



Updated Planning Proposal
Draft Amendment to Liverpool Local Environmental Plan 2008



MegaCenta Site, The Grove Liverpool

Orange Grove Road, Warwick Farm

Submitted to Liverpool Council

On Behalf of Gazcorp

Volume 1 of 1

October 2015 ■ 12697

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1.0 Introduction

This Updated Planning Proposal has been prepared by JBA on behalf of Gazcorp, for the site at 5 Orange Grove Road, Warwick Farm (the Site). The Site accommodates a homemaker centre (commonly known as The MegaCenta Liverpool) with approximately 29,000m² of net leasable area (NLA) predominantly taken up by bulky goods retail premises.

The Site is located within a larger centre (commonly known as the Orange Grove Centre but branded as The Grove Liverpool) which accommodates a broad range of existing and approved retail uses as shown in Figure 1 below.



Figure 1 – Location Map

Source: Nearmap

An Initial Planning Proposal was submitted to Council in March 2015 which sought to rezone the part of the Site which is currently zoned B5 Business Development (see zoning map at Figure 2 below) to B2 Local Centre. The proposed B2 zoning was intended to allow for the expansion of the retail uses on the site to accommodation 'shop' floor space. The Planning Proposal also sought to place a limit of 21,000m² gross floor area (GFA) on the amount of 'shop' floorspace permitted on the Site.

On 28 September 2015, Liverpool City Council (Council) wrote to the proponent (Gazcorp) stating that Council officers were of the view that there is evidence to support the expansion of retail uses on the Site. However, it was requested that the proponent consider amending the Planning Proposal to retain the existing B5 zoning and including 'shop' as an additional permitted use on the Site with a maximum GFA cap.

Consistent with this request, this Updated Planning Proposal seeks to amend Schedule 1 of the *Liverpool Local Environmental Plan 2008* (Liverpool LEP) to permit 'shops'¹ up to a maximum GFA of 21,000m² on the Site (Lot 101 in DP 104316), as well as a small portion of the adjoining Weekend Markets site to the south, specifically the portion of this site on which the Viscount Place roadway is located (Part Lot 23 in DP1190437).

¹ The 21,000m² limit is specifically placed on 'shop' floorspace – and not on 'retail premises' to ensure that 'bulky goods retail premises' can continue to be provided at the rear of the Site without a floorspace restriction.

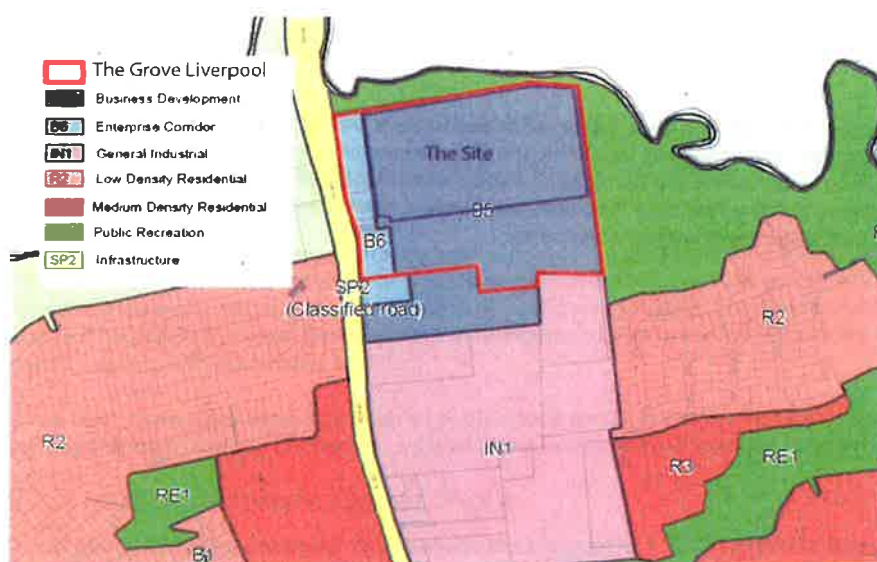


Figure 2 – Zoning Map

Source: Liverpool LEP

The Planning Proposal is consistent with the *Liverpool Retail Centres Hierarchy Review 2012* (Liverpool Retail Centres Review) which identified the potential for the diversification of The Grove Liverpool to provide an expanded retail offering, and the subsequent resolution made by Council on 28 November 2012 to classify The Grove Liverpool as 'a *Stand Alone Centre*'.

The amendment to the Planning Proposal to retain of the B5 zone - with the addition of 'shops' as a permissible use on the Site - is also consistent with the recommendation of the Liverpool Retail Centres Review which suggested that 'if Council approve additional development at Orange Grove...this may be most appropriately accommodated through adding additional uses as permissible'.

