

Growth Centres SEPP Amendment - Additional permitted use in B5 zone to enable Costco development at Marsden Park

Proposal Title :	Growth Centres SEPP Amendment - Additional permitted use in B5 zone to enable Costco development at Marsden Park		
Proposal Summary :	The planning proposal seeks to permit a Costco retail premises/warehouse within the Marsden Park Industrial Precinct, on Hollinsworth Road, Marsden Park in the North West Growth Centre. This is to be achieved by including additional uses of "retail premises" and "vehicle repair stations" on land at part lot 2 DP 1177861 and part Lot 19 DP 262886, Hollinsworth Road, Marsden Park (subject site) in Schedule 1 (Additional Permitted Uses) in Appendix 5 (Marsden Park Industrial Precinct Plan) of the State Environmental Planning Policy (SEPP) (Sydney Region Growth Centres) 2006, and managed via site specific controls. The Location map and Indicative layout plan are in documents. The planning proposal is supported by an economic impact assessment and traffic impact assessment.		
PP Number :	PP_2014_BLACK_001_00	Dop File No :	14/06725

Proposal Details

Date Planning Proposal Received :	11-Apr-2014	LGA covered :	Blacktown
Region :	Sydney Region West	RPA :	Blacktown City Council
State Electorate :	RIVERSTONE	Section of the Act :	55 - Planning Proposal
LEP Type :	Policy		

Location Details

Street :	Hollinsworth Road		
Suburb :	Marsden Park	City :	Postcode : 2765
Land Parcel :	Part of Lot 2 DP 1177861 and part of Lot 19 DP 262886		

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Land Release Data

Growth Centre :	Sydney North West	Release Area Name :	Other
Regional / Sub Regional Strategy :	Metro North West subregion	Consistent with Strategy :	Yes
MDP Number :		Date of Release :	
Area of Release (Ha) :		Type of Release (eg Residential / Employment land) :	N/A
No. of Lots :	0	No. of Dwellings (where relevant) :	0
Gross Floor Area :	0	No of Jobs Created :	250

The NSW Government Lobbyists Code of Conduct has been complied with : Yes

If No, comment : In relation to the Lobbyist Code of Conduct there are no records on the Department's Lobbyist Contact Register regarding this matter.

Have there been meetings or communications with registered lobbyists? : No

If Yes, comment :

Supporting notes

Internal Supporting Notes :

External Supporting Notes :

Adequacy Assessment

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Statement of the objectives - s55(2)(a)

Is a statement of the objectives provided? Yes

Comment : The planning proposal includes a statement of objectives that advises that the primary objective is to facilitate the development of a Costco retail warehouse on the site.

The Costco business model is that of a "retail warehouse" which is not recognised as an individual form of land use/ development under the State Environmental Planning Policy (Sydney Region Growth Centres) 2006 (Growth Centres SEPP). These proposed uses are defined as "bulky goods premises", "retail premises", "business premises", "service stations" and "vehicle repair stations" under the Growth Centres SEPP. In Zone B5 Business Development under Appendix 5 Marsden Park Industrial Precinct Plan in the Growth Centres SEPP, "business premises" and "service stations" are permissible land uses and "retail premises" and "vehicle repair stations" are prohibited.

Costco stores typically operate from traditional purpose built retail warehouse buildings. It comprises of a large retail floor plate and a number of ancillary uses/services within its premises of approximately 13,000 sq m in area. These comprise:

- * Small cafe;
- * Tyre centre - a drive-in tyre fittings and balancing facility;
- * Optometrists - a reception kiosk and examination rooms;
- * Photo processing;
- * Hearing facility, hearing aids services/sales; and
- * Service station.

The general retail component comprises of groceries, liquor, appliances, televisions and media, automotive supplies, toys, hardware, sporting goods, office supplies and office equipment, jewellery, cameras, books, homewares, apparel, health and beauty aids, and furniture. While some of these uses could be considered permissible under the definition of "bulky goods premises" and "service stations", some of these uses would need "retail premises" and "vehicle repair stations" to be permissible with consent.

It is considered that the statement of objectives is adequate.

Explanation of provisions provided - s55(2)(b)

Is an explanation of provisions provided? Yes

Comment : The aims of this planning proposal will be achieved through an amendment to schedule 1 Additional Permitted Uses, within Appendix 5 Marsden Park Industrial Precinct Plan in the Growth Centres SEPP, by adding the additional uses of "retail premises" and "vehicle repair stations" for the site (part of Lot 2 DP 1177861 and part of Lot 19 DP 262886, Hollinsworth Road, Marsden Park). These uses are not currently permissible on the site or in the B5 Business Development zone. It is noted in the planning proposal that a future subdivision may occur prior to the finalisation of the planning proposal, which may result in a different property description at the final drafting stages.

