



Greater Sydney, Place and Infrastructure

IRF20/4720

Gateway determination report

LGA	City of Parramatta
PPA	City of Parramatta Council
NAME	1 Windsor Road, North Rocks (+652 jobs)
NUMBER	PP_2020_COPAR_009_00
LEP TO BE AMENDED	Parramatta (former The Hills) Local Environmental Plan 2012
ADDRESS	1 Windsor Road, North Rocks
DESCRIPTION	Lot 1 DP 112482 and Lot 6 DP 247452
RECEIVED	10 August 2020
FILE NO.	IRF20/4720
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required.
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal.

1. INTRODUCTION

1.1 Description of planning proposal

The planning proposal (**Attachment A**) seeks to amend Schedule 1 of the Parramatta (former The Hills) Local Environmental Plan (THLEP) 2012 by adding 'retail premises' as an additional permitted use (limited to a maximum of 3,800m²) to facilitate a supermarket and associated liquor store at 1 Windsor Road, North Rocks. No changes to the zoning, height and FSR controls are proposed as part of this planning proposal. It is anticipated that the proposal will provide approximately 652 jobs.

The future development would provide a 'hybrid supermarket format' under the proponent's business model. Hybrid supermarket formats include a full line customer facing supermarket with approximate floor space of 3,800m² and a distribution centre with approximate floor space of 3,015m² dedicated to e-store for home delivery. Under the THLEP 2012, the 'distribution centre' is permissible under the B6 Enterprise Corridor zone. The 'distribution centre' component does not form part of this planning proposal; however, it is important to identify that the operation of the supermarket and distribution centre functions are co-dependent as proposed by the proponent.

1.2 Site description

The site comprises of two lots legally defined as Lot 1 DP 112482 and Lot 6 DP 247452 with an approximate area of 20,520m². The site was previously occupied by a hardware and building supplies store which occupied a large now vacant warehouse and approximately 300 car parking spaces provided at grade (**Figure 1**).

The site borders Windsor Road, Cumberland Highway/James Ruse Drive, Darling Mills Creek and North Rocks Road. Primary access is provided via traffic signal-controlled bridge off North Rocks Road, with a second driveway vehicle access on Windsor Road. The site is subject to flooding in the 1% AEP (100-year ARI) flood event on the eastern and southern edges of the site adjacent to the Darling Mills Creek, with some minor overland flow on the western boundary.



Figure 1: Aerial View of 1 Windsor Road, North Rocks highlighted in blue (Source: Nearmaps)

The site also contains an item of local heritage significance known as Item 23 – Stone Bridge Approaches and Foundation Plaque, Sydney Woollen Mills. The heritage item is a portion of wall with inset foundation plaques located along Windsor Road (**Figure 2**).



Figure 2: Street view of Heritage Item 23 – Stone Bridge Approaches and Foundation Plaque, Sydney Woollen Mills (Source: Google Street View)

1.3 Existing planning controls

Under the Parramatta (former The Hills) Local Environmental Plan 2012 (THLEP 2012), the site:

- is zoned part SP2 Infrastructure and part B6 Enterprise Corridor
- has a maximum building height of 16 metres;
- has a maximum floor space ratio (FSR) of 1:1; and
- is identified as containing an item of local heritage significance known as Item 23 – Stone Bridge Approaches and Foundation Plaque, Sydney Woollen Mills.

The following map extracts from the THLEP 2012 illustrate the current controls applying to the site in **Figure 3-6**.

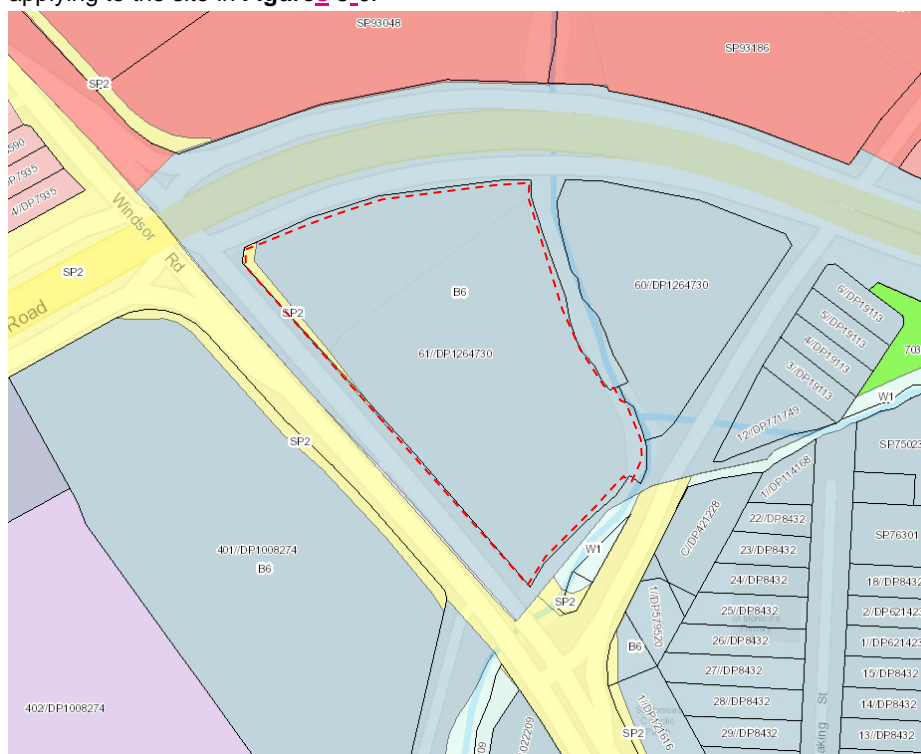


Figure 3: Existing Land Zoning outlined in red (Source: ePlanning Spatial View)

