



607-611 Hume Highway, Casula Planning Proposal

Final Report

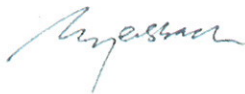
20 July 2012

Prepared for Woolworths Limited

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This document is for discussion purposes only unless signed and dated by the persons identified.

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Executive Summary

The intended outcome of this planning proposal is to rezone the subject land to B2 Local Centre and to amend *Liverpool Local Environmental Plan 2008* to enable its development for supermarket purposes.

The subject land is located at 607-611 Hume Highway, Casula, being Lots 5, 6 and 7 in DP 15667. The site comprises 10,908m² (1.091 hectares) of urban land. The planning proposal seeks to encourage a range of activities that are compatible with the B2 Zone objectives:

To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.

To encourage employment opportunities in accessible locations.

To maximise public transport patronage and encourage walking and cycling.

To allow for residential and other accommodation while maintaining active retail, business or other non-residential uses at street level.

To facilitate a high standard of urban design and a unique character that contributes to achieving a sense of place for the local community.

The subject land is suited to meet the B2 Local Centres land use objectives, taking into account its suitability for a retail supermarket and the availability of services/infrastructure and public transport, the nature of surrounding land uses and the site's considerable distance from other centres.

This site is well suited to meet South West Draft Sub Regional Strategy objectives to concentrate retail activities near public transport in centre-based catchments. The land is within the 800 metre catchment of what is known as the Casula 'town centre' but effectively, along with other neighbouring uses that constitute current development along the Hume Highway, operates as part of a 'centre' in its own right.

There are a number of commercial, retail and other business uses that already exist in the immediate vicinity of the subject site along the Hume Highway, none of which retail grocery or food items. The site provides an opportunity to deliver a wider range of services than are currently available to meet the needs of its catchment. Apart from food and groceries, however, the precinct currently offers a complete range of services that one would normally expect to find within a 'centre' – including restaurants and take-away food, fuel services, gym clubs and fitness centres, real estate services, architectural services, tax accountants, landscaping supplies, furniture shops, convention facilities, hairdressers, veterinary services and training and educational services.

Residential uses around the site are predominantly medium density in nature and include accommodation for seniors. Indeed, the level of higher density housing form around the subject site is greater than that which exists near to the Casula 'town centre', further augmenting the Hume Highway precinct as an effective 'centre'. These adjoining residential uses will be well served by the proposed development on the site. Importantly, resident seniors from the nearby Maple Grove Retirement Village will benefit from the availability of daily convenience needs within walking distance.

The immediately adjoining land is zoned to provide local road access from Hume Highway, facilitating improved private and public transport access for the catchment. Frequent public bus services are available along the Liverpool to Campbelltown Strategic Bus Corridor.

The provision of retail services at Casula is limited due to the under provision of appropriately zoned land to meet demand. The provision of additional supermarket services at the site will help

meet the community's shopping needs. The proposal will also enhance competition between supermarket traders within the centre catchment, to the benefit of the Casula community.

The crux of the planning proposal is to rationalise the site's zoning, underpinned by a strong local demand for additional retail services. The proposal will generate employment opportunities and provide substantial net community benefits.

Whilst the planning proposal raises questions about the suitability of commercial/retail development outside of designated centres, our case for rezoning is supported by:

- A demonstrated undersupply of supermarket facilities serving the local catchment. This undersupply has been estimated at 9,400m² of supermarket space by 2026.
- The fact that the Casula 'strip' of the Hume Highway effectively operates as a centre in its own right, offering a range of commercial and retail services that will be appropriately supplemented a supermarket at the subject site.
- Dense residential development in proximity of the site, thus allowing the proposed supermarket to provide additional retail services to a walkable catchment.
- Evidence from other Councils that embrace transport corridors as a legitimate location for centre-based activities. The proposed development will augment the Casula strip as a functional local centre node.

Should this planning proposal not be recommended by Liverpool City Council to proceed through the NSW LEP gateway process, a modern format supermarket will remain prohibited at this under-utilised but well serviced site, to the detriment of the local community's needs.

1 Introduction

1.1 The Site

This planning proposal affects the subject land at 607-611 Hume Highway, Casula, NSW being Lots 5, 6 and 7 in DP 15667. The subject site comprises 10,908m² (1.091 hectares) of urban land within Liverpool City Local Government Area, identified in Figure 1.

Figure 1 Subject Land of Planning Proposal



Source: Google

1.2 Structure

The planning proposal was prepared in accordance with the NSW "A Guide to Preparing Local Environmental Plans" and "A guide to preparing planning proposals". It consists of four parts:

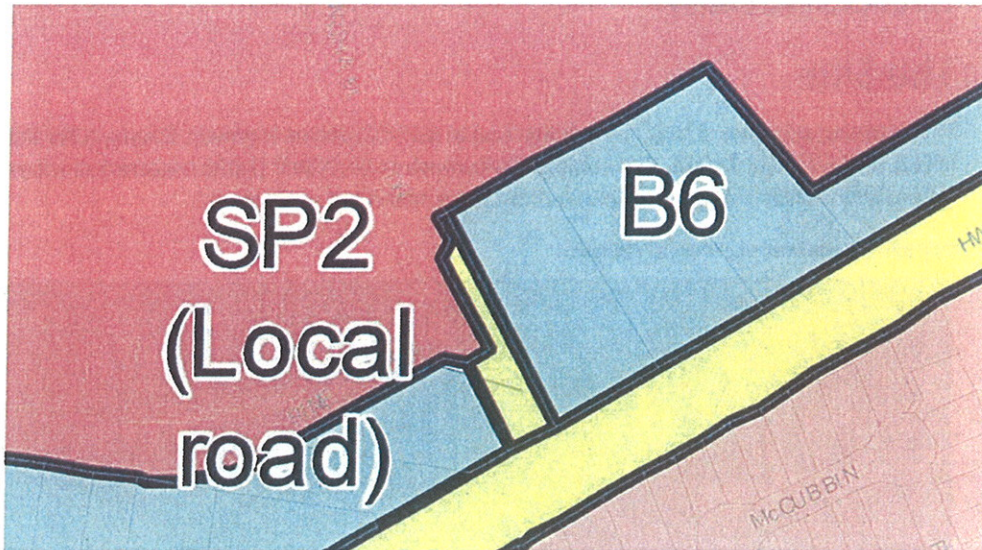
- Part 1 Intended Outcomes
- Part 2 Explanation of Provisions
- Part 3 Justification
- Part 4 Community Consultation

The proponent of this planning proposal is Woolworths Ltd.