Under the proposal, the current B5 Business Development zone will be maintained and no changes are proposed to height of building, floor space ratio or minimum lot size controls. No alterations are proposed to the SEPP maps to facilitate the proposal, however, a key sites map to identify the land to which additional uses will apply maybe required.

The planning proposal does propose to include a specific local clause with the additional permitted use provision to ensure that the site is utilised for the intended Costco development. The proposed clause is as follows:

Development on Part Lot 18 and Part Lot 19 DP 262886, Hollinsworth Road

1. This clause applies to part Lot 18 and part lot 19 DP 262886 in zone B5 Business development
2. Development for the purposes of "retail premises" and "vehicle repair stations" is permitted with consent.

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3. Development including "retail premises" is permitted with consent, only where:

- i. the retail premises is located on land with a minimum site area of 20,000 sqm
- ii. the retail premises has a gross floor area of 13,000 sq m, and
- iii. the retail premises is operated by one retailer and/or tenant only.

The clause has an incorrect property description, Lot 18 DP 262886, which Council has advised is now Lot 2 DP 1177861. Council should amend the planning proposal and the proposed clause, prior to exhibition to ensure that the correct and consistent property descriptions are identified throughout the planning proposal.

The proposed provisions is an updated clause from Liverpool Local Environmental Plan 2008 (Amendment 26) which also allowed additional permitted uses to enable a Costco development. This amendment, notified on 18 January 2013, included a provision that required a gross floor area of not less than 14,000 sq m. In this case, the proposed minimum 13,000 sqm gross floor area is appropriate as the planning proposal identifies that the proposed gross floor area of Costco is 13,746 sq m.

The Growth Centres team has been consulted on the proposed minimum gross floor area requirements, and have advised that these additional criterion are supported as it will assist in ensuring the site is developed at the intended scale so as not to negatively impact the retail hierarchy of the area.

Justification - s55 (2)(c)

a) Has Council's strategy been agreed to by the Director General? No

b) S.117 directions identified by RPA :

1.1 Business and Industrial Zones

3.4 Integrating Land Use and Transport

* May need the Director General's agreement

4.4 Planning for Bushfire Protection

6.1 Approval and Referral Requirements

6.3 Site Specific Provisions

7.1 Implementation of the Metropolitan Plan for Sydney 2036

Is the Director General's agreement required? Yes

c) Consistent with Standard Instrument (LEPs) Order 2006 : Yes

d) Which SEPPs have the RPA identified?

SEPP (Sydney Region Growth Centres) 2006

e) List any other matters that need to be considered :

Draft Centres Policy (2009).

Have inconsistencies with items a), b) and d) being adequately justified? Yes

If No, explain :

The following Section 117 Directions are applicable to this planning proposal:

Section 117 Direction 1.1 - Business and Employment zones

Council considers the planning proposal consistent with this direction as it retains the areas and locations of existing business zoned land, and does not reduce the potential floor space for employment uses and related public services in business zones.

Comment - It is agreed that the proposed additional permitted uses of "retail premises" and "vehicle repair stations" are employment generating uses and are consistent with the objectives of this direction. However, it will allow other additional uses on land which is identified for business and industrial uses. The planning proposal should be revised to appropriately consider this direction.

Section 117 Direction 3.4 - Integrating Land use and transport

The planning proposal is inconsistent with this direction as the proposed site is not located near public transport nodes, is not easily accessible by public transport. That being said, the nature of the proposed Costco development is such that it is more suitable on a site that is accessible to road transport corridors, and is surrounded by

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similar "bulky goods style" land uses such as IKEA and Masters stores. Costco site is located 1.2km north west of the M7 Motorway and accessible from Richmond Road which is currently being upgraded.

That being said, the planning proposal should be amended to show consideration of the aims, objectives and principles of:

- (a) Improving Transport Choice - Guidelines for Planning and Development (DUAP 2001), and
- (b) The Right Place for Business and Services - Planning Policy (DUAP 2001).

Section 117 Direction 4.4 - Planning for Bushfire protection

The planning proposal has identified that the site is identified as potentially bushfire prone. Consultation with the RFS Commissioner would have occurred during the rezoning process.

Council has not adequately addressed this direction, stating that "It is noted that when the precinct is fully developed, then it will not be bushfire prone in accordance with Figure 2.4 of Schedule 3 Marsden Park Industrial Precinct of the Blacktown City Council Growth Centre DCP".