It will facilitate the delivery of a new retail centre on the Site accommodating a component (approximately 27,000m² net leasable area (NLA)) of bulky goods retailing and approximately 17,000m² of traditional retail uses across the follow retail types:

- Approximately 5,500m² NLA discount department store (DDS) likely to be occupied by Kmart;
- Approximately 3,800m² NLA major supermarket likely to be occupied by Coles;
- Approximately 1,600m² NLA ALDI supermarket;
- Approximately 1,500m² NLA across two mini majors; and
- Approximately 4,600m² NLA of specialty shops.

The Grove Liverpool already accommodates a Dan Murphy's liquor store, and there is an existing approval in place for redevelopment of an outlet retailing centre on the adjoining Weekend Markets site within the southern part The Grove Liverpool (see Figure 1 above). The Planning Proposal supports the transformation of The Grove to accommodate an extensive range of retail and entertainment facilities.

The Planning Proposal is also consistent with Council's retail policy as set out in the Liverpool Retail Centres Review, and will also support the economic growth of the Liverpool local government area (LGA), and provide much-needed services and accessible retail facilities to the growing population in the Liverpool LGA and surrounding area.

The economic benefits of the Planning Proposal have been recognised in the Economic Impact Assessment (EIA) and peer review of the EIA submitted with the Planning Proposal. An independent peer review of the EIA commissioned by Council also confirms that the Planning Proposal will have no unacceptable economic impacts on surrounding centres.

- The Fairfield LGA contains limited bulky goods facilities, does not contain a department store, and lacks a discount department store in the south-east of the LGA. Furthermore, there are no Regional Centres within Fairfield LGA.
- The Liverpool LGA is currently undersupplied by some 20,500m² of retail floor space at 2011, with the largest proportion of undersupply attributed to discount department stores (8,071m² or 40%) and supermarkets (6,500m² or 31%). This undersupply will increase as population increases.
- The capacity of the Liverpool CBD *'to absorb future retail developments appears to be somewhat limited with a lack of vacant or available development sites'*.
- The Grove Liverpool is well situated to accommodate an ALDI store to service the unmet demand resulting from a lack of provision of an ALDI store in the Cabramatta trade area, and that *'Orange Grove in particular may be suitable for diversification of uses beyond a bulky goods role, particularly if an outlet centre is opened on the weekends market site'*.
- In the medium term a change in the role of The Grove may be supported by Council to diversify its retail offer beyond bulky goods' and that *the impacts of diversification 'should be quantified in the economic impact assessments accompanying development applications for such uses'*.

Both Kmart and ALDI made submissions on the Liverpool Retail Centres Hierarchy Review noting their difficulty in obtaining appropriately sized and located premises within the Liverpool LGA and surrounding area, and their preference to locate within The Grove Liverpool.

In acknowledgement of the evolving nature of The Grove Liverpool, as highlighted in the Liverpool Retail Centres Review, at its meeting on 28 November 2012 Council resolved to adopt the exhibited version of the Liverpool Retail Centres Hierarchy Review and classify **The Grove Liverpool (referred to as the Orange Grove Centre in Council documents) as a stand-alone centre**². Council also resolved to consider a Planning Proposal for rezoning of the (MegaCenta) Site in The Grove Liverpool to accommodate a broader range of retail uses.

2.3 Stakeholder Consultation

To support the Planning Proposal, Gazcorp initiated the preparation of specialist studies for a new retail centre on the Site in early 2013, and has undertaken consultation with a number of key stakeholders as detailed below.

2.3.1 Liverpool City Council

Preliminary discussions were held with Council regarding the Planning Proposal on 5 February 2013. On 6 February 2013, Council issued a letter to JBA in which it set out the requirements for the Planning Proposal. These requirements included the following:

- Strategic study for broader area bound by Cabramatta Creek, Orange Grove Road, Hume Highway and Homepride Avenue;
- Planning Proposal report addressing local and state planning policies;
- Traffic study including consideration of public transport provision ;
- Retail demand analysis and economic impact assessment;
- Flood assessment; and

² As defined in the NSW Government's Draft Centres Policy (April 2009) as follows:

Stand-alone shopping centres or regional clusters of bulky goods retailers. Located away from other commercial areas, containing attributes of a town centre but without housing or public open space – may have potential to become a traditional town centre in the long-term.

- Design to address Viscount Place as a 'main street'.

A follow up meeting was held with Council on 19 September 2014 after detailed studies to support the Planning Proposal had been developed.

On 22 October 2014, Council wrote to JBA indicating that the requirements for the Planning Proposal (as stated in its letter of 6 February 2013) remained unchanged with the exception of the item requiring Viscount Place to be designed as a 'main street'. Council indicated that the main street option for Viscount Place is no longer considered relevant in the context of a broader precinct planning approach.