1.3 Liverpool LEP 2008

The land is currently zoned B6 Enterprise Corridor as indicated on the following zoning map extract.

Figure 2 Current Liverpool LEP Zoning Map Extract



Source: Liverpool LEP 2008

Whilst some retail activity is permitted under the current zoning Clause 7.23 of *Liverpool Local Environmental Plan 2008 (LLEP 2008)* applies a development standard restricting retail floorspace to 1,600m² or less.

7.23 Bulky goods premises and retail premises in Zone B6 (LLEP 2008)

(2) Development consent must not be granted to development for the purposes of retail premises on land in Zone B6 Enterprise Corridor if the gross floor area of the retail premises is more than 1,600 square metres.

This cap cannot be varied under State Environmental Planning Policy (SEPP) No. 1 due to the limiting provisions of Clauses 1.9 and 4.6 (8) of LLEP 2008.

This planning proposal outlines the objectives and intended outcomes of rezoning the subject land to amend *LLEP 2008* and enable development of a supermarket on this site. The proposed Zone B2 Local Centre is prescribed in the *NSW Standard Instrument LEP Order 2006*.

The planning proposal does not seek to alter floor space ratio or height of building development standards controlling bulk and form, thereby limiting any amenity impacts attributable to the rezoning. It seeks to alter the permissibility of development only.

The planning proposal articulates the intended purpose of the rezoning of the land and explains the relevant provisions to bring into effect an amendment to the *Liverpool Local Environmental Plan 2008*.

The planning proposal is a key initiative in making economically productive use of strategically located but underutilised business land. The proponent is committed to meeting market demand for additional supermarket floorspace. The attached Economic Impact Assessment (**Attachment 1**) identifies the demand for the proposed land use zone to accommodate a modern supermarket in the catchment.

The planning proposal clearly identifies the social, environmental and economic benefits of the B2 Local Centre in this location and considers the existing Draft Sub Regional Centres.

It is anticipated that this planning proposal will amend the *Liverpool LEP 2008*.

Under LLEP 2008, the site does not present any issues in relation to:

- Heritage items or land,
- Acid sulfate soils,
- Flood
- Natural resources, and
- Height of Buildings
- Floor Space Ratio

Site specific studies have been carried out to address likely measures arising from traffic, access and contamination. The justification for the B2 Local Centre provided in Section 4 of this report addresses all relevant Section 117 Ministerial Directions and is in accordance with NSW State Environmental Planning Instruments.

2 Statement of Intended Outcomes

The intended outcomes of this planning proposal are outlined below.

To rationalise the planning provisions applicable to business land at 607-611 Hume Highway to enable development of commercial premises for a 4,300m² supermarket on a 10,908m² site in response to market demand in Casula.

* Specifically, it seeks to amend the current land use zoning in the Liverpool Local Environmental Plan to B2 Local Centre on the land use zoning map and to remove the anti-competitive floor space cap applicable to the land.

The emphasis of this proposal is to minimise the anti-competitive effects of the current zoning and planning provisions, to ensure that areas where retailers locate are both sufficiently large (in terms of total retail floor space) and sufficiently broad (in terms of permissible use, particularly those relating to uses defined in the Standard Instrument Order 2006) to allow new and innovative businesses to enter local markets and existing firms to expand in locations where market forces demand an increase in products and services.

The proposal meets the Aims of Liverpool LEP 2008:

1. *to encourage a range of housing, employment, recreation and services to meet the needs of existing and future residents of Liverpool,*
2. *to foster economic, environmental and social well-being so that Liverpool continues to develop as a sustainable and prosperous place to live, work and visit,*
3. *to provide community and recreation facilities, maintain suitable amenity and offer a variety of quality lifestyle opportunities to a diverse population,*
4. *to strengthen the regional position of the Liverpool city centre as the service and employment centre for Sydney's south west region,*
5. *to concentrate intensive land uses and trip-generating activities in locations most accessible to transport and centres,*
6. *to promote the efficient and equitable provision of public services, infrastructure and amenities,*
7. *to conserve, protect and enhance the environmental and cultural heritage of Liverpool,*
8. *to protect and enhance the natural environment in Liverpool, incorporating ecologically sustainable development,*
9. *to minimise risk to the community in areas subject to environmental hazards, particularly flooding and bush fires,*
10. *to promote a high standard of urban design that responds appropriately to the existing or desired future character of areas.*

The proposal particularly supports the following:

Section 5 'Objectives - Environmental Planning and Assessment Act 1979, 'to encourage:

5 (a)(i) *the proper management, development .. of ... resources, including ... towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,*

(ii) *the promotion and co-ordination of the orderly and economic use and development of land...*

3 Explanation of Provisions

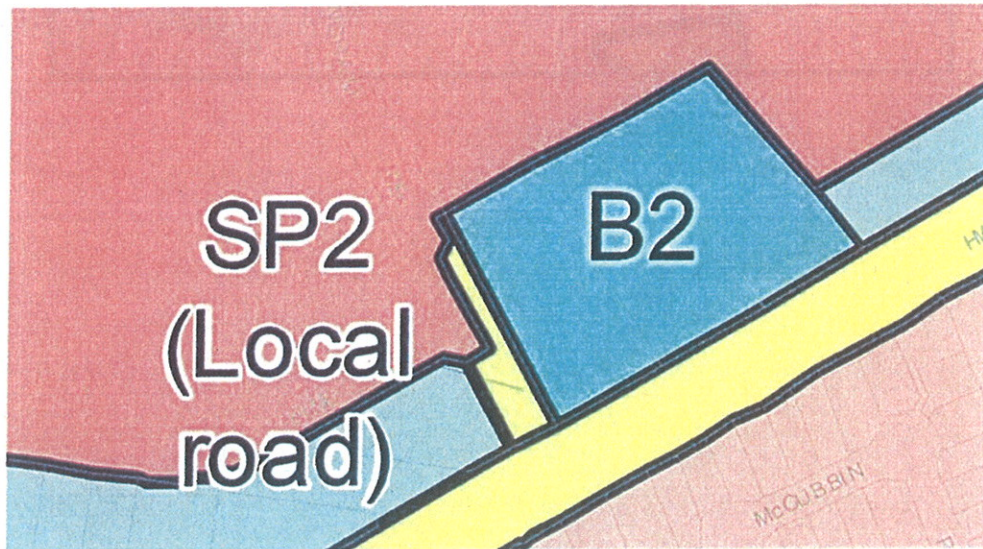
3.1 Amendments

In accordance with the *Standard Instrument LEP Order 2006*, this planning proposal affects the land at 607-611 Hume Highway, being Lots 5, 6 and 7 of DP 15667 in respect of the Draft Zone B2 Local Centre under *Liverpool Local Environment Plan 2008*.