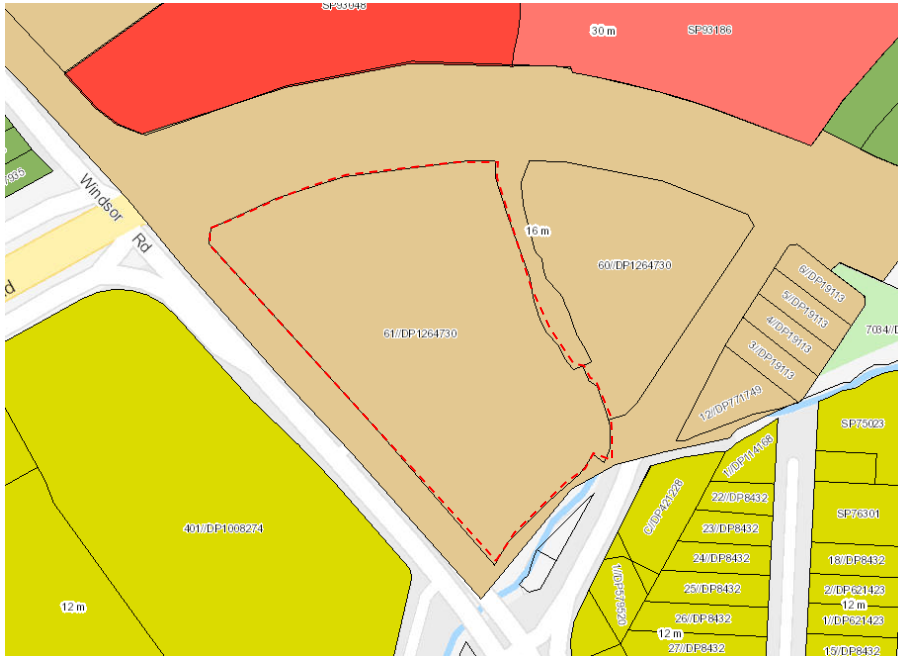


Figure 4: Existing HOB controls outlined in red (Source: ePlanning Spatial View)

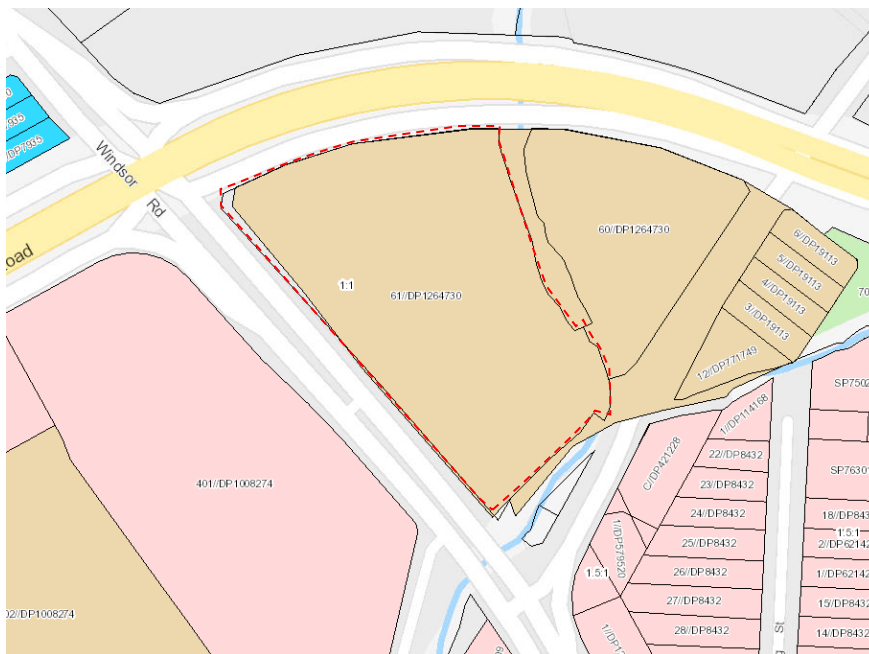


Figure 5: Existing FSR controls outlined in red (Source: ePlanning Spatial View)



Figure 6: Existing Local Heritage Item (Item 23) shaded in yellow (Source: ePlanning Spatial View)

1.4 Surrounding area

The site is located at the northern edge of the Westmead Health and Education Precinct which is Australia's largest concentration of hospital and health services. The Westmead Health and Education Precinct is identified for urban renewal and transformation targeted for increased in jobs, students, amenity and population growth.

A mixture of development surrounds the site including industrial, enterprise and high-density residential uses. The site is approximately 260m from the nearest local centre being Northmead Shopping Centre and in proximity to Northmead Creative and Performing Arts School (**Figure 7**).

To the east the site adjoins Darling Mills Creek, beyond this is a range of light industrial uses including storage premises, around North Rocks Road and James Ruse Drive intersection. St Monica's Primary School is situated to the south, with approximately 200 students enrolled at the school. The Junction is located on the western side of Windsor Road/Church Street and includes a mix of large format retailers and a drive through food and drink outlet.