Notwithstanding Council's assertion, the site is currently bushfire prone and as such the direction applies. Council should revise the planning proposal to address this direction and consult with the Commissioner of the NSW Rural Fire Service, prior to public exhibition as per the direction.

Section 117 Direction 6.1 - Approval and referrals

Council has identified this direction as it will need to consult with the Commissioner of the Rural Fire Service in accordance with Section 117 Direction 4.4 if the planning proposal receives a Gateway determination.

The consultation with Rural Fire Service is a requirement during the planning process and is not a provision proposed in the planning proposal. Therefore is not inconsistent with this direction.

Section 117 Direction 6.3 - Site Specific provisions

The planning proposal is inconsistent with this direction as it proposes to include two additional permitted uses on a specific site, with provisions regarding minimum site area of 20,000 sqm , minimum gross area of 13,000 sqm and maximum of one tenant/owner.

This inconsistency is considered to be of minor significance as the controls are intended to ensure that the site is used for intended development and not enable inappropriate smaller scale retail uses to be developed on the site. The area has been identified for larger floor area developments including Masters and IKEA, and smaller scale developments would not be consistent with the objectives of the zone.

Further, similar minimum gross floor area provision has been included in Liverpool LEP 2008 Amendment 26, which enabled a Costco development to occur.

This inconsistency is considered to be of minor significance and should be supported in this instance.

Section 117 Direction 7.1 - Implementation of the Metropolitan Strategy

The planning proposal has the potential to create 250 Full Time Jobs which is consistent with the objectives of the Metropolitan Strategy.

Mapping Provided - s55(2)(d)

Is mapping provided? **No**

Comment :

The amendment is to schedule 1 additional permitted uses and no mapping amendments have been recommended in this planning proposal.

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As the planning proposal refers to a specific site, a mapping amendment may be required to identify the site the additional permitted use applies to.

Community consultation - s55(2)(e)

Has community consultation been proposed? **Yes**

Comment : It is proposed to publically exhibit the planning proposal for 28 days.

Additional Director General's requirements

Are there any additional Director General's requirements? **No**

If Yes, reasons :

Overall adequacy of the proposal

Does the proposal meet the adequacy criteria? **Yes**

If No, comment : The planning proposal can be assessed on its merits and can be considered for a Gateway determination.

Proposal Assessment

Principal LEP:

Due Date : November 2010

Comments in relation to Principal LEP : The Marsden Park Industrial Precinct Plan was notified on 18 November 2010 under the State Environmental Planning Policy (Sydney Region Growth Centres) 2006.

Assessment Criteria

Need for planning proposal : Blacktown Council received a planning proposal to amend the Growth Centres SEPP to facilitate a Costco retail premises on part of Lot 2 DP 1177861 and part of Lot 19 DP 262886 Hollinsworth Road, Marsden Park.

The surrounding B5 land is being developed for an IKEA and a Masters Development and a Costco is considered consistent with these types of development.

Consistency with strategic planning framework : The proposal is generally consistent with the draft Metropolitan Strategy Objective 15 - Policy (b) Bulky goods will be located in existing and planned centres or in clusters close to public transport.

Comment: The site is located in a B5 Business Development zone in the Marsden Park Precinct Plan, located nearby a proposed IKEA and Masters development. It is located 1.2km south of the Marsden Park town centre, and is accessible by an hourly bus service. While it is not very well serviced by public transport, the site is surrounded by similar bulky goods and larger style retail development, clustering the uses with access to major transport network (M7).

The planning proposal is generally consistent with the draft North West Subregional Strategy that advises "there may be appropriate locations for regional clusters of bulky good retail where this can be shown to support nearby centres and provide a range of employment activities".

Comment: The site adjoins existing and proposed larger floor space uses including IKEA and Masters, is 1.5 km south of the Marsden Park Town Centre and is located within a B5 Business Development zone in the North West Sydney Growth Centre. This is considered to be a suitable location to co-locate bulky good style development.

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Environmental social economic impacts :

Economic Impact

- The proposed development has the potential to generate 250 full time positions, and approximately 330 jobs overall.
- This proposal will also result in the injection of approximately \$35 million into the local economy through 80 construction jobs plus a further 130 in-direct flow on jobs elsewhere in the area.
- The proposed site is suited to the type of larger scale development proposed. The Marsden Park Town Centre was considered for the Costco development but it was determined that it require 1/3 of the overall Town Centre area and would be better suited in the proposed B5 area.

Impact on surrounding retail catchments

An economic impact assessment has been prepared to support the planning proposal. The impact assessment indicates that "the results of the retail trading impact assessment lead to the conclusion that the introduction of Costco at Marsden Park would not be likely to generate any significant disruptions in the operations of the retail hierarchy serving the region. Certainly these low impacts would not be expected to lead to the closure of major traders or a change in the range and quality provisions in each of the effected centres".