The planning proposal seeks to:

1. Amend the current land use zoning in accordance with land identified B2 Local Centre in the land use zoning map and adopting the existing land use zone objectives and land use table:

Figure 3 Proposed Amendment to Liverpool LEP 2008 Land Use Zoning Map

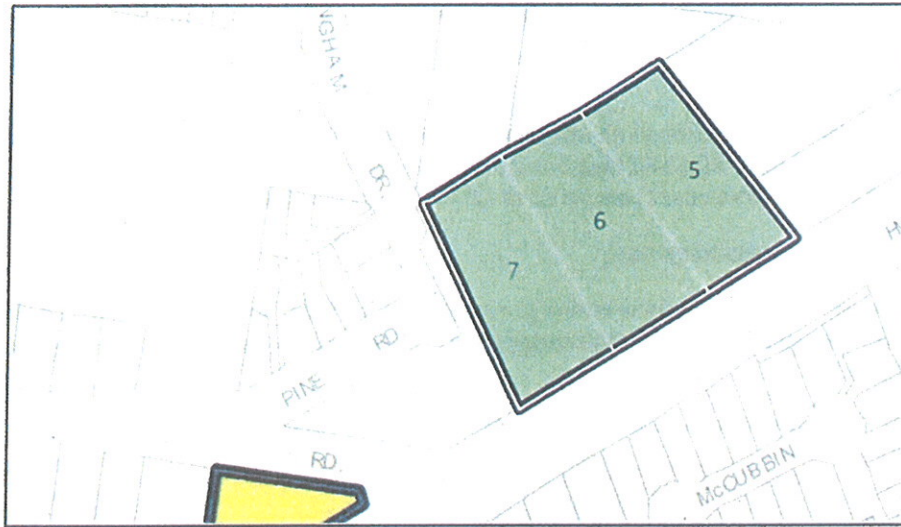


2. Remove the anti-competitive floor space cap applicable to land at this location, amending Schedule 1, additional permitted use as follows:

2 Use of certain land at Casula zoned B2 or B6

- (1) This clause applies to the following land: shown coloured green on the Liverpool Local Environmental Plan 2008 Key Sites Map.
 - (a) 607-611 Hume Highway, being Lots 5, 6 and 7 of DP 15667
 - (2) Development for the purpose of commercial premises is permitted with consent up to a maximum of 4,300m².
3. Amend the *Liverpool Local Environmental Plan 2008 Key Sites Map* as follows and mark the legend to refer to Schedule 1, Item 2:

Figure 4 Proposed Amendment to Liverpool LEP 2008 Key Sites Map



4 Justification for Planning Proposal

4.1 Analysis

MacroPlan Dimasi has undertaken a retail needs analysis to test market demand for additional retail services at the site. An *Economic Impact Assessment* for this highly accessible site that will service both the surrounding main trade area population, as well as nearby worker markets and passing traffic is presented at *Attachment 1*.

The main trade area accommodates two supermarkets (Coles and Franklins), both located at Casula Mall totalling 7,212m², however only the Coles supermarket (at 5,300m²) provides 'full-line' supermarket services.

There is an existing gap of around 4,600m² of supermarket floorspace, with this gap expected to increase by around a further 4,800m² by 2026, or the equivalent of 1-2 full-line supermarkets. Most importantly, the size of the gap increases rapidly over future years, reflecting increased need by the catchment's growing population.

The main trade area that would be serviced by a potential full-line supermarket at the subject site is currently estimated to comprise some 27,550 persons, including 14,400 residents in the key primary sector.

The main trade area is expected to grow by 1.5% per annum over the next 15 years, and is expected to reach 34,350 residents by 2026, reflecting an increase of about 6,800 residents. This growth alone would almost support another full-line supermarket.

A variation to the existing 1,600m² cap on retail development is necessary to allow development that can meet current and expected demand to 2026.

Leasable commercial floorspace caps result in land use planning that is unresponsive to modern retailing requirements and consumer expectations. Such floor space caps contravene Section 5 (a) (ii) of the Environmental Planning and Assessment Act (The Act). Specifically, the floorspace cap does not *enable the promotion and co-ordination of the orderly and economic use and development of land*.

Floor space caps do not comply with State Planning Guidelines and NSW Draft State Environmental Planning Policy (Competition) 2010, which is a consideration for all development assessment under Section 79C (1) (ii) of the Act.

LLEP 2008 Development Standards in relation to maximum FSR and Height adequately protect amenity in relation to scale, without the need for a set specified floorspace restriction. The ridge line of the roof for a proposed supermarket will not exceed the 15 metre maximum height development standard that applies to the land.

floor space
cap

not dev.
standards

Figure 5 Liverpool LEP 2008 Height of Buildings Map



Development of commercial premises for a proposed 4,300m² supermarket on a 10,908m² site represents an FSR of less than 0.4:1, which is significantly below the applicable 0.75:1 Floor Space Ratio (FSR) development standard.

Figure 6 Liverpool LEP 2008 FSR Map



4.2 Modern Retail Requirements

MacroPlan Dimasi has undertaken a review of the modern retailing requirements for supermarkets with respect to long term trends in terms of size and offer. The analysis has revealed a number of important trends:

- The size of modern supermarkets is larger than in the past.
- The general product offer has remained relatively constant – stores are essentially selling the same products (i.e. milk, bread, meat, etc).

The analysis confirms the stronghold presence of supermarkets as a retail cornerstone, less affected by online shopping than other retail formats. Supermarket store sizes have also trended to increase in size, in response to shopper expectations for a larger product range and circulation space.

4.3 Economic Structure and Performance of the

Australian Retail Industry

The Australian Government's independent research and advisory body, the Productivity Commission makes a number of relevant recommendations in its report *Economic Structure and Performance of the Australian Retail Industry*, published in November 2011.