The subject site has frontage to Windsor Road, a classified road corridor that connects The Hills district and M2 Motorway with James Ruse Drive, Westmead Health and Education Precinct and Parramatta CBD. The site is at the major intersection of Windsor Road and James Ruse Drive/Cumberland Highway.



Figure 7: Site location and surrounding area (Source: Nearmaps)

1.5 Summary of recommendation

It is recommended that the planning proposal proceed subject to conditions. The planning proposal will provide flexibility to permit 'retail premises' as an additional use, while supporting the function of 'distribution centre' permitted under the existing B6 Enterprise Corridor zone.

The proposal demonstrates that there is currently an unmet demand of supermarket space within the walking catchment, therefore not adversely impacting the viability of existing surrounding centres. It is anticipated that the proposed supermarket co-located with the distribution centre will increase employment capacity of the site, providing approximately 652 jobs.

The proposed supermarket may also deliver positive social benefits to the surrounding area through new pedestrian links to increase accessibility to the site.

2. PROPOSAL

2.1 Objectives or intended outcomes

The objective of this planning proposal is to allow a supermarket and liquor store at 1 Windsor Road, North Rocks. The planning proposal will provide flexibility to permit 'retail premises' as an additional use, while supporting the function of the subject site for 'distribution centre' under the existing B6 Enterprise Corridor zone. The proponent is seeking to deliver a hybrid supermarket format which includes a dedicated e-store distribution centre component for home delivery, to cater for the growth in online retail, technological changes and e-commerce.

Council states that a site-specific Development Control Plan (DCP) will not be required as the use is proposed to be incorporated within the existing building on site. Additionally, existing provisions within The Hills DCP 2012 are considered sufficient to manage the assessment of any development application on the site.

A Voluntary Planning Agreement (VPA) is intended to be negotiated to address traffic impacts and increase public benefits such as potential pedestrian links to Darling Mills Creek as part of the planning proposal.

2.2 Explanation of provisions

In order to achieve the desired objectives, the planning proposal seeks to amend Schedule 1 – Additional Permitted Uses of THLEP 2012 to permit the additional following additional uses on the site:

1. 'retail premises' limited to a maximum of 3,800m² to facilitate a supermarket and liquor store.

The proponent advocates for this approach as the proposed permissible distribution centre on the site would be reliant on the co-located supermarket in order to operate, due to the distribution stock being drawn from the supermarket stock in many instances. The proposal without the distribution centre would enable a stand-alone out of centre supermarket which is inconsistent with the Central City District Plan and the intent of Councils' Parramatta Local Strategic Planning Statement City Plan 2036, which is to strengthen local centres and retain local urban service hubs for small industries, freight and logistics under the B6 Enterprise Corridor zone.

It is therefore recommended that Council update the Explanation of Provisions and the planning proposal to require that 'retail premises' may only be permitted through the additional permitted uses in conjunction with a distribution centre or warehouse.

2.3 Mapping

The planning proposal adequately identifies the site but does not include a proposed Additional Permitted Uses map. It is considered recommended that this be prepared prior to public exhibition.

3. NEED FOR THE PLANNING PROPOSAL

The planning proposal is not the result of any site-specific study or report and is a landowner-initiated planning proposal.

Council considers the proposal to have merit because it facilitates a 3,800m² supermarket and liquor store in conjunction with 3,015m² of distribution centre floor space and a 590m² office. Retail uses are currently prohibited in the B6 Business Enterprise zone. Further, it enables the re-use of an existing vacant building.

While Council recognises that the proposed supermarket would be desirable in a local centre (B2 Local Centre or B4 Mixed Use zoning), it contends that there are no sites suitable to accommodate the 'hybrid supermarket format'. The Economic Impact Assessment Report (**Attachment E**) submitted with the proposal demonstrates that there is currently unmet demand for supermarket floor space within the walking catchment. The study found that the proposal does not adversely impact the viability of existing surrounding centres, considering its out of centre location.

Council also considered rezoning the site to B2 Local Centre or B4 Mixed Use to facilitate the supermarket. However, the rezoning approach was not supported by Council as it would open up the possibility of establishing residential uses that would not be desirable in the locality. Additionally, the rezoning approach would reduce supply of B6 Business Enterprise zoned employment land supply which is inconsistent with the Parramatta Employment Lands Strategy.

Given the above and noting that the site is in proximity to the Westmead Health and Education Precinct, the additional permitted use approach is supported.

4. STRATEGIC ASSESSMENT

4.1 Central City District Plan

The Central City District Plan provides a 20-year plan to manage growth in the context of economic, social and environmental matters to achieve the 40-year vision of Greater Sydney. It is a guide for implementing the Greater Sydney Region Plan at a district level and is a bridge between regional and local planning.

The proposal is generally consistent with the following priorities of the Central City District Plan:

Planning Priority C4 – Fostering healthy, creative, culturally rich and socially connected communities

The proposal will allow for additional retail floor space in the form of a supermarket servicing the local residential catchment. It will provide access to fresh food to meet the current and future population, in line with this priority.

Planning Priority C6 - Creating and renewing great places and local centres and respecting the District's heritage

The subject site contains Heritage Item 23 – Stone Bridge Approaches and Foundation Plaque, Sydney Woollen Mills listed in Schedule 5 of THLEP 2012. The heritage item is a portion of wall with inset foundation plaques located along Windsor Road. The proposal states the intent to utilise the existing warehouse building, with minor alterations for the proposed uses. All works would be clear of the existing built heritage fabric by approximately 25 metres, and hence there would be no physical impact to the heritage item.