The documents requested by Council are attached to this Planning Proposal report and include the following:

- **Appendix A** - Economic Impact Assessment (EIA) prepared by Leyshon Consulting
- **Appendix B** - Traffic and Transport Assessment prepared by AECOM
- **Appendix C** - Flood Assessment prepared by Lean Lackenby & Hayward
- **Appendix D** - Strategic Plan for Broader Area prepared by JBA

In addition, to ensure the robust assessment of the potential economic impacts of the proposed development, a peer review of the Leyshon Consulting EIA has been undertaken by Deep End Services and is included at **Appendix E**.

On 18 February 2015 a further meeting was held with Council at which a preliminary draft of the Planning Proposal was presented. Council provided feedback on additional information to be incorporated into the Planning Proposal. This has been included within this report and attached Appendices.

2.3.2 Roads and Maritime Services

On 10 May 2013, Gazcorp and its traffic consultant met with the Roads and Maritime Service (RMS) and Council to discuss the Planning Proposal. The following key issues were discussed at the meeting:

- The existing intersection of Orange Grove Road /Viscount Place has spare capacity.
- Congestion currently experienced at this intersection is due to parking/pedestrian interactions at Viscount Place.
- Give that there is spare capacity at Orange Grove Road/Viscount Place, and additional access to The Grove Liverpool is available via Homepride Avenue, improvements to Viscount Place should be considered prior to the consideration of an additional access (third access) at the northern boundary of The Grove Liverpool.
- A third access (if pursued) would need to accommodate a southbound deceleration lane for the left turn movement.
- The existing safety issue at the 'jug handle' on Orange Grove Road was noted. However, it was also noted that the 'jug handle' is unlikely to remain in the future, particularly if the road is widened.
- An additional phase with the right turn movement from Hume Highway into Homepride Avenue can be accommodated in the existing phasing of this intersection and should be pursued.
- Consideration should be given to potentially increasing the length of the southbound left turn lane or to convert southbound left turn lane to a slip lane at Orange Grove Road/Viscount Place, if required.
- Access off Viscount Place in the design (of the planned new retail centre) should be simplified to reduce the amount and number of conflicts.
- The RMS supported dropping Viscount Place to access the planned underground car park as the main access, with minor access to surface car parking outside the planned supermarket. This would allow for separate service vehicles from private cars and pedestrians.

- An internal roundabout needs to be located further to the east if an 'at-grade' option is pursued.

The above comments are considered to be relevant to the future design of the new retail centre on the Site and will be considered as part of a future development application (DA).

The Traffic and Transport Assessment at **Appendix B** includes some recommended upgrades to the intersection of Viscount Place/Orange Grove Road to respond to the scale of development facilitated by the Planning Proposal (see section 8.3 below). It is proposed that the funding for these proposed intersection upgrades be facilitated through a Voluntary Planning Agreement (VPA). It is proposed that the VPA offer be made to Council prior to council forwarding the Planning Proposal to the Department for a Gateway determination.

2.4 Initial Planning Proposal

An Initial Planning Proposal was submitted to Council in March 2015 and sought to rezone the part of the Site (and a small portion of the adjoining Viscount Place roadway) which is currently zoned B5 Business Development to B2 Local Centre. The Planning Proposal also sought to place a limit of 21,000m² GFA on the amount of 'shop' floorspace permitted on the Site.

Council commissioned an independent peer review of the EIA which was undertaken by Essential Economics. The peer review found that, while the proposal will result competitive trading impacts, *'these are not expected to impact the operation of the retail hierarchy that currently serves the communities in the Cities of Liverpool and Fairfield'*. In particular, the peer review found that no unacceptable economic impact the Liverpool CBD or Westfield Liverpool would occur as a result of the proposal.

On 28 September 2015, Council wrote to the proponent (Gazcorp) stating that *'Council officers believe there is sufficient evidence to support the expansion of retail uses on the subject site as described in planning proposal'*. However, Council officers requested that the proponent consider amending the Planning Proposal to retain the existing B5 zoning and instead include to 'shops' as an additional permitted use on the Site under Schedule 1 of the LEP with a maximum GFA cap.

Gazcorp has considered this request and the Planning Proposal has been amended accordingly as set out in this Updated Planning Proposal report.

In addition Council requested more detail in regards to the traffic and access design of the development. Council has confirmed that this additional traffic information can be provided post Gateway Determination should a positive Gateway Determination for the Planning Proposal be received.

Gazcorp will continue to engage with Council throughout the Planning Proposal and it is requested that Council remain the Relevant Planning Authority (RPA) for the Planning Proposal.

3.0 Site Context

3.1 Site Description

3.1.1 Location

The Site is located at 5 Orange Grove Road. It is located within The Grove Liverpool which is located approximately 1.5km north of the Liverpool CBD, and sits at the northern edge of the Liverpool LGA bordering on the Fairfield LGA (see Figure 3 below).