Retail plays a crucial part in the local and national economy in terms of productivity and job creation. There are almost 140,000 retail businesses in Australia, accounting for 4.1 percent of GDP and 10.7 percent of employment¹.

The Productivity Commission has found that retailers operate under several regulatory regimes that restrict their competitiveness and ability to innovate. The Commission has identified several major restrictions which need to be addressed, including:

- *Planning and zoning regulations which are complex, excessively prescriptive, and often anticompetitive*
- *Land use regulation that centralises retail activity can be either competition-enhancing or competition-reducing, depending on how it is designed and implemented by the relevant planning authorities.*
- *To minimise the anti-competitive effects of zoning, policy makers need to ensure that areas where retailers locate are both sufficiently large (in terms of total retail floor space) and sufficiently broad (in terms of allowable uses, particularly those relating to business definitions and/or processes) to allow new and innovative firms to enter local markets and existing firms to expand.*
- *A number of overseas studies have examined the impact on the retail industry of some land use regulations that restrict the establishment of new large format stores. These studies suggest that restricting the development of larger stores lowers retail productivity, reduces retail employment and raises consumer prices.*
- *Overseas evidence also suggests that some land use restrictions raise property prices in residential and commercial markets by constraining the quantity (and location) of available space. These empirical results are useful directional proxies for the impact of planning and zoning controls on domestic retail property values.*

The Productivity Commission recognises that, while all leading practices should be implemented to improve the competitiveness of the retail market, two are of particular importance:

*State, territory and local governments should (where responsible) broaden business zoning and significantly reduce prescriptive planning requirements to allow the location of **all retail formats** in existing business zones to ensure that competition is not needlessly restricted. In the longer term, most business types (retail or otherwise) should be able to locate in the one business zone.*

Governments should not consider the viability of existing businesses at any stage of planning, rezoning or development assessment processes. Impacts of possible future retail locations on existing activity centre viability (but not specific businesses) should only be considered during strategic plan preparation or major review — not for site specific rezoning or individual development applications.

¹ Productivity Commission.

4.4 Promoting Economic Growth and Competition through the Planning System-Review Report

In May 2009, the Department of Planning and the Better Regulation Office released a discussion paper to facilitate discussion on what elements of the NSW planning system promote or detract from opportunities for competition and economic growth to provide specific recommendations that will assist in improving opportunities for economic growth in the State.

Importantly, the recommendations directly address the Council of Australian Governments (COAG) commitment made on 7 December 2009 to ensure that:

- *processes are in place to maintain adequate supplies of land suitable for a range of retail activities; and*
- *any unnecessary or unjustifiable protections for existing businesses from new and innovative competitors are eliminated.*

The recommendations also address calls for review of State planning and zoning laws that have been made by the Australian Competition and Consumer Commission (ACCC) and the Productivity Commission to assess if they impose any unnecessary restrictions on competition.

While many of the recommendations are focused on strengthening competition in the retail sector through the planning system, the review also addresses concerns from some stakeholders regarding the constraints on market efficiency and economic development due to a lack of clarity over certain planning provisions with the potential for delays.

4.5 NSW Draft SEPP (Competition) 2010

As a result of the Promoting Economic Growth and Competition through the Planning System-Review, the NSW Draft State Environmental Planning Policy (Competition) 2010 was prepared and placed on public exhibition till August 2010.

The Aims of this Draft SEPP are:

- (a) to promote economic growth and competition, and*
- (b) to remove anti-competitive barriers in environmental planning and assessment.*

The Draft SEPP has not yet been finalised. Notably, it has not specifically been rejected or deferred by the Minister, therefore it is still a relevant draft EPI, which must be considered during development assessment under Section 79C (a) (ii) of the Act.

4.6 Draft Activities Centres Policy

The NSW Draft Centres Policy is a guideline and not an Environmental Planning Instrument, however it provides a planning framework for the development of new and existing retail and commercial centres in NSW. The policy is based on six planning principles:

- *Retail and commercial activity should be located in centres to ensure the most efficient use of transport and other infrastructure, proximity to labour markets, and to improve the amenity and liveability of those centres.*
- *The planning system should be flexible enough to enable centres to grow, and new centres to form.*

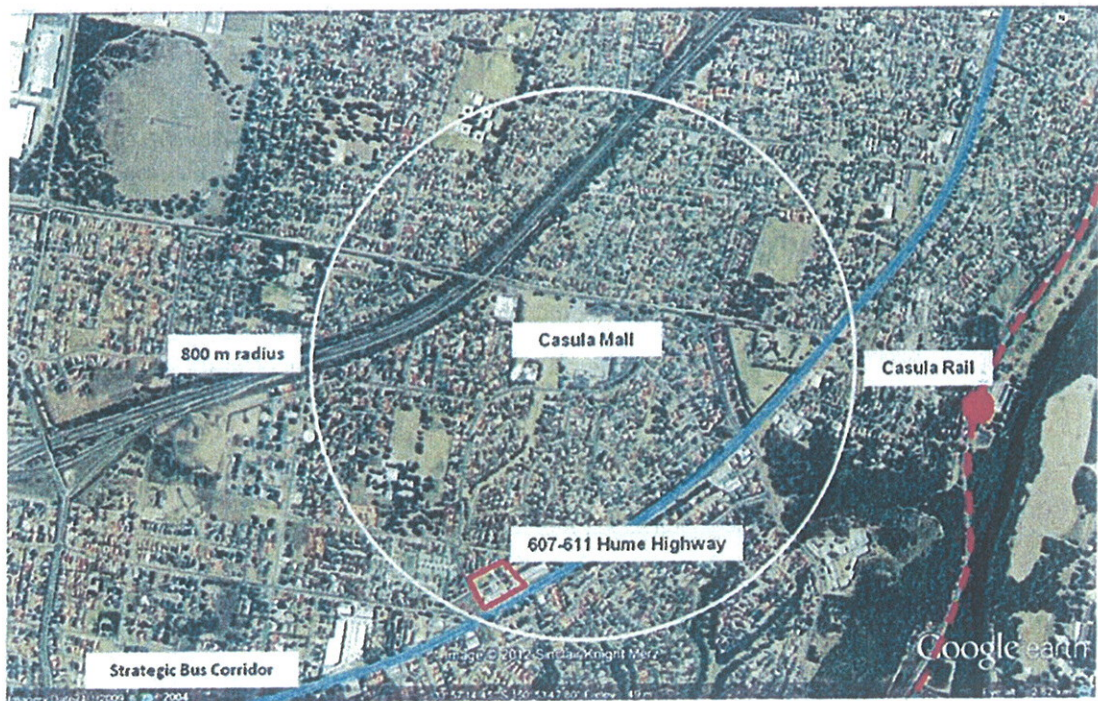
- *The market is best placed to determine the need for retail and commercial development. The role of the planning system is to regulate the location and scale of development to accommodate market demand.*
- *The planning system should ensure that the supply of available floorspace always accommodates the market demand, to help facilitate new entrants into the market and promote competition.*
- *The planning system should support a wide range of retail and commercial premises in all centres and should contribute to ensuring a competitive retail and commercial market.*
- *Retail and commercial development should be well designed to ensure they contribute to the amenity, accessibility, urban context and sustainability of centres.*