Should development be proposed which does not use the existing built form, consideration for any heritage impacts would be required under existing heritage provisions of the LEP. As such, the proposal can facilitate development which will respect the heritage item on the site.

The proposal seeks to enable a supermarket and liquor store in an isolated location outside of a centre. The District Plan seeks to create great places by co-locating uses in new or existing centres providing opportunities to engage and connect communities. While the proposal does not seek to locate within an existing, or establish a new centre, it demonstrates that there is an undersupply of supermarket floorspace in the trading area and concludes that there are no other nearby sites that can reasonably accommodate a supermarket and distribution centre of the nature proposed.

The planning proposal indicates that the proposed supermarket does not impact on the viability of other local centres in the catchment and will service the growing population within Greater Parramatta. This is further discussed in Section 5.3 of the

report. Community consultation will enable further interrogation of this issue. Inconsistency with the District Plan's objective to locate such uses within centres must be balanced with a need to service the local population. On balance it is considered that the proposal has sufficiently justified that a supermarket in this location is appropriate.

Planning Priority C8 - Delivering a more connected and competitive GPOP Economic Corridor

The planning proposal will contribute to economic growth of GPOP by providing employment opportunities associated with the development and is within walking distance to key public transport. The proposal is anticipated to deliver 1,196 direct and indirect jobs including retail and construction.

Planning Priority C11 – Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land

The site is identified under the District Plan as “review and manage” which involves undertaking a review of all urban services lands to confirm their retention or transition to higher order uses (such as business parks) and prepare appropriate controls to maximise business and employment outcomes, considering the changing nature of industries in the area.

The District Plan also states that in limited cases, conversion to other uses may be appropriate. It is considered that for this particular circumstance the reuse of the existing warehouse building for a supermarket and distribution centre is deemed appropriate as the proposal:

- demonstrates that there is currently an unmet demand of supermarket space within the walking catchment, therefore not adversely impacting the viability of existing surrounding centres;
- services the growth of online retailing, technological changes and e-commerce;
- limits the retail use to a maximum of 3,800m² with the remaining of the site retained for urban services;
- the site has been previously used for a largely retail, hardware store;
- the existing centres cannot accommodate new supermarkets due to the lack of sites and commercial floor space available to accommodate a hybrid supermarket format; and
- enables an opportunity to provide more and diverse jobs.

The Department is satisfied the proposal will give effect to the District Plan, in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*, subject to the imposition of conditions.

4.2 Local

Parramatta Local Strategic Planning Statement City Plan 2036

Parramatta's Local Strategic Planning Statement City Plan 2036 (LSPS) was published on 31 March 2020. Council's LSPS sets out a 20-year land use planning vision for the City of Parramatta, balancing the need for housing and economic growth, whilst protecting and enhancing housing diversity, heritage and local character.

The proposal is generally consistent and will give effect to the priorities and actions of the LSPS which seeks to build the productivity and liveability. Council highlights

that the role of local centres has been changing from a retail focus to a service focus, providing for basic needs for the local community. Specifically, the proposal will protect heritage assets to maintain Parramatta's identity (Priority 9) through the retention of the heritage item on site. The proposal provides some tension in facilitating the growth of employment lands to be strong, competitive and productive (Priority 11), and retain and enhance local urban service hubs as industrial and business zones to service the local community and nearby commercial centres (Priority 12) through the retention of the existing zoning.

While the proposal provides a service for the local community, it may be at the detriment of other industrial or urban service uses. It is noted, however, that the planning proposal intends to facilitate the reuse of an existing building and co-locates retail uses with warehouse and distribution functions, which has strategic merit.

Parramatta 2038 Community Strategic Plan

Parramatta 2038 is a long-term Community Strategic Plan for the City of Parramatta and it links to the long-term Sydney. The plan formalises several big and transformational ideas for the City and the region. The planning proposal is considered to meet the plans strategic objectives. Specifically, the proposal is anticipated to contribute to the economic growth and revitalisation of Parramatta through providing employment and local retail services to the local and the broader community.

Parramatta Employment Lands Strategy (2016) and Review and Update (2020)

Parramatta Employment Lands Strategy (ELS) was approved by Council in July 2016, and subsequent Review and Update (July 2020) provides a vision for all Council's employment land precincts. Both documents comprise a detailed strategy for Council's Employment Land Precincts and how these lands should be managed moving forward.

The proposal is inconsistent with the intent of the overall strategy as it will enable retail premises outside of a centre. However, the proponent argues that new supermarkets cannot be accommodated in existing centres due to the lack of sites available in the trade area. It is noted that the planning proposal protects employment land by maintaining the existing commercial floor space and maintaining employment in the zone. The proposal provides flexibility in employment uses, while supporting the function of the subject site for 'distribution centre' which is in line with the strategic action for retaining the site as B6 Business Enterprise for Local Urban Service Hub to support the local community.

Local Planning Panel

The planning proposal and an assessment report were considered by the City of Parramatta Local Planning Panel on 16 June 2020. The Panel recommended that the planning proposal not proceed as supermarkets should be located in or attached to existing town or village centres, in line with sound strategic land use planning **(Attachment F)**.