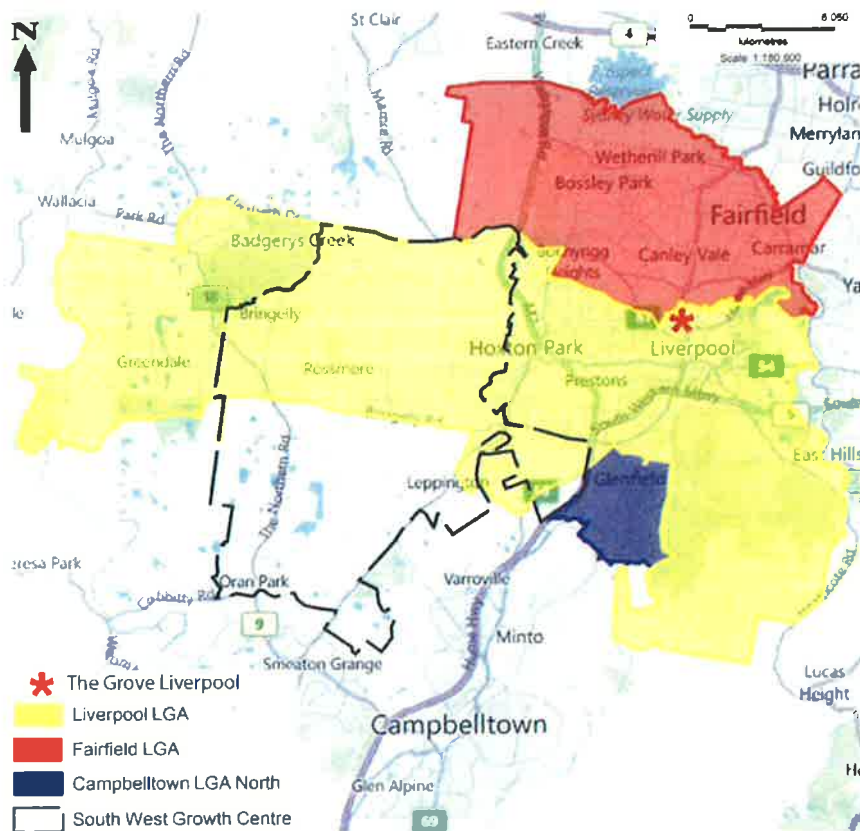


Figure 3 – Context Map

Source: Liverpool Retail Centres Hierarchy Review

3.1.2 Site Details

The Site has a legal property description of Lot 101 in DP 104316 and an approximate site area of 10 hectares. The Planning Proposal relates to the majority of the Site apart from the portion fronting Orange Grove Road which is zoned B6 Enterprise Corridor. The area of the Site to which the Planning Proposal relates is approximately 9 hectares.

The Planning Proposal also relates to a small portion of Lot 23 in DP1190437 – the adjoining Weekend Markets site on which a consent has been issued for an outlet retailing centre. Specifically, the Planning Proposal relates to the portion of this allotment that accommodates the Viscount Place roadway which will provide future access to the retail centre.

Although retail uses are already permitted on Lot 23 under Schedule 1 of Liverpool LEP 2008 (in accordance with Amendment 22 to the LEP – see Section 2.1.2 above) it is considered appropriate to apply the Planning Proposal to this part of the Site to ensure a consistent planning framework is in place.

The Site is generally rectangular in shape with a frontage of approximately 153 metres to Orange Grove Road to the west, and a northern boundary of some 460 metres to Panorama Reserve to the north. The Site's southern boundary fronts Viscount Place, an internal road running east-west through The Grove Liverpool. To the Site's east is Dwyer Oval.

A location map is provided at Figure 1 above and a context map is provided at Figure 4 below.



Figure 4 – Context Map

Source: Google

3.1.3 Existing Development

The Planning Proposal relates to the B5-zoned portion of the Site (Lot 101 in DP 104316) which currently accommodates the MegaCenta homemaker centre in its western portion, and at-grade parking and vacant land in its eastern portion. The homemaker centre predominantly accommodates bulky goods retail premises, as well as a bowling alley, gym and NSW Government Service Centre. A number of tenancies within the homemaker centre are currently vacant.

Additional freestanding retail units providing fast food and take away uses are provided adjacent to the homemaker centre within an at-grade parking area fronting Orange Grove Road. This portion of the site is zoned B6 Enterprise Corridor and it is not proposed to be rezoned as part of this Planning Proposal.

Basement parking is provided below the existing bulky goods retail centre.

The Planning Proposal also relates to part of the Weekend Markets site (Lot 23 in DP1190437) on which Viscount Place is located.

3.1.4 Environmental Constraints

The northern portion of the site is identified as Bushfire Prone Land as shown in Figure 5 below.

