PRESTONS PLANNING PROPOSAL – RESPONSE TO REQUEST FOR ADDITIONAL INFORMATION

Cumulative Trade Impacts

The cumulative impacts of proposed retail centres at Casula, Holsworthy, Middleton Grange, Orange Grove and the proposed centre at Prestons, as well as the approved Costco project at Crossroads are addressed separately in the attached Economic Impact Assessment.

Net Community Benefit Test

The Prestons Supermarket EIA has provided an analysis of retail turnover impacts, examined the possible impact on other existing and planned retail centres and considered the proposed development in the context of the recently adopted retail hierarchy guideline and the wider metropolitan strategy.

Table 1.1

Prestons Planning Proposal - Net Community Benefit Assessment

	Status Quo - No rezoning		Rezoning	
Factor	**Costs**	**Benefits**	**Costs**	**Benefits**
Vehicle Km's	Shoppers in trade area travelling to Casula and Carnes Hill to access full-line supermarket facilities			Reduction in vehicle kilometres travelled due to provision of full line supermarket in trade area
Choice / competition	No additional choice or competition would result.			Additional supermarket operator in the local trade area. This results in improved prices for customers.
Environmental Impacts		Site has approval for retail and commercial development. Such uses are permissible already.	Site has approval for retail and commercial development. Such uses are permissible already.	
Employment	Could support some employment, but likely to be lower if only 1,600 sq.m supermarket allowed.			More employment as a result of larger supermarket (i.e 4,200 sq.m v 1,600 sq.m).
Housing	No additonal dwellings.	No loss of residential land.	No additonal dwellings.	No loss of residential land.
Retail Hierarchy Impacts	No impact on centres hierarchy. Small supermarket permissible.	No impact on centres hierarchy. Small supermarket permissible.		No impact on centres hierarchy. Would not impact viability of existing centres, nor prevent future centres from being developed.
Infrastructure impacts		Would utilise existing road networks and public transport routes.	Would utilise existing road networks and public transport routes.	

Source: MacroPlan Dimasi

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The examination provided in this chapter combines the various assessments that have been undertaken thus far and assembles data in a manner that attributes a net community cost or benefit to the proposed rezoning against a base case – i.e. were the site not to be rezoned.

Our assessment considers each of the evaluation criteria nominated in the NSW DPI's Draft Centres Policy and is summarised in the above table.

Will the LEP be compatible with agreed State and regional strategic direction for development in the area (e.g. land release, strategic corridors, development within 800 metres of a transit node)?

Prestons is situated to the immediate north of the South West Growth Centre (SWGC) and is proximate to the future growth suburbs of Edmondson Park, Horningsea Park, Leppington, West Hoxton Park and Austral.

Prestons is highly accessible, being located close to the M7 Motorway, the M5 Motorway and the Hume Highway. There is major employment node around this key intersection, as well as at nearby Moorebank and other industrial estates, and within the city CBD of Liverpool. The site is serviced by public buses.

The proposed supermarket site at Prestons is strategically located on Camden Valley Way, the main road that services the South-West Growth Centre (SWGC). The site is situated at the edge of released urban land and in close proximity to the various precincts that comprise the SWGC. Edmondson Park is the closest precinct of the SWGC, located to the south of Camden Valley Way.

The proposed supermarket will service unmet demand within its trading catchment, as well as demand generated from expected population growth within the catchment. Whilst not within a transit node, Camden Valley Way is a major bus route for the area and will provide public transport access to the site.

It is noted that the planning proposal seeks to vary the 1,600m^2 limit for any retail that applies under the current zoning. The 16,900 m^2 site can however accommodate a total gross floor area of 11,250m^2 based on the relevant FSR development standard of 0.75:1. Under current restrictions, however, no individual tenancy is permitted to have a floor space of greater than 1,600m^2. Other associated retail (specialty) shops are also proposed, taking the total floor space of the project to 5,748m^2, still within the floorspace allowance for the site.