The planning proposal meets these principles; it is underpinned by a strong market demand, it promotes competition and enables commercial growth through the utilisation of land in an accessible and suitable location, is situated close to local labour markets and to public transport facilities.

4.7 Metropolitan and South West Draft Sub Regional Strategy

The Metropolitan and South West Sub Regional Strategies define a catchment of 800m radii for local town centres.

Figure 7 Casula Mall 800 metre radii



Source: South West Sub Regional Strategy Google

This site is well suited to meet South West Draft Sub Regional Strategy objectives to concentrate retail activities near public transport in centre-based catchments. The land is within the 800 metre catchment of what is known as the Casula 'town centre' but effectively, along with other neighbouring uses that constitute current development along the Hume Highway, operates as a centre in its own right.

Rezoning this site from B6 Enterprise Corridor to B2 Local Centre complements existing Strategic Centres identified in the South West Subregional Strategy 2007. The site will help deliver the following objectives:

B1 Provide places and locations for all types of economic activity and employment in the Sydney region.

B4 Concentrate activities near public transport

B7 Recognise the role of enterprise corridors as locations for local employment.

Specifically,

- Rezoning will ensure a more flexible approach to economic growth and productivity.
- The site is 1.5 kilometres to Casula Rail Station and on the Liverpool to Campbelltown Strategic Bus Corridor.
- Casula Mall Town Centre is 760 metres from the site (within the Metro Strategy 800 metres radius walking catchment, which is the area considered to constitute the centre).
- The site is significantly distant from the all other centres.
 - Liverpool Regional City Centre is 4.4 km from the site (therefore it is outside the 2km radii considered the catchment for this centre).
 - Moorebank Town Centre is 4.6 km from the site
 - Carnes Hill (Horningsea Park) Town Centre is 5.1 km from the site
 - Ingleburn Town Centre is 5.6 Km From the site
 - Leppington Planned Major Centre is 7.5 km from the site
 - Campbelltown - Macarthur Regional Centre is further still at 19 km distance from the site.

In terms of employment and economic outcomes, retail is a major employment generator-accounting for the second largest proportion (10.5%) of employment in all industries in NSW (Industry and Investment NSW).

Food retailing has consistently been the biggest driver of growth in the NSW retailing industry. In 2009–10, food retailing turnover was valued at \$29.4 billion, representing 40 percent of the total value of all retail turnover in NSW.

NSW's retail sector accounted for \$17.2 billion, or 5.2 percent of NSW's total industry value added in 2009–10. It is forecast to grow 22 percent over the next decade.²

4.8 Council's Retail Hierarchy Review

Council has recently exhibited a review of its hierarchy of centres.

The subject site was presented to Council's consultants for their consideration as part of the review but has not been recommended as a centre under the review.

Importantly, with respect to the existing Casula Town centre the review notes:

There appears to be justification for additional retail floorspace in the centre given its strong trading performance however it lacks sufficient space for an extension to be provided at the current time. A second storey could potentially be accommodated under the existing height and FSR limits.

² Industry and Investment NSW

The review has also provided the following specific response to the initial presentation of the subject site as a supermarket site.

The more detailed area modelling which we undertook to inform our recommendations indicates that, for the Casula Mall trade area there is limited undersupply of supermarket and grocery store expenditure in 2011. Thus there is insufficient need for 4,200sqm supermarket as sought in this submission. The limited undersupply of supermarket and grocery store expenditure which does exist is likely to be met to some extent by the development of the Costco which will sell a range of food and grocery items.

Beyond 2026 there is a need for an additional supermarket in the Casula area at which time rezoning of the site may be appropriate if no alternative sites are available to accommodate a supermarket in Casula Mall or in other existing centres in the surrounding area.

We note that Hill PDA rely upon a retail turnover density (RTD) for supermarkets of \$11,000 per square metre, increasing in real terms by 0.65% per annum. This level of retail turnover would constitute a very successful supermarket turnover level within an enclosed shopping centre.

When assessing the appropriate level of provision for a particular broad region, such as an LGA, a more suitable threshold that covers likely trading performance for smaller local centre supermarkets would be more appropriate. An RTD closer to \$9,000/m² would be more applicable, and even this would represent a strong trading position for any supermarket.

If an RTD of \$9,000/m² is applied then, using Hill PDA's own numbers, this would equate to an additional 8,500m² of supermarket demand within the LGA. This equates to more than two 4,200m² supermarkets.

We disagree also with the suggestion that Costco, a member base retail warehouse that serves a trade area of 500,000 to 1 million persons, could be considered to meet some of the localised market gap for convenience based retail.

This planning proposal is presented in advance of Council's finalisation of its retail hierarchy review, with the intention of informing Council's consideration of market need and its final deliberations with respect to an appropriate retail hierarchy.

Our view is that the restrictions imposed by the proposed hierarchy are far too limiting to encourage a variety of supermarket offerings intended to enhance community choice and to meet community need.