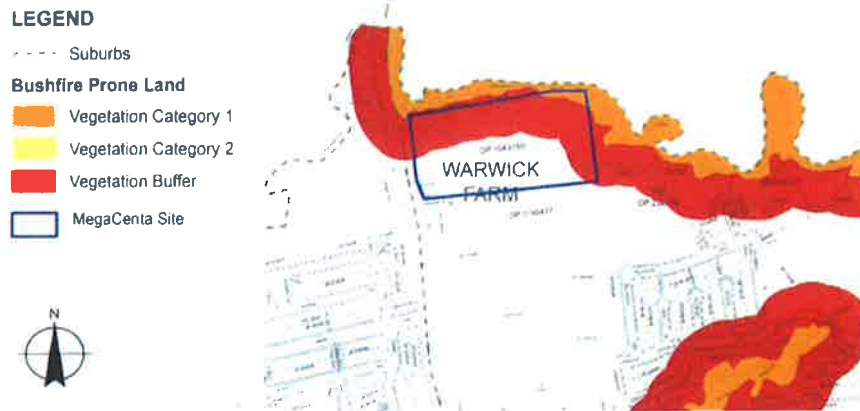


Figure 2 – Bushfire Prone Land

Source: Liverpool City Council

In addition, part of the northern portion of the Site is identified as Environmentally Significant Land (see Figure 6 below) under Liverpool LEP 2008.

Environmentally significant land map - sheet ESL-010



Figure 3 – Environmentally Significant Land

Source: Liverpool LEP 2008

The Site is identified as Flood Prone Land and its northern and eastern edges are located within the Flood Planning Area (see Figure 7 below) as identified within Liverpool LEP 2008

Flood planning area map - sheet FLD-010

-  Flood planning area
-  Flood prone land
-  MegaCenta Site

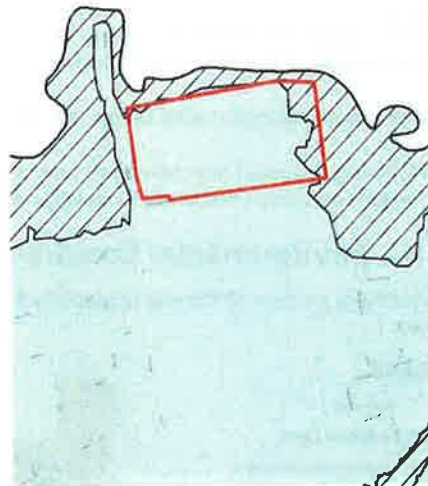


Figure 4 – Flood Planning Area Map Extract

Source: Liverpool LEP 2008

3.2 The Grove Liverpool

The Site forms part of a larger centre referred to as The Grove Liverpool, which includes the Weekend Markets site on the southern side of Viscount Place and which is zoned and approved to accommodate an outlet retailing centre. A Dan Murphy's store is also located within The Grove Centre on the southern side of Viscount Place and fronting Orange Grove Road. A stand-alone McDonalds store is located opposite the Dan Murphy's store on the northern side of Viscount Place and on a separate allotment to the homemaker centre. See Figures 1 and 4 above for details.

As detailed in Section 2.1 above, The Grove Liverpool has evolved to accommodate a range of existing and approved retail premises and services, and has been recognised as a stand-alone centre in Council's Retail Centres Hierarchy Review.

3.3 Surrounding Land Uses

The area immediately surrounding The Grove Liverpool is made up of a mix of retail, industrial, residential, open space and school uses.

3.3.1 Officeworks

Immediately to the south of the Dan Murphy's store is a 1,200m² Officeworks store fronting Orange Grove Road.

3.3.2 Orange Grove Industrial Area

To the south of the Grove Centre and bounded by Orange Grove Road to the west, the Hume Highway to the south and Homepride Avenue to the east (see Figure 4 above), is an industrial area that is predominantly occupied by manufacturing and warehouses. This area is zoned IN1 General Industrial under Liverpool LEP 2008. The potential transformation of this area has been taken into consideration as part of this Planning Proposal and is discussed in Section 5.3 below with a broad strategic land use direction provided at Appendix D.

3.3.3 Service Station

A service station is located directly across the road from the site on the western side of Orange Grove Road. It is understood that the potential rezoning and/or redevelopment of this site to accommodate some residential accommodation is currently being explored.

3.3.4 Open Space

Public open space is located to the Site's immediate north and east. The Panorama Reserve to the north is a passive recreational area. Cabramatta Creek runs east-to-west through the Panorama Reserve approximately 50 metres from the Site's northern boundary.

Dwyer Oval (to the Site's east) is an active recreational area that incorporates playing fields. The potential to link the new retail centre on the Site to the adjoining open space areas will be explored as part of a future DA for the new centre once the proposed LEP amendment has been finalised. This may also be explored as part of a VPA for the Site.

The Site is located in the vicinity of a number of other open space areas including:

- Bowden Park on the northern side of Cabramatta Creek;
- Warwick Farm Recreation Reserve to the east of Dwyer Oval; and
- Joe Broad Reserve and Cabramatta Golf Range on the eastern side of Orange Grove Road.

3.3.5 Residential Areas

A Caltex petrol station is located immediately opposite the Site on the western side of Orange Grove Road. However, as shown in Figure 4 above, land to the east and west is predominantly made up of large areas of low density residential development.