A net community benefit assessment therefore must have regard for the potential impact of the total floorspace that is now sought, i.e. in proposing a full-line supermarket of 4,094 m^2 as opposed to a lesser offer (of up to 1,600m^2).

In this respect, the proposed supermarket remains suited to its catchment in a location sense. The impact of the additional floorspace that is now sought is seen as a positive contribution to the locality, providing shoppers with a greater supermarket shopping range and the benefits of price competition that the additional service will bring.

Is the LEP located in a global/regional city, strategic centre or corridor nominated within the Metropolitan Strategy or other regional/subregional strategy?

The planning proposal affects a single site which is not located in a global or regional city, strategic centre or corridor nominated within the metropolitan strategy.

Is the LEP likely to create a precedent or create or change the expectations of the landowner or other landholders?

Liverpool Council has recently considered a variety of new zoning provisions to accommodate additional retail outlets across the city. The planning proposal for this site is consistent with Council's approach to allow for retail competition in a manner that does not impact detrimentally on established or planned centres.

The approach taken by Council facilitates a broader consideration of site worth in the context of market need. The process of a focused assessment of site potential through a planning proposal is consistent with planning law and practice.

There is no substantive ground therefore to view the current process as potentially precedent-setting or untoward in a planning sense.

Have the cumulative effects of other spot rezoning proposals in the locality been considered? What was the outcome of these considerations?

Yes; the economic modelling that has been conducted in support of the planning proposal has had regard for the cumulative effects of all approved and proposed retail developments across the competitive network of relevance to the Prestons subject site. The Economic Impact Assessment includes an analysis of the impacts of the proposed Prestons supermarket, in full, (i.e. 4,200 sq.m) while including the various cumulative impacts of proposed centres at Casula, Holsworthy Plaza, Middleton Grange and Orange Grove.

Our assessment of impacts shows that the specific impacts of the Prestons store will have only moderate impacts on the surrounding centres in the network. Even if all of the above retail developments were to proceed, because there is such strong growth in the region forecast, most centres will have higher trading levels in 2015/16 (in constant 2011/12 dollars) than their current sales performance in 2011/12. Only Casula Mall (7% lower), Carnes Hill (6-7% lower) and the Flowerdale Shopping centre (5% lower) are expected to have lower sales in 2015/16 than currently. With significant growth, most trading impacts are expected to dissipate very quickly.

Will the LEP facilitate a permanent employment generating activity or result in a loss of employment lands?

The planning proposal applies to land that is currently zoned to accommodate commercial development. The planning proposal therefore is not expected to generate significant additional employment other than that which is typically associated with a full-line supermarket as opposed to a smaller 1,600m^2 facility.

In the Economic Impact Assessment (EIA) we have estimated the overall permanent employment creation that will result from the proposed development to be in the order of 170 jobs. This would support another 68 permanent jobs.

There will also be permanent (indirect) jobs created through the supply chain, estimated to be in the order of 68 jobs.

Will the LEP impact upon the supply of residential land and therefore housing supply and affordability?

The subject site is currently not zoned for residential uses, nor is it proposed to be zoned for residential uses and thus the proposal will have no impact on the supply of residential land. The proposal will not reduce the supply of residential land.

Is the existing public infrastructure (roads, rail, utilities) capable of servicing the proposed site?
Is there good pedestrian and cycling access?
Is public transport currently available or is there infrastructure capacity to support future public transport?

Traffic and Access

A traffic study prepared by Colston Budd Hunt and Kafes Pty Ltd identifies that the site has the capacity to accommodate a supermarket development without adverse impact on the safety of road travel in the vicinity of the site.

By virtue of its location on an existing road the proposal utilises existing infrastructure. The initial traffic assessment has reviewed the proposed development with regard its parking, access and future traffic impacts. Noting that the locality is not presently serviced by rail, and that the development site is currently accessible by public bus transport, the traffic assessment has found the site to be acceptable in these terms. The development will enhance the utilisation of current bus services by providing an additional on-route destination and pick-up facility.