Council endorsed the planning proposal on 27 July 2020, acknowledging that it was inconsistent with the Local Planning Panel's advice. The proponent has provided further justification in relation to the Panel's advice, noting that there is an undersupply of supermarket floorspace in the trading area and concluded that there are no other sites within the trade area that can reasonably accommodate a

supermarket and distribution centre of this nature being proposed (see section 5.3 for further discussion).

4.4 Section 9.1 Ministerial Directions

The following Section 9.1 Directions apply to the planning proposal:

Direction 1.1 Business and Industrial Zones

The objectives of this direction are to encourage employment in suitable locations, protect employment lands in business and industrial zones, and to support the viability of identified centre.

The proposal is inconsistent with this Direction as it seeks to allow retail premises as an additional permitted use in the B6 Business Enterprise zone. Under the THLEP 2012, 'retail premises' are prohibited in the B6 Enterprise Corridor zone, therefore resulting in loss of land available for other uses, including light industries, business premises, offices, bulky goods and hardware and building supplies.

Council contends that the planning proposal will protect employment land, as it does not propose to amend the existing zoning of the site. Thereby retaining the existing floor space for employment uses and no reduction in the available land zoned for employment lands. Council considers the proposal will provide flexibility in employment uses, while supporting the function of the subject site for 'distribution centre' under the existing B6 Enterprise Corridor zone.

An Economic Impact Assessment (**Attachment E**) is provided in support of the planning proposal which notes that there is currently an undersupply of supermarkets within the identified trade area and that the proposal will not impact or undermine the viability of centres. This is discussed further below in section 5.3 of the report.

It is recommended the delegate of the Secretary agree the inconsistency is justified. As Council has provided further justification since the lodgement of the planning proposal, it is recommended that the planning proposal's response to this Direction be updated.

Direction 2.3 Heritage Conservation

This direction seeks to conserve items, areas, objects and places of environmental heritage significance and indigenous heritage significance.

This direction applies as the subject site contains a local heritage item. The subject site contains Heritage Item 23 – Stone Bridge Approaches and Foundation Plaque, Sydney Woollen Mills listed in Schedule 5 of THLEP 2012. The heritage item is a portion of wall with inset foundation plaques located along Windsor Road.

A heritage impact assessment (**Attachment G**) has been prepared in support of the planning proposal. The proposed future development intends to utilise the existing warehouse building, with minor alterations. The study concludes that all works would be clear of the existing built heritage fabric by approximately 25 metres, and hence there would be no direct physical impact to the heritage item (**Figure 8**).

It is noted that there are no alternative sites or sufficient commercial floor space located within an existing centre to accommodate the proposal supermarket and distribution centre. Rezoning of the site to B4 Mixed or B2 Local Centre is not supported as it would open up the possibility of establishing residential uses that would not be appropriate in the locality.

It is recommended the delegate of the Secretary agree the inconsistency is justified. It is further recommended that Transport for NSW are consulted during public exhibition.

Direction 4.1 Acid Sulfate Soils

The proposed supermarket is consistent with this Direction. THLEP 2012 does not include acid sulfate soils mapping, noting that the proposal is seeking to utilise the existing building on the site. Should development be proposed undertaking any excavation that could expose any acid sulfate soils, Council is best placed to address this issue at the development application stage, noting that the adjacent site is mapped as Class 5 Acid Sulfate Soils under the Parramatta LEP 2011.

Prior to public exhibition, it is recommended that Council update the planning proposal to address this Direction.

Direction 4.3 Flood Prone Land

This Direction seeks to ensure that future uses are in line with the level of flood risk applying to the land. The Direction also requires considerations of the impact of the proposal to flood risk of both the site and off site. The proposal is inconsistent with this Direction as it seeks to permit retail uses on flood prone land.

The proposal is supported by a Flood Assessment (**Attachment H**) and highlights that there is some flooding in the 1% AEP (100-year ARI) flood event on the eastern and southern edges of the site adjacent to the Darling Mills Creek, with some minor overland flow on the western boundary. Council highlights that the planning proposal does not seek to alter the existing building envelope on the site. The study concludes that the building will not be obstructing any significant overland flow path.

The inconsistency with this direction is considered justified, noting that this matter can be addressed at development application stage. It is recommended that NSW State Emergency Services are consulted during public exhibition.

Direction 6.2 Reserving Land for a Public Purpose

The objectives of this direction are to facilitate provision of public services and facilities by reserving land for public purposes.

The site is partly zoned SP2 Public Transport Corridor which provides for future road widening along the Windsor Road frontage. The planning proposal is consistent with this Direction, as it does not seek to create, remove or alter the SP2 zone on the site. Council highlights that the SP2 parcel of land is necessary for the provision of a third lane on the westbound off ramp of James Ruse Drive onto Windsor Road to manage traffic queuing. To ensure the effective delivery of future infrastructure of the SP2 transport corridor, a condition is proposed requiring [consultation](#) with Transport for NSW.

Prior to public exhibition, it is recommended that Council update the response in relation to this Direction in the planning proposal.

Direction 6.3 Site Specific Provisions

This direction seeks to discourage any unnecessarily restrictive site-specific planning controls. The proposal is inconsistent with this direction as it is seeking to permit 'retail premises' as an additional permitted use (limited to a maximum of 3,800m²). Under the THLEP 2012, 'retail premises' are prohibited in the B6 Enterprise Corridor zone.