In addition, a number of local schools are located within the residential areas and within 1km of the Site including:

- Warwick Farm Public School;
- Cabramatta West Public School;
- Cabramatta Public School; and
- Mt Pritchard Public School.

3.4 Surrounding Centres

As shown in Figure 3 above, The Grove Liverpool is located on the northern border of the Liverpool LGA on the border with the Fairfield LGA. Therefore, it is important to consider the Planning Proposal within the context of both the Liverpool and Fairfield existing retail hierarchy, as well as approved or proposed new centres within these LGAs. These are discussed below.

Liverpool LGA Retail Hierarchy

The Liverpool LGA retail hierarchy is describe in the Liverpool Retail Centres Hierarchy Review and includes the following:

Table 1 – Liverpool LGA Retail Centres Hierarchy

Centre	Details
Liverpool Regional Centre	The Liverpool CBD is the highest order centre in the Liverpool LGA and is identified as a Regional Centre in the Metropolitan Strategy. The Grove Liverpool is located at the northern edge of the Liverpool Regional Centre. Retailing in the Liverpool CBD is dominated by the Westfield shopping centre which accommodates almost 84,000m² (52%) of the CBD's total retail floor space. Major tenants in the Westfield shopping centre include: - Myer: approx. 19,000m²; - Target: approx. 8,000m²; - Big W: approx. 8,000m²; - Coles: approx. 4,000m²; and - Woolworths: approx. 4,000m²

Centre	Details
Town Centres	The Liverpool LGA has three Town Centres namely Carnes Hill, Casula and Moorebank. These centres range in size from approximately 10,000m ² of retail floor space at Casula to some 17,500m ² at Moorebank. Casula Mall was one of the earliest subregional-scale centres constructed in the Sydney Region. It is anchored by a Kmart DDS and a Coles supermarket. Valley Plaza in Green Valley is identified as a stand-alone shopping centre in the South West Region Draft Subregional Strategy and is anchored by Coles and Woolworths supermarkets.
Other Centres	Liverpool LGA contains a significant number of village centres. These vary significantly in size. The village centres most relevant to the Planning Proposal are: – Cecil Hills: approx. 3,100m²; – Miller: approx. 9,650m²; – Chipping Norton: approx. 5,300m².
Bulky Goods Clusters	Apart from the homemaker centre within The Grove Liverpool, there are two major clusters of bulky goods retailing activity in the Liverpool LGA including that at the Crossroads Centre and a smaller centre at Warwick Farm. The Crossroads Centre contains in excess of 50,000m ² of retail floorspace. Its major tenants including Bunnings, Flower Power, The Good Guys, Freedom Furniture, Bing Lee and Costco. Warwick Farm centre contains some 15,000m ² of bulky goods floorspace. Its major tenants include Fantastic Furniture, Lincraft, Supa Cheap Auto together with a number of fresh food retailers. Council has also approved the development of a Masters store and associated bulky goods space on a site at Warwick Farm.

Fairfield LGA Retail Hierarchy

Fairfield LGA has a somewhat unusual retail hierarchy in that it does not have one dominant centre. Rather, the LGA has three large centres (at Wetherill Park, Bonnyrigg and Fairfield) which contain one or more DDSs together with major supermarkets. There is also a significant centre at Cabramatta which does not contain a DDS but is nonetheless important in Fairfield LGA's retail hierarchy. The following are the key centres within the Fairfield LGA:

Table 2 – Fairfield LGA Retail Centres Hierarchy

Centre	Details
Stockland Wetherill Park	Stockland Wetherill Park contains 37,300m ² of retail floorspace with an additional 14,300m ² of associated services including a cinema, library and other commercial functions. The centre is anchored by Big W and Target DDSs together with Woolworths and Coles supermarkets.
Fairfield Town Centre	The Fairfield Town Centre comprises an estimated 60,000m ² of retail floorspace in total. Within the Town Centre there are two enclosed centres which contain DDSs namely Fairfield Forum and Neeta City.
Bonnyrigg Plaza	Bonnyrigg Plaza accommodates approximately 20,700m ² of retail floorspace. It is anchored by a Big W DDS and Woolworths and IGA supermarkets. In 2010, Fairfield City Council approved 9,700m ² expansion of Bonnyrigg Plaza. This approval is yet to be fully implemented.
Cabramatta	Cabramatta is a unique centre in that it has some 25,000m ² of retail floor space but only one anchor tenant (Woolworths 2,500m ²). It is dominated by small-scale retailing operated by persons of Vietnamese or Chinese descent. Cabramatta centre currently has a very low level of vacancy at about 4%.
Other Centres	A number of small-scale neighbourhood centres in southern part of Fairfield LGA which lie within potential trade area of The Grove Centre. Include: – Canley Heights – Canley Vale – Wakeley – St Johns Park

None of these contain a major supermarket.
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Approved and Proposed New Retail Floorspace

In addition to the approved expansion of the Bonnyrigg Plaza listed above and the approved new outlet retailing centre at The Grove Liverpool, the Planning Proposal has been considered in the context of the following approved and proposed new retail floorspace within the surrounding area:

- New Woolworths supermarket (4,200m²) at Casula.
- A new retail centre of approximately 7,000m² at Holsworthy.
- A new Woolworths supermarket and specialty shops at Prestons.
- A new Town Centre of up to 22,000m² gross leasable area (GLA) at Edmondson Park.
- A new centre anchored by a DDS adjacent to Bonnyrigg Plaza which has been under consideration by Fairfield Council since 2010.