The proposed local provision to ensure only a larger floor plate development can occur on the site will further manage potential impacts on the retail hierarchy.

Social Impact

- The proposed Costco is expected to bring over 600,000 visits annually to the area which could have positive flow on effects.
- Potential traffic generation is an issue. A traffic study and a traffic study addendum was submitted with the planning proposal, that advised that traffic generation could be accommodated within the proposed road network with an additional east-west road joining with Richmond Road to form the fourth leg to the signalised intersection with Colebee access road. This new road and changes to traffic signals are proposed to be provided at no cost to Council and the RMS.

Council has advised that it does not endorse the figures in the traffic impact assessment and would need to further consider the matter when a development application is lodged.

Consultation with the RMS and Transport for NSW should either occur during the planning process or during a development application process, to determine whether the studies prepared for the planning proposal and the recommendation within them can be supported.

The traffic impacts should be further considered in consultation with RMS.

Environmental Impact

- The site is vacant and cleared of any significant vegetation.
- The site is not flood affected.
- The site has been identified as bushfire prone, as such consultation with the RFS is required.

The additional uses proposed are not considered to create an additional environmental impacts above what is already permissible on the site.

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Assessment Process

Proposal type : **Routine** Community Consultation Period : **28 Days**

Timeframe to make LEP : **6 months** Delegation : **DDG**

Public Authority **NSW Rural Fire Service**
 Consultation - 56(2) **Transport for NSW**
 (d) : **Transport for NSW - Roads and Maritime Services**

Is Public Hearing by the PAC required? **No**

(2)(a) Should the matter proceed ? **Yes**

If no, provide reasons : **There is sufficient information to assess the planning proposal.**

Resubmission - s56(2)(b) : **No**

If Yes, reasons :

Identify any additional studies, if required. :

If Other, provide reasons :

Identify any internal consultations, if required :

No internal consultation required

Is the provision and funding of state infrastructure relevant to this plan? **No**

If Yes, reasons :

Documents

Document File Name	DocumentType Name	Is Public
Blacktown City Council_07-04-2014_Appendix A - Economic report .pdf	Study	Yes
12003_Appendix B - Traffic Report part 1.pdf	Study	Yes
12003_Appendix B - Traffic Report part2.pdf	Study	Yes
Supplementary Traffic Analysis by GTA November 2013.pdf	Study	Yes
Essential Economics supplementary information dated November 2013.pdf	Study	Yes
JBA Submission in response to Council Officers Report.pdf	Study	Yes
Costco Planning Proposal (April 2014).pdf	Proposal	Yes
Blacktown City Council - Cover letter - Costco Planning Proposal.pdf	Proposal Covering Letter	Yes
Location map and Indicative masterplan.pdf	Map	Yes

Planning Team Recommendation

Preparation of the planning proposal supported at this stage : **Recommended with Conditions**

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S.117 directions:

- 1.1 Business and Industrial Zones
- 3.4 Integrating Land Use and Transport
- 4.4 Planning for Bushfire Protection
- 6.1 Approval and Referral Requirements
- 6.3 Site Specific Provisions
- 7.1 Implementation of the Metropolitan Plan for Sydney 2036

Additional Information :

1. The planning proposal is to be amended, prior to public exhibition, to:
 - reflect the correct and consistent property description. If the property description is changed during the Gateway process, the regional team should be advised,
 - further address the consistency with Section 117 Directions 1.1 Business and Industrial zones, 3.4 - Integrating Land use and Transport, 4.4 - Planning for Bushfire Protection, and 6.1 Approval and referral requirements.
2. Agree that the inconsistency with Section 117 Direction 6.3 - Site Specific provisions is of a minor significance;
3. The planning proposal should be exhibited for 28 days.
4. The NSW Rural Fire Service (prior to exhibition), Transport for NSW and Roads and Maritime Services should be consulted.
5. The planning proposal should be finalised in 6 months.
6. A public hearing is not required.

Supporting Reasons :

The planning proposal is generally consistent with the draft Metropolitan Strategy Objective 15 - Policy (b) Bulky goods will be located in existing and planned centres or in clusters close to public transport.

The proposed development has the potential to generate 250 full time positions, and approximately 330 jobs overall. It will also result in the injection of approximately \$35 million into the local economy through 80 construction jobs plus a further 130 in-direct flow on jobs elsewhere in the area.

Signature:



Printed Name:

CHO CHO MYINT

Date:

5/5/14