexure 2) on a confidential basis. The ATC requests that their letter remain confidential to the Committee and not be published publicly including on the Committee's website. In general, Mostyn Copper confirms:
  - 1.6.1 The ATC provided a powerpoint presentation to the meeting which advised that studies undertaken with other Camellia landowners indicated that with a Camellia Metro Station, circa 25,000 dwellings could be delivered by 2038 for the whole of the Camellia precinct. This excluded the racecourse itself as the ATC's strategy at that time was to only develop lands around the perimeter of the racecourse. (The relevant page of that presentation is attached to Mostyn Copper's letter)
  - 1.6.2 During general discussion, it was Amanda Yeates, deputy Chair of the SMIR, who mentioned that typically approximately 40,000 dwellings would be required for a Metro station to be considered

### 2. Evidence of Ms Kiersten Fishburn, Secretary, Department of Planning and Infrastructure (DPI)

- 2.1 At the meeting with Ms Fishburn and DPIE on 25 October 2024, it is my recollection that during a general discussion of the original Camellia Place strategy, DPIE queried whether the ATC could contribute more open space to the Camellia Place strategy, including land which is part of the racecourse. As stated in my evidence, I replied negatively because it was not the ATC's position at that time to sell Rosehill racecourse and so it would have been inappropriate for me to engage further at that time, particularly without first discussing it with the ATC's CEO and Chairman.
- 2.2 I recall that there was also a general conversation about suggestions over previous years, including from other landowners' dealings with Sydney Metro and from the SMIR team, that higher housing density might be required for the Metro. To the best of my recollection, the number of 40,000 dwellings was mentioned at this time, although I cannot recall by whom. I also recall our team asking for further information regarding building on top of the Metro line currently under construction.
- 2.3 Although I cannot recall precise words, the impression I took from the discussion was further confirmation that that increase housing density would be needed to make the Metro feasible. Again, this discourse was conversational in nature and so it is understandable that the details were not minuted. I also confirm that neither Ms Fishburn nor anyone present from DPIE said that Rosehill Racecourse needed to be sold for housing to justify a Metro station.
- 2.4 At the conclusion of the meeting, myself and Mostyn Copper debriefed in the downstairs foyer of the DPIE building. We discussed Camellia and how we could get a rezoning and a Metro Station approved, noting that media were reporting that the Government was to



release the Metro review by the end of October.<sup>4</sup> My recollection of this discussion is that we thought we needed to act quickly to review options that increased the amount of housing on ATC land at Rosehill to support a Metro Station.

2.5 I also requested Mostyn Copper to provide their recollections of this meeting with DPIE and their confidential letter attached (Annexure 2) sets out their recollections from this meeting.

#### 3. General comments

- 3.1 As set out in my evidence before the Inquiry<sup>5</sup> and in my Answers to Supplementary Questions, the idea to examine a full redevelopment of Rosehill Racecourse came as the culmination of many meetings and discussions over the course of about eight years. Although the two meetings above were part of the catalyst to explore the idea further, the following factors were also important in coming to the idea:
  - 3.1.1 Over the course of the eight years or so prior to those meetings, myself and Mostyn Copper had various discussions with Western Sydney Dialogue, Business Western Sydney, the Property Council and neighbouring Camellia landowners discussing options for how we could get a Metro Station. Additional housing was the key point that was consistently raised. Mr Peter Regan also acknowledged in his evidence before the Inquiry on 21 September 20234 that "One of the key factors that we were looking at was the potential uplift in housing possibilities from insertion of a new station as a key factor." 6
  - 3.1.2 Since the election of the new NSW Government in late March 2023, there had been several announcements regarding the "housing crisis" and the Metro review. This confirmed our thinking that additional housing would be important to the new Government.
  - 3.1.3 There were a number of media reports at the time that the NSW Government intended on making decisions on extra Metro Stations (and release the review) by the end of October 2023.<sup>7</sup> This meant our window to act was closing fast.

I trust this provides further clarification of and context for the evidence I have provided to the Committee.

Yours faithfully

Steve McMahon Head of Corporate Affairs and Government Relations

<sup>&</sup>lt;sup>4</sup> For example, "Billions will be needed from extra metro west train stations", Sydney Morning Herald, 20 October 2023, attached as Annexure 3.

<sup>&</sup>lt;sup>5</sup> See Inquiry Transcript 9 August 2023 at page 3 and 4.

<sup>&</sup>lt;sup>6</sup> Inquiry Transcript 12 September 2024, page 18.

<sup>&</sup>lt;sup>7</sup> For example, "Billions will be needed from extra metro west train stations", Sydney Morning Herald, 20 October 2023, attached as Annexure 3.