3.5 Road Network

Viscount Place is an east-west local road running through the centre of The Grove Liverpool. It connects Orange Grove Road in the west to Homepride Avenue in the east. Homepride Avenue runs north-south along the edge of the Orange Grove Centre down to Hume Highway in the south (see Figure 4 above).

Parts of Homepride Avenue and Viscount Place are private roads on land owned by Gazcorp that are publicly accessible via right-of-way easements on the relevant lot titles.

The intersection of Orange Grove Road and Viscount Place is signalised and has recently been upgraded to improve intersection performance during peak periods. This is the primary vehicle access to The Grove Liverpool. As detailed in the Traffic and Transport Assessment at Appendix B, this intersection currently operates at Level of Service (LOS) A (Good Operation) during weekday peak periods and at LOS B (Good with acceptable delays and spare capacity) during weekend peak periods.

The intersection of Homepride Avenue and Hume Highway is signalised and provides secondary access to The Grove Centre. It currently operates at LOS A during both weekday and weekend peak periods.

The Centre is well-connected to the sub-regional road network including the Hume Highway to the south via Homepride Avenue and Orange Grove Road, and Cumberland Highway to the north via Orange Grove Road.

3.6 Public Transport

Data from the Bureau of Transport Statistics Household Travel Survey shows that, within the Liverpool LGA, public transport use is slightly below the Sydney average, and walk-only trips are well below the average. The Traffic and Transport Assessment suggests that this can be attributed to the peripheral location of Liverpool within the Sydney metropolitan region and lower comparative levels of transport infrastructure.

The closest rail station to the Site is at Warwick Farm some 1.8km to the Site's south-east. Liverpool Station is 2.3km to the south.

Bus stops are located on each side of Orange Grove road approximately 60 metres south of Viscount Place. A map of local public transport services is provided at Figure 8 below and further detail is provided in Traffic and Transport Assessment at Appendix B.

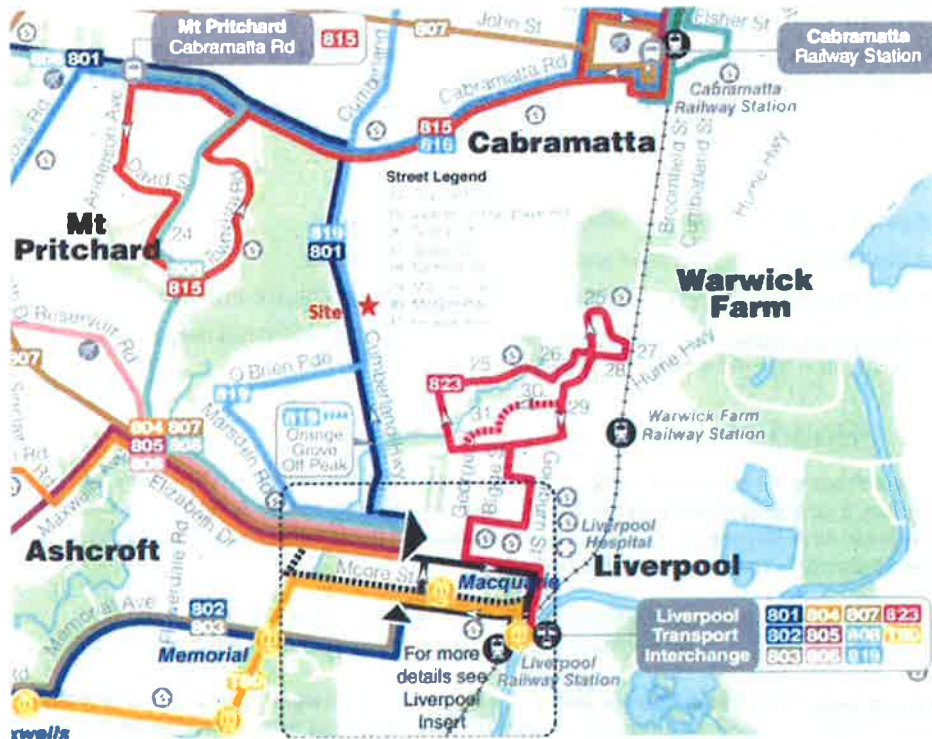


Figure 5 – Local Public Transport Infrastructure

Source: Transport for NSW.