Council argues that the additional permitted use protects employment land by maintaining the existing commercial floor space and maintaining employment in the zone. Council considered an alternative approach to rezone the whole site to B2 Local Centre or B4 Mixed Use (where retail premises are permissible) to facilitate the supermarket. However, rezoning for the whole site would open up the possibility of establishing residential uses that would not be desirable in the locality. Additionally, rezoning the whole site would reduce supply of B6 Business Enterprise zoned land which would therefore be inconsistent with the strategic actions of Parramatta Employment Lands Strategy.

The application of a maximum of 3,800m² floor space limit is considered necessary to ensure that an accurate assessment of the economic impacts of the proposal can be considered and that the viability of the surrounding centres will be not adversely affected.

Amending Schedule 1 of the THLEP 2012 by adding 'retail premises' (limited to a maximum of 3,800m²) is considered the most appropriate way forward and the inconsistency is considered to be justified in this instance. As Council has provided further justification since the lodgement of the planning proposal, it is recommended that the planning proposal's response to this Direction be updated.

4.5 State environmental planning policies (SEPPs)

SEPP (Infrastructure) 2007

The Infrastructure SEPP is the key planning instrument in NSW for the facilitation and delivery of infrastructure. The Infrastructure SEPP contains planning provisions for various types of infrastructure, including development near pipelines. It also includes notification requirements and requirements to consider potential safety risks related to development near high pressure pipelines.

The subject site is located within 100m notification distance for the Caltex High Pressure Dangerous Goods Pipeline (HPDG). Caltex has an obligation under the NSW *Pipelines Act 1967* to operate the pipeline in accordance with *Australian Standard 2885 Pipelines – Gas and liquid petroleum* (AS 2885). As such, it is recommended consultation with Caltex occur prior to public exhibition seeking any comments and recommendations on the planning proposal;

Council is to update the planning proposal and supporting information addressing Caltex concerns, prior to public exhibition.

5. SITE-SPECIFIC ASSESSMENT

5.1 Social

The planning proposal will create a number of positive social outcomes including employment opportunities for the community, servicing the local walking catchment with increased supermarket choice and competition, and online retailing via the distribution centre.

5.2 Environmental

5.2.1 Pedestrian connectivity and active transport links

Council have identified a lack of pedestrian connectivity and active transport links to and from the site. Currently, the 1.2m wide footpath located south of the existing bridge over Darling Mills is not suitable for pedestrians. A proposed supermarket would likely generate a proportion of trips within the residential catchment from pedestrians/ or cyclists (**Figure 9**). Council have advised that a new shared path of approximately 3m wide will be explored which may require augmentation to the existing structure of the bridge or a standalone bridge for pedestrians and cyclist for safe access.

Woolworths have also indicated that a pedestrian link adjacent to Darling Mills Creek, linking under James Ruse Drive may be explored, providing direct access to the site for residents in the 'Northgate' residential development, subject to feasibility and design. The proposed active transport links identified in the planning proposal to increase pedestrian connectivity are subject to further negotiations as part of the VPA between the proponent and Council.

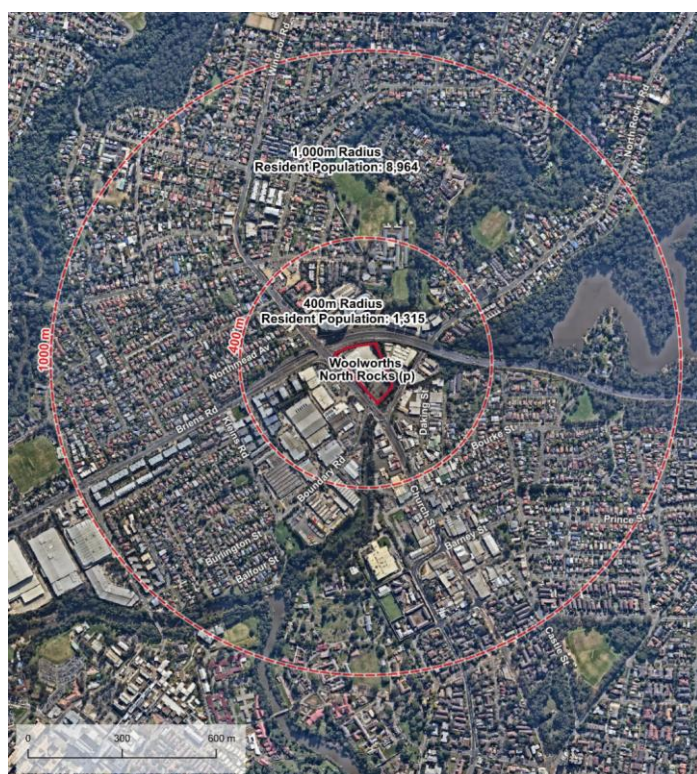


Figure 9: Walking catchment

5.2.2 Transport and traffic

A traffic review (**Attachment 19**) has been prepared in support of the planning proposal. The subject site is primarily motor vehicle dependent with strong connectivity to the regional network. Access to the site is proposed through a traffic

signal-controlled access on North Rocks Road (both directions permitted), with a secondary access on Windsor Road (left in and left out). The existing car parking area will be reconfigured to provide 256 spaces in line with The Hills DCP 2012. The assessment found that the proposal would have minor impact on the surrounding road network when compared to the previous hardware and building supplies store. Accordingly, the increase in traffic on North Rocks Road and Windsor Road will be approximately 20 to 50 vehicles per hour (two way).