**ANNEXURE 1** 

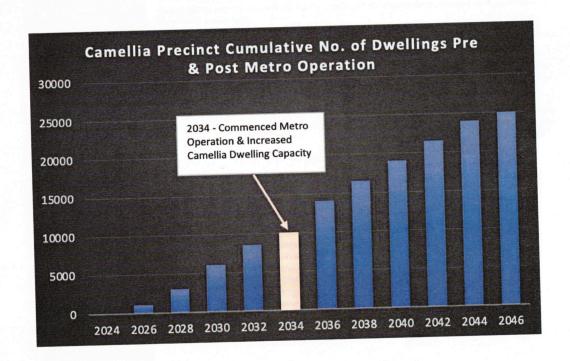
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Mike Midak
Amonda Yold
Josh Makein Metro 1416 Secubios 

# CAMELLIA - SYDNEY METRO WEST

### Camellia – A Case for Additional Dwellings

- The Base Case Yields for Camellia as currently identified in the Camellia-Rosehill Place Strategy is proposed to be 10,000 dwellings. This is predicated on the completion of the Camellia Light Rail station only.
- Previously, the ATC participated in additional studies to determine the economic impact that an additional Metro Station at Camellia would have on the overall development.
- Additional studies undertaken by the Camellia Land Owners envisaged that the Camellia Metro Station would create a 'Transport Hub' in addition to a town centre, enabling the opportunity for higher density residential development.
- A revised dwelling count of circa 25,000 dwellings delivered by 2038 would be achievable at Camellia, enabled by a Camellia Metro Station.



## The Sydney Morning Herald

National NSW Sydney Metro

This was published 9 months ago

# Billions will be needed for extra Metro West train stations



Matt O'Sullivan
October 23, 2023 — 5.00am



Listen to this article

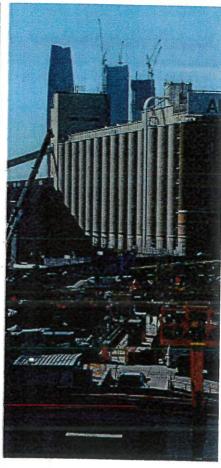
The NSW government will be forced to find billions of dollars in funding if it decides within days to build extra stations along the Metro West line between Parramatta and central Sydney or extend it further east.

After receiving a final report from a <u>review</u> into Metro West, the government will reveal within the next week whether it will significantly expand the size of the \$25.3 billion underground line, along which nine stations have been planned.









Construction of the Metro West line is powering ahead despite Premier Chris Minns casting doubt on the project several months ago. KATE GERAGHTY, WOLTER PEETERS, LOUISE KENNERLEY,

The mega project is already costing \$1.05 billion per kilometre, compared to the \$720 million per kilometre to build the Metro City and Southwest line from Chatswood to the CBD, and onto Sydenham and Bankstown.

Infrastructure financing expert Martin Locke, who is on the technical advisory panel for Singapore's rapid transport network, said the cost of building extra stations along the Metro West line and altering its alignment would add billions of dollars to the price tag. "As soon as you start adding each station you would add a billion dollars of costs. It is a significant sum," said Locke, a former Deutsche Bank managing director. "It begs the question of where the money is going to come from."

Locke, who is an adjunct professor at Sydney University's Institute of Transport and Logistics Studies, said delaying the 24-kilometre Metro West line beyond the planned 2030 opening to build extra stations or extend it would also likely increase the project's cost.

The cost per kilometre of Metro West is also more than double that of the <u>new metro rail line</u> to Western Sydney Airport, which will have six stations and is about \$480 million per kilometre.

Transport Minister Jo Haylen said the government had stated publicly that it was looking at possible additional stations and an extension for Metro West.

"The review will consider other extensions to the broader Sydney Metro project," she said.

Asked whether the industrial suburb of Camellia, near Parramatta, was firming as the favoured site for an extra station, Haylen last Tuesday said: "We'll release the final report of the independent Sydney Metro review this month."



Transport Minister Jo Haylen, right, says the government has stated publicly that it was looking at possible additional stations. JAMES BRICKWOOD

Premier Chris Minns has previously emphasised his desire to get <u>"maximum impact"</u> out of the Metro West line while noting the lack of stations in the previous government's plans.

Asked on Sunday whether extra stations would be a catalyst for more housing, he said: "They may be, yes. That's been part of our discussions, particularly in relation to infrastructure projects that we are examining, but I don't have a public announcement in relation to that today."

Despite construction being well under way, Sydney Metro chief executive Peter Regan said extra stations could still be added to Metro West, but it would have "time and cost implications" for the project.

"Any material change to the alignment does have an impact. It's not simply a matter of just moving the machine over a little bit and tunnelling in a different direction," he told a parliamentary inquiry a week ago.

Regan said an extra station would likely add about three to four minutes to the journey time, which from Parramatta to the Sydney CBD is about 20 minutes under the plans approved by the previous government.

Camellia and the inner-city suburb of Zetland have been repeatedly named as potential sites for extra stations for Metro West. Silverwater and Newington are two other potential sites.

Two sources close to the project, who spoke on the condition of anonymity due to the sensitivity of the matter, estimated a station at Camellia will cost at least \$1.5 billion due to extensive ground contamination in the area.

Despite the premier <u>casting doubt on Metro West</u> several months ago, excavation of nine station sites is well advanced, while two boring machines have each tunnelled more than three kilometres from Rozelle towards Sydney Olympic Park. Another two boring machines have begun tunnelling in an eastward direction from Rosehill towards the sporting precinct.

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Matt O'Sullivan is transport and infrastructure editor at The Sydney Morning Herald. Connect via <u>Twitter</u>.