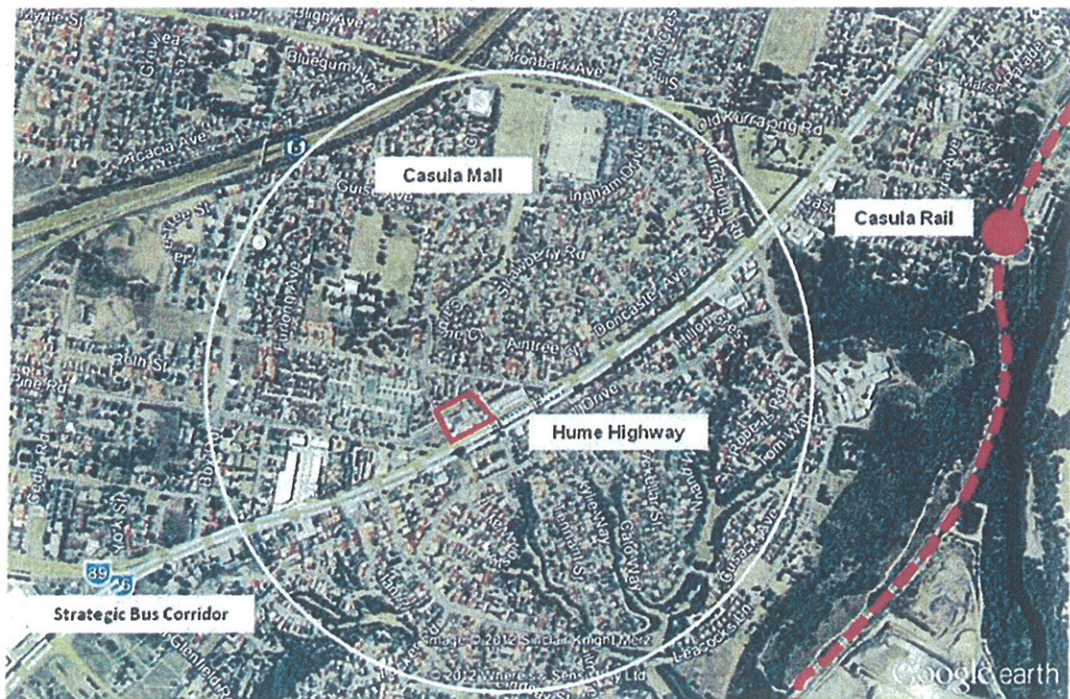
4.9 Catchments

The extent of a trade area or catchment that is served by any centre is shaped by the interplay of a number of critical factors. These factors include:

1. The relative attraction of the centre, in comparison with alternative competitive retail facilities. The factors that determine the strength and attraction of any particular centre are primarily its scale and composition (in particular the major trader or traders that anchor the centre); its layout and ambience; and carparking, including access and ease of use.

2. The proximity and attractiveness of competitive retail centres. The locations, compositions, quality and scale of competitive retail facilities all serve to define the extent of the trade area which a shopping centre is effectively able to serve.
3. The available road network and public transport infrastructure, which determine the ease (or difficulty) with which customers are able to access a shopping centre.
4. Significant physical barriers which are difficult to negotiate, and can act as delineating boundaries to the trade area served by an individual shopping centre.

Figure 8 Hume Highway Strategic Corridor Casula Catchment



Our examination of the specific characteristics of the site demonstrates the critical nature of the Hume Highway as pivotal to the success of the proposal:

- The site is positioned on the Hume Highway with good public transport and a resident population within walking distance.
- Centre activity is already happening at the site and along the Hume Highway – the mix includes retail, business and outlets selling a variety of products and services such as liquor, tax accounting, veterinary services, hardware, and leisure activities (refer to Figure 9).
- Liverpool City Council has previously approved amendments to relax the application of floor space caps elsewhere to enable retailing at Orange Grove Road, Warwick Farm for a Dan Murphy's Liquor Store and a large format Costco at Cross Roads Homemaker, Casula.
- The Hume Highway is part of a strategic bus corridor servicing a range of business centre activities in the LGA.

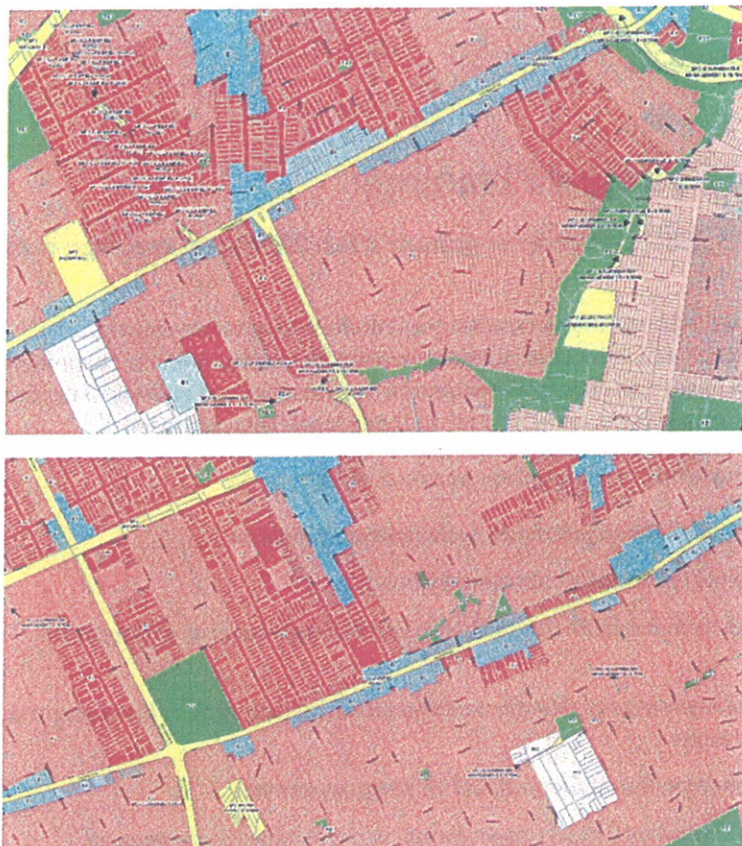
Planning Precedent - Standard Instrument LEP Drafting

Case Study: Canterbury Road

The Canterbury Draft LEP proposes a number of local centre type nodules along Canterbury Road, supported by corridor, business or high density residential zonings. This approach to defining local centre nodules rather than scattered ribbon development could also be adopted for the Hume Highway at Casula. It presents a pro-active planning response to existing ribbon development that is uncoordinated and dysfunctional.