Council acknowledges that the network may operate at capacity in the weekday afternoon peak. To address this, the study has suggested the provision of a third lane on the westbound off ramp of James Ruse Drive onto Windsor Road, utilising the portion of SP2 Public Transport Corridor on the site to reduce queuing. Council advises that the proponent and TfNSW have had preliminary discussions regarding this matter and a Property Impact Plan is being reviewed to determine how much land is required to deliver the additional lane. Other traffic improvement matters identified in the study include the provision of a new roundabout to the east of the site on North Rocks Road to manage right-hand turn traffic movements out of the site during peak periods.

To ensure the effective delivery of future infrastructure of the SP2 Transport Corridor and traffic infrastructure improvements, it is recommended that consultation with Transport for NSW (TfNSW) be required.

5.3 Economic

An Economic Impact Assessment (**Attachment E**) is provided in support of the planning proposal which notes that there is currently an undersupply of supermarkets within the defined trade area. As such, the proposal will not significantly impact on the viability of any nearby centres or supermarkets, with impacts within the competitive range of 10% or less.

~~The defined trade area largely falls within a 2-3km radius of the site, which is consistent with most full-line supermarkets in established residential areas (**Figure 8**). **Figure 7** (above), highlights the walking catchment, noting that 1,316 people currently live within 400m of the site and 8,964 people within 1km of the site. The study advises that based on industry benchmarks, a full-line supermarket will service between 8,000 to 10,000 people. On this basis, the current likely population who will utilise this supermarket lives within 1km walking or cycling distance of the site.~~

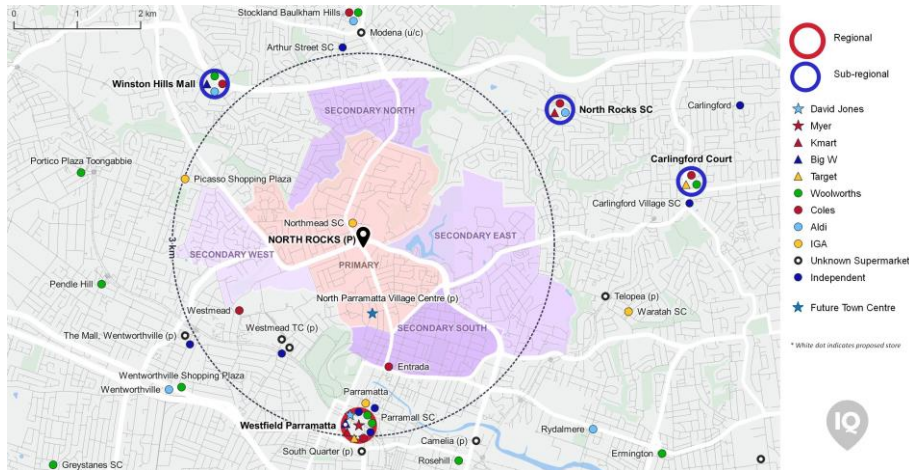


Figure 10: Defined Trade Area and Competition

The defined trade area largely falls within a 2-3km radius of the site, which is consistent with most full-line supermarkets in established residential areas (Figure 11). Figure 10 (above), highlights the walking catchment, noting that 1,315 people currently live within 400m of the site and 8,964 people within 1km of the site. The study advises that based on industry benchmarks, a full-line supermarket will service between 8,000 to 10,000 people. On this basis, the current likely population who will utilise this supermarket lives within 1km walking or cycling distance of the site.

An analysis of the primary trade area identified a lack of existing commercial floor space and existing zoned sites to accommodate a full line supermarket and dedicated distribution centre. Specifically, Figure 11 illustrates the appropriate zoned sites that could accommodate a full-line supermarket in the defined trade area. There are no B3 Commercial Core zoned sites available in the trade area.

Regarding B4 Mixed Use zones, the analysis determined that there were 13 sites suitable to cater a full line supermarket and distribution centre within the Parramatta North Program (previously Parramatta North Urban Transformation). Under the program, a village centre of 4,000m² is designated, including a small format supermarket of less than 1,000m². It is noted that a proposed standalone supermarket would occupy most of the site and will not be able to accommodate the distribution centre component.

Council advises that the proposed small village centre would only support the catchment immediately surrounding the site, in comparison to the subject site where it will serve a substantial population to the north of the site. The Department notes that viability of this village centre has not been considered in the Economic Study as

~~it assumes that the village centre will be constructed following the opening of the facility envisaged by the planning proposal.~~

~~It is acknowledged that Parramatta North Program is part of the broader strategic work for Westmead undertaken by the Department. The NSW Government is seeking to secure a multi-disciplinary education anchor to transform Westmead into a world class innovation, education and health precinct. Therefore, the available sites located in the Parramatta North Program may not be suitable for retail premises.~~