The area is serviced by buses operated by Busabout. Busabout operate the 851, 852, 855, 856, 857 864 and 867 services within the vicinity of the site. The 851, 852, 855, 856 and 857 services connect Carnes Hill, Austral, Bringelly and Narrellan with Liverpool via Prestons. They operate 7 days a week along Camden Valley Way, Corfield Road and Braidwood Drive in the vicinity of the site. The 864 and 867 services operate Monday to Friday and connect Horningsea Park and Glenfield via Prestons. Thus the site has access to bus services that provide connection to the local area, centres at Carnes Hill and Liverpool and train stations at Glenfield and Liverpool.

The capacity of the road network is largely determined by the capacity of its intersections to cater for peak period traffic flows. The signalised intersection of Camden Valley Way and Corfield Road is operating at an acceptable level of service and is not expected to be adversely impacted by the proposed development. The road network is capable of catering for the additional traffic from the proposed development.

Services and Infrastructure

The site is currently utilised as a landscaping and garden supplies centre and has all services and utility infrastructure available for urban development.

Will the proposal result in changes to the car distances travelled by customers, employees and suppliers? If so, what are the likely impacts in terms of greenhouse gas emissions, operating costs and road safety?

The proposed rezoning and development of a full-line supermarket is expected to result in a no increase vehicle kilometres travelled, and will more likely result in a slight reduction in overall vehicle kilometres travelled, given its location on a busy thoroughfare, allowing for supermarket visits to be coupled with other trips.

The site is situated within an established urban area and is well serviced by the existing Camden Valley Way. This road was recently widened to accommodate additional traffic flows expected with the advancement of the SWGC.

The distribution of workers at a particular employment location can be drawn from quite a broad area, but typically the majority reside within 5-10km of their place of employment, particularly in regards to retail employment. The creation of employment opportunities at the subject location is not expected to generate a significant increase in car kilometres travelled.

We expect a reduction in private vehicle kilometres travelled for those trade area residents who may presently access existing supermarkets at other local destinations.

Are there significant Government investments in infrastructure or services in the area whose patronage will be affected by the proposal? If so, what is the expected impact?

The most obvious recent investment in infrastructure in the local area is the widening of Camden Valley Way. The proposal supports this investment.

The other most significant infrastructure investment is the South-west rail link, a NSW Government initiative to provide for population growth and passenger network demand in south-west Sydney. The South West Rail Link includes a major upgrade of Glenfield Station and bus/rail interchange and a new twin track passenger rail line from Glenfield to Leppington via Edmondson Park.

The proposed rezoning will have a negligible impact on this rail infrastructure, which will support other planned local and major centres at planned railway stations. The development will not impact upon the overall net usage of the planned rail system.

Will the proposal impact on land that the Government has identified a need to protect (e.g. land with high biodiversity values) or have other environmental impacts? Is the land constrained by environmental factors such as flooding?

The site is located within an established urban area and close to the planned SWGC, parts of which are presently being developed.

The site does is not identified on any planning maps in relation to acid sulphate soils, flood, or environmentally significant land. The site is therefore not affected by environmental or natural constraints such as flooding, acid sulphate soils or by the need to retain significant vegetation.

The proposal will not impact on existing reserved or planned environmental lands. The subject site is not heavily 'treed' and does not accommodate threatened vegetative species or communities.

Will the LEP be compatible/complementary with surrounding land uses?
What is the impact on amenity in the location and wider community?
Will the public domain improve?

The adjoining land uses are predominantly low density residential in nature, although with some capacity to intensify in proximity to the proposed supermarket site. The resultant development of the site arising from its rezoning will provide additional retail shop space to service existing unmet community need.

The site's ultimate development is expected to enhance the local amenity and public domain through its provision of well designed buildings, a landscaped development setting and public meeting space and transport connections.

No negative impact on surrounding lands is envisaged, although there is an opportunity for development nearby to respond to the proposed new centre in terms of its urban form.