The B6 zoning that is currently applied at Casula has not altered the scattered nature of development and has failed to establish a sense of presence intended for the 'enterprise corridor'. The corridor would be best served by its recognition as a local centre that enhances the alternate food and fashion offer at the Casula Town centre but which together could operate as a strong local offering. As discussed previously the presence of medium-higher density housing in proximity to the subject site provides a ready-made walkable catchment that should be serviced by an expanded range of retail services.

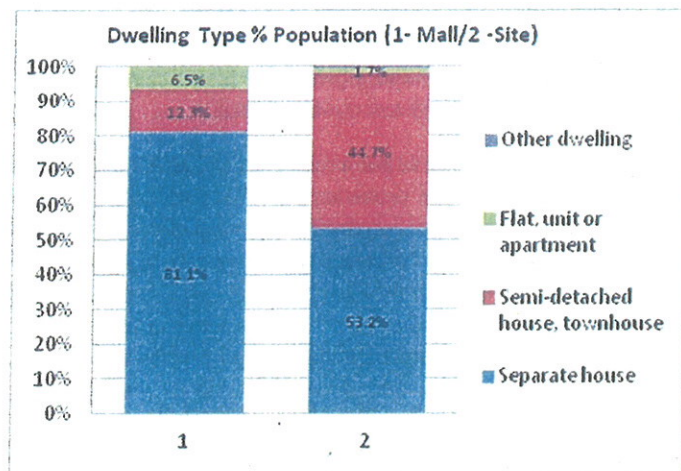
Figure 9 Canterbury Draft LEP Zoning Map Extracts



Dwellings and Population

A walkable trading catchment population of approximately 5,529 (ESD 2011) people reside in medium density dwellings and aged care facilities near to the site. Forty five percent of the population live in medium density dwellings (townhouse/apartments) compared to 19 percent of 3,281 (ESD 2011) people living in such dwellings around the Casula town centre (ABS Census Collection Districts 2006).

Figure 10 Casula Mall and Site Catchment: Dwelling Type % of Population



Source: ABS and MacroPlan Dimasi

4.10 Community Strategic Planning

Growing Liverpool 2021, Delivery Program 2011-2015 and Operational Plan 2011-2012

Liverpool's Community Strategic Plan and subsequent delivery programme particularly focuses on delivery of Council services in response to resident's aspirations. These principle documents provide a quadruple bottom line approach to measuring the delivery of Council Services against environmental, economic social and civic leadership principles.

A number of themes relevant to this planning proposal include:

- Promote an integrated and user friendly public transport service
- Support the delivery of a range of transport options
- Further develop a commercial centre that accommodates a variety of employment opportunities
- Deliver and maintain a range of transport related infrastructure such as footpaths, bus shelters and bikeways
- Enhance the environmental performance of buildings and homes
- Deliver a high quality local road system including provision and maintenance of infrastructure and management of traffic issues
- Facilitate economic development

4.11 Review of State Environmental Planning Polices (SEPPs)

The planning proposal is consistent with all relevant SEPPs as follows:

Table 1. Review of State Environmental Planning Policy

SEPP	Consistency
SEPP (Exempt and Complying Development	The planning proposal does not recommend any amendments to Part 3, Schedule 2, or Schedule 3 of the LEP affecting exempt and complying

Codes) 2008	development provisions.
SEPP (Infrastructure) 2007	This Planning Proposal does not contradict or repeat any provisions in SEPP (Infrastructure) 2007.
SEPP (Mining, Petroleum Production and Extractive Industries) 2007	This Planning Proposal does not contradict or repeat any provisions in SEPP (Mining, Petroleum Production and Extractive Industries) 2007. The site has currently undergone a preliminary contamination investigation which identified the need for further contamination investigative works. This is due to the site existing use as a car junkyard.
SEPP No. 55 – Remediation of Land	Land must not be developed if it is unsuitable for a proposed use because it is contaminated. If identified as unsuitable, the site must undergo remediation before development takes place. SEPP 55 makes remediation permissible across the State, defining when consent is required, and requires all remediation to comply with standards. It also ensures land is investigated if contamination is suspected, and requires councils to be notified of all remediation proposals.
SEPP No. 33 – Hazardous and Offensive Development	No hazardous or offensive development is applicable under SEPP 33. All development for land uses consisting of hazardous or offensive industry (identified as heavy Industries) is currently prohibited on the land. These uses shall continue to be prohibited in the Zone B2 – Local Centre zone proposed.
SEPP No. 1 – Development Standards	The planning proposal is in accordance with the Standard Instrument LEP and consistent with the aims of SEPP No 1—Development Standards, as embodied in compulsory Standard Instrument <i>Clause 4.6 - Exceptions to Development Standards</i> in the LLEP 2008
SEPP 22 – Shops and Commercial Premises	The SEPP is not applicable to the site. This planning proposal does not seek to change the use of a building.

4.12 Review of Relevant S. 117 Ministerial Directions

The planning proposal is consistent with all relevant s.117 Directions as follows:

Table 2. Section 117 Relevant Ministerial Directions

Relevant Direction (July 2009)	Consistency	Justification for Inconsistency
Employment and Resources		
1.1 Business and Industrial Zones	<p>The planning proposal will support the viability of the strategic centres by providing retail services in response to market demand in a strategic location, with excellent road access and public transport frequency to meet local demand for a supermarket within the 800m radii catchment of the local town centre.</p> <p>The planning proposal will effectively increase the level of floor space area in business zones. Whilst the planning proposal promotes retail activity, economic analysis has indicated a level of demand for supermarket retailing in the area which will not have a negative impact on the existing Casula Mall.</p> <p>This planning proposal seeks to change the permitted land use activities on the site, but still encourages employment growth through retail employment. The proposal will reduce the amount of land zoned for bulky goods retailing.</p> <p>The Draft South West Subregional Strategy allocates a potential</p>	N/A

35,000 additional jobs in Liverpool LGA. the planning proposal does not support the Draft Strategy classification of an enterprise corridor:

“Areas which provide low cost accommodation for a range of local and regional services including start-up offices, light industrial, showrooms, building supplies and retail, which benefit from high level of passing traffic (over 50,000 vehicles per day). They provide a valuable buffer between residential development and the road”

The rigidity of Draft LEP does not encourage competition within the LGA. Flexibility is required within the centres hierarchy to reflect market demand and organic development patterns. This planning proposal is in line with the Draft SEPP (Competition) 2010, which mandates the need to remove unnecessary anti-competitive barriers that exist within the planning system.