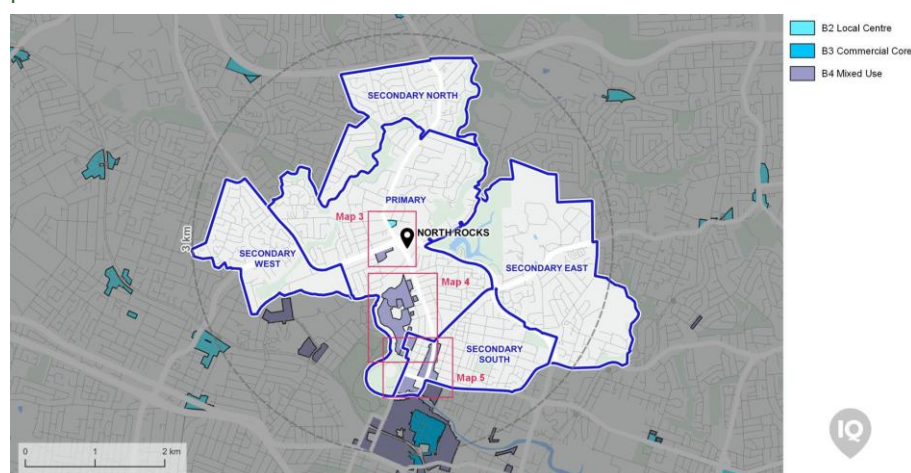


Figure 11: Appropriate zoned sites in the primary trade area

The only B2 Local Centre zoned land is the current site of the Northmead Shopping Centre. There are no vacant land or leasable floor space available to accommodate a full-line supermarket. The existing IGA in Northmead Shopping Centre is the only supermarket in the primary trade area with a size of 1,040m². It concluded that the size of the IGA is considered too small to accommodate a modern full-line supermarket.

Regarding B4 Mixed Use zones, the analysis determined that there were 13 sites suitable to cater a full-line supermarket and distribution centre within the Parramatta North Program (previously Parramatta North Urban Transformation). Under the program, a village centre of 4,000m² is designated, including a small format supermarket of less than 1,000m². It is noted that a proposed standalone supermarket would occupy most of the site and will not be able to accommodate the distribution centre component.

Council advises that the proposed small village centre would only support the catchment immediately surrounding the site, in comparison to the subject site where it will serve a substantial population to the north of the site. The Department notes that viability of this village centre has not been considered in the Economic Study as it assumes that the village centre will be constructed following the opening of the facility envisaged by the planning proposal.

It is acknowledged that Parramatta North Program is part of the broader strategic work for Westmead undertaken by the Department. The NSW Government is seeking to secure a multi-disciplinary education anchor to transform Westmead into

a world class innovation, education and health precinct. Therefore, the available sites located in the Parramatta North Program may not be suitable for retail premises.

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5.4 Infrastructure

The site is within walking distance to a regional bus corridor along Windsor Road with services to Westmead Hospital and Parramatta CBD. It is recommended that the intensification of the site and likely increased demand on local infrastructure and services will be addressed through a future development application and planning agreement for the site.

6. CONSULTATION

6.1 Community

The planning proposal has not nominated a community consultation period. A minimum of 28 days is considered an appropriate amount of time to gauge the community's response to the proposal.

6.2 Agencies

It is recommended the following agencies are consulted:

- NSW Heritage;
- NSW State Emergency Services; and
- Transport for NSW.

7. TIME FRAME

Council has suggested 10 months to finalise the proposal which is considered appropriate given the scale and complexity of the project. Council have noted that a Planning Agreement will be negotiated prior to the exhibition of the draft planning proposal. These will be exhibited concurrently with the planning proposal. It is recommended that Council be given 12 months to finalise the LEP.

8. LOCAL PLAN-MAKING AUTHORITY

Council has requested authorisation to be the local plan-making authority in relation to this planning proposal. It is recommended that Council is authorised as the local plan-making authority due to the nature of the proposal.

9. CONCLUSION

The planning proposal should proceed subject to conditions as it will enable a more flexible land use planning approach to the existing warehouse and generating additional employment opportunities in the locality. The proposed supermarket and liquor store will service the local walking catchment, with increased supermarket choice and competition, and online retailing via the distribution centre.

10. RECOMMENDATION

It is recommended that the delegate of the Secretary:

1. agree that any inconsistency with section 9.1 Directions 1.1 Business and Industrial Zones, 2.3 Heritage Conservation, 3.4 Integrating Land Use and Transport, 4.3 Flood Prone Land and 6.3 Site Specific Provisions are justified.

It is recommended that the delegate of the Minister determine that the planning proposal should proceed subject to the following conditions:

1. Prior to public exhibition, Council is to consult with Caltex seeking their comments and update the planning proposal, if required.
2. Prior to public exhibition, Council is to amend the planning proposal to:
 - (a) update the Explanation of Provisions to require that 'retail premises' may only be permitted through the additional permitted uses in conjunction with an existing permissible use under the B6 Enterprise Corridor zone;
 - (b) include a proposed Additional Permitted Use map; and
 - (c) update the response and justification in relation to Section 9.1 Directions 1.1 Business and Industrial Zones, 2.6 Remediation of Contaminated Land, 4.1 Acid Sulfate Soils, 6.2 Reserving Land for a Public Purpose, 6.3 Site Specific Provisions.
3. The planning proposal should be made available for public exhibition for a minimum of 28 days.
4. Consultation is required with the following public authorities/organisations under section 3.34(2)(d) of the Act and/or to comply with the requirements of relevant section 9.1 Directions:
 - NSW Heritage;
 - NSW State Emergency Services; and
 - Transport for NSW.

Each public authority/organisation is to be provided with a copy of the planning proposal and any relevant supporting material and given at least 21 days to comment on the proposal.

5. The time frame for completing the LEP is to be **12 months** from the date of the Gateway determination.

5.

6. Given the nature of the planning proposal, Council should be the local plan-making authority to make this plan.

6.

6.



13/10/2020

Jazmin van Veen
Manager, Central (GPOP)

Christine Gough
Director, Central (GPOP)

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