Will the proposal increase choice and competition by increasing the number of retail and commercial premises operating in the area?

The planning proposal is intended to facilitate a full-line supermarket. Only a small IGA supermarket exists in the immediate locality, with other nearby supermarkets provided at Casula Mall (Coles and IGA) and Carnes Hill (Woolworths and ALDI).

The proposal therefore will provide an additional supermarket competitor in this area. This will create additional choice and competition, which generally tends to result in more competitive grocery pricing across all supermarkets in a local area.

If a stand-alone proposal and not a centre, does the proposal have the potential to develop into a centre in the future?

The planning proposal seeks the rezoning of a land parcel of 1.6ha in area to B2 – Local Centre, to enable the development of a full-line supermarket of about 4094m^2 with ancillary retail services. Under a B2 zoning, a mix of retail and commercial tenants can be accommodated on the site.

It is not anticipated at this stage that the site would develop into a separate 'centre' of significance. The proposed local centre zoning is appropriate for the type of offer and is justifiable on the basis of unmet retail need in the trade catchment.

What are the public interest reasons for preparing the draft plan? What are the implications of not proceeding at that time?

The proposed rezoning will enable development on the site which would result in a range of net community benefits, such as:

- Increased convenience and amenity for the population of the main trade area.

- Ensuring sufficient retail floorspace is made available to meet local demand.

- Ensuring the right type of retail is provided in the right location at the right time to meet the needs of the consumer.

- A contribution to local employment and consequent economic multiplier impacts.

- A reduction in vehicle kilometres travelled as people are able to conveniently shop in closer proximity to their place of residence.

If the proposal does not proceed, it is unlikely that a full-line supermarket will be developed in the trade area in the immediate future and such benefits will not result.

Key Findings from Additional Assessment

The key elements of our findings stemming from our additional assessment of centre impact summarised as follows:

- Our assessment of impacts incorporates the cumulative impacts of proposed retail centres at Casula, Holsworthy, Middleton Grange, Orange Grove and the proposed centre at Prestons, as well as the approved Costco project at Crossroads.

- The analysis shows that the specific impacts of the Prestons store will have only moderate impacts on the surrounding centres in the network. Even if all of the above retail developments were to proceed, because there is such strong growth in the region forecast, most centres will have higher trading levels in 2015/16 (in constant 2011/12 dollars) than their current sales performance in 2011/12. Only Casula Mall (7% lower), Carnes Hill (6-7% lower) and the Flowerdale Shopping centre (5% lower) are expected to have lower sales in 2015/16 than currently. With significant growth, most trading impacts are expected to dissipate very quickly.

- The subject site meets the requirements of the site suitability criteria in the draft Centres Policy. It is presently serviced by bus transport routes; will have sufficient pedestrian and bike access; has good road access being located at the intersection of Corfield Road and Camden Valley Way, which is a key access route through to the developing South West Growth Centre; is proximate to a labour market and does not impact the supply of housing or industrial land in the region.

- The site is fully developed as a landscape supply business. Accordingly its rezoning to accommodate a specific retail purpose will not have any environmental consequences.

- Whilst the proposed development that will eventuate from the site's rezoning and development could be regarded as being 'out of centre', the proposed local centre zoning is appropriate to meet local demand and to provide a local focal point of convenience for the local community. The local centre zoning also reflects the existing commercial development on the site and is more appropriately tuned to its potential than the existing B6 zoning.

- When compared with the base case – which is a scenario where the subject site is not developed as proposed – the proposed rezoning to B2 – local centre would result in a significant net community benefit.
- Some of the more pertinent benefits include:
  - Increased competition and consumer choice;
  - A reduction of private vehicle kilometres travelled; and
  - Employment creation (on site, across the economy and during the construction phase).
- Liverpool Council has recently considered the need for additional retail services in the locality and has resolved to support a local centre at the subject site. This planning proposal gives support to Council's resolution.