3. Housing Infrastructure and Urban Development

3.4 Integrating Land Use and Transport	Access to the site is supported by a significant walkable catchment of over 5000 people. Whilst freight and private car access are supported by the highway. Demand for public services along this strategic route will support the future viability of bus transportation and potential expansion of routes. The planning proposal effectively increases the effectiveness and viability of local public transport along the Hume Highway/Strategic Bus Corridor.	N/A
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Local Plan Making

6.3 Site Specific Provisions	The planning proposal is supported by this section 117 direction, which discourages unnecessarily restrictive site specific planning controls. The Draft LEP limits the size of developments in B2 – Local Centre zones to 1,600m ² . This restrictive development clause is not reflective of achievable markets and demand. The clause is also unfeasible given the area is approximately 10,000m ² in size. If this clause was effective, it would result in a large proportion of the site being under-utilised.	N/A
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7. Metropolitan Planning

7.1 Implementation of the Metropolitan Plan for Sydney 2036	This proposal addresses many of the challenges facing Sydney, which the Metropolitan Plan for Sydney 2036 seeks to address: A GROWING POPULATION – increasing demand for services, retail etc. AGEING CHANGING POPULATION – walkable access to services MORE JOBS, CLOSER TO HOME – retail is a significant employer (over 10%) MORE EFFICIENT TRANSPORT – concentrating land use on strategic corridors A MORE SUSTAINABLE SYDNEY - containing its urban footprint. MAINTAINING OUR GLOBAL COMPETITIVENESS - Sydney must adapt to changing international circumstances while protecting and building on its environmental, social and economic advantages.	N/A
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4.13 Net Community Benefits

The existing Coles supermarket at Casula Mall has a Gross Leasable Area of 5,307m². The Franklins store at Casula Mall is 1,905m².

However, the Economic Impact Assessment identifies market demand for 4,600m² supermarket floorspace for the main trade area at 2012. This gap is expected to increase by a further 4,800m² by 2026.

Due to the generally minimal trading impacts, and the surrounding growth environment, the estimated sales for all existing centres at 2014/15 (i.e. the assumed first full year of trade for the proposed new supermarket) are expected to be higher than current trading levels. The exception is Casula Mall which is estimated to trade at just 0.2 percent below current trading levels at 2014/15.

The estimated trading impacts on the surrounding centres network will therefore be normal competitive impacts that are to be expected in any growth environment.

Future, planned centres are not expected to be impacted to any noticeable extent, certainly not to the extent that their timing might be delayed, nor will the potential for supermarket anchors at these centres be jeopardised.

The Economic Impact Assess outlines that the proposed supermarket will create about 225 net additional jobs on site, as well as a further 90 jobs through the broader economy, while the construction of the project will see some 47 direct jobs and 76 indirect jobs created through the construction phase of the project. The proposed development will result in additional consumer choice, convenience and amenity for food and grocery shopping; increased employment within the Casula region; and minimal or minor impacts on the viability of the hierarchy of centres. It will thus result in a net community benefit.

4.14 Key Findings Justifying the Proposal

In summary the analysis undertaken in support of the planning proposal has demonstrated a clear need for additional supermarket services at Casula. This need is estimated at 4,600m² in 2012, growing to 9,400m² by 2026. This need is unable to be accommodated at the existing Casula town centre. || not correct.

From a planning perspective the planning proposal can be approached in one of two ways:

1. As appropriate additional retail development at the edge of the 800 metre walkable catchment of the existing Casula town centre, or
2. As appropriate infill development that augments and supports the Casula strip along the Hume Highway as a 'centre' in its own right.

Whatever approach is taken is somewhat incidental to the outcome of this planning proposal. Our findings are that there is an unmet need for additional supermarket services and that the immediate locality of the subject site and its Hume Highway environ would be significantly enhanced by the proposal. || *

The planning proposal is supported by the following:

- The proposed supermarket at the subject site (4,300m²) is within the scope of the identified market gap. The proposal is for a stand-alone supermarket store that is not supported by other retail specialty stores.

- The site is sufficiently large to accommodate new development with safe and appropriate access arrangements.
- The allowance of a supermarket at the site enhances the opportunity for the 'missing section of Ingham Drive' to be provided. The supermarket proposal complements the recent approval given for retail development for the adjacent site (the Ho Shon land) – which together can provide a strong retail attractor for the locality.
- Site ownership has been assembled such that a supermarket can be commercially delivered in a short timeframe.
- The rezoning of the site to accommodate a supermarket use is expected to have no material negative impact on the enjoyment of adjoining residential land and no adverse impact on nearby commercial uses.
- Market need could either be accommodated through an expansion of current retail floorspace limits that apply in the B6 zone or through a change of zoning to B2 Local Centre.

5 Community Consultation

Each land owner has given their support to this planning proposal.

The extent of statutory community consultation in relation to the planning proposal will be dependent on the prescribed exhibition period to be specified in the gateway determination.

According to NSW guidelines, the consultation period for planning proposal is tailored dependent on whether the proposal is low impact or otherwise.

Low impact planning proposal means a planning proposal that, in the opinion of the person making the gateway determination is:

Low Impact Planning Proposal	✓ or X
1. <i>consistent with the pattern of surrounding land use zones and/or land uses.</i>	✓
2. <i>consistent with the strategic planning framework.</i>	✓
3. <i>presents no issues with regard to infrastructure servicing</i>	✓
4. <i>is not a principal LEP, and</i>	✓
5. <i>does not reclassify public land .</i>	✓

The B2 Zone will permit land uses that are reasonably and logically harmonious with adjoining uses. The proposal is consistent with the objectives of the South West Sub Regional Strategy 2007, relevant S.117 Ministerial Directions, Council's Community Strategic Plan and State Environmental Planning Policies.

It is anticipated that this planning proposal will be considered low impact requiring a 14 day exhibition period. Public exhibition of the planning proposal will be notified by the Relevant Planning Authority; being Liverpool City Council.

Various studies have been provided to demonstrate the proposal is consistent with the above criteria, therefore it is not expected any further investigations will be necessary. However, should the gateway determination require further studies to be undertaken, these could be commissioned in the lead up to public consultation.

This planning proposal has been prepared in accordance with the NSW "A Guide to Preparing Local Environmental Plans" and "A guide to preparing planning proposals. It is duly presented for Council's formal consideration.