3.7 Pedestrian and Cyclist Facilities

The Site is connected to the broader pedestrian network via a 1.2m-wide footpath on the eastern side of Orange Grove Road, and a signalised pedestrian crossing at the intersection of Viscount Place and Orange Grove Road. As detailed above, opportunities exist to improve pedestrian access between the Site and the open space areas to the east. This will be explored as part of a future DA once the LEP Amendment has been finalised, and may be facilitated via a VPA.

There is minimal formal cycle infrastructure in the vicinity of the Site. This presents an opportunity to further improve connectivity in the area as part of a future DA for the Site.

4.0 Current Planning Controls

The primary environmental planning instrument (EPI) controlling development on the Site is the Liverpool LEP 2008. The key controls applying to the Site under the Liverpool LEP 2008 are detailed below.

4.1 Zoning and Permissible Uses

The Site is currently zoned B5 Business Development in which the following relevant uses are permitted with consent:

- Bulky goods premises;
- Food and drink premises;
- Garden centres;
- Hardware and building supplies;
- Landscaping material supplies;
- Office premises; and
- Recreation facilities (indoor).

4.2 Floor Space Ratio and Height

A maximum floor space ratio (FSR) of 0.75:1 and a maximum height control of 15 metres applies to the Site and broader Centre.

4.3 Minimum Allotment Size

A minimum allotment size control of 2,000m² applies to the Site.

4.4 Environmentally Significant Land

The northern portion of the Site is identified as Environmentally Significant Land (see Figure 6 above). Clause 7.6 of Liverpool LEP 2008 applies to Environmentally Significant Land and aims:

- (a) to maintain bushland, wetlands and wildlife corridors of high conservation value,
- (b) to identify areas of significance for revegetation to connect to or buffer bushland, wetlands and wildlife corridors,
- (c) to protect rare and threatened native flora and native fauna,
- (d) to ensure consideration of the significance of vegetation, the sensitivity of the land and the impact of development on the environment prior to the giving of any development consent.

Before determining an application for development on Environmentally Significant Land, the consent authority must consider the following:

- (a) the condition and significance of the vegetation on the land and whether it should be substantially retained in that location,
- (b) the importance of the vegetation in that particular location to native fauna,
- (c) the sensitivity of the land and the effect of clearing vegetation,
- (d) the relative stability of the bed and banks of any waterbody that may be affected by the development, whether on the site, upstream or downstream,
- (e) the effect of the development on water quality, stream flow and the functions of aquatic ecosystems (such as habitat and connectivity),
- (f) the effect of the development on public access to, and use of, any waterbody and its foreshores.

4.5 Flood Prone Land

The Site is identified as Flood Prone Land and its northern and eastern edges are located within the Flood Planning Area (see Figure 7 above). Clause 7.8(3) of Liverpool LEP 2008 sets out the following relevant flood planning controls for the Site:

- (3) Development consent must not be granted to development on flood prone land (other than development for the purposes of residential accommodation) unless the consent authority is satisfied that the development:*
 - (a) will not adversely affect flood behaviour and increase the potential for flooding to detrimentally affect other development or properties, and*
 - (b) will not significantly alter flow distributions and velocities to the detriment of other properties or the environment, and*
 - (c) will enable the safe occupation and evacuation of the land, and*
 - (d) will not have a significant detrimental affect on the environment or cause avoidable erosion, siltation, destruction of riparian vegetation or a reduction in the stability of any riverbank or watercourse, and*
 - (e) will not be likely to result in unsustainable social and economic costs to the flood affected community or general community as a consequence of flooding, and*
 - (f) if located in the floodway, will be compatible with the flow of flood waters and with any flood hazard on that floodway.*

The above provisions will be taken into account as part of any future DA for the Site. A Flood Assessment has been prepared for the Planning Proposal (see Appendix C) which considers the proposal against Section 117 Direction 4.3 Flood Prone Land and confirms that the Site is capable of being developed as a diverse retail centre despite its flood prone status.

5.0 Proposed Development

The Planning Proposal will facilitate the redevelopment of the Site to accommodate a broad range of retail uses including bulky goods retailing as well as traditional retailing.

Centres that accommodate bulky goods retail premises only generally experience very low weekday foot traffic with consumer shopping trips concentrated on the weekend. The absence of trade during the week makes it difficult for bulky goods only centres to remain viable. This is reflected in the number of vacant tenancies within the existing MegaCenta and its failure to expand over the past 17 years despite the availability of vacant adjoining bulky goods zoned land.

The emerging trend to provide a mix of bulky goods premises, as well as standard retail uses within a single centre is a direct response to the need to diversify existing bulky goods centres to attract a range of shopping trips and consumers, and ensure that the centres can remain viable. A number of examples of this have emerged recently in NSW. For example, Primewest has recently sought an amendment to the *Auburn Local Environmental Plan 2010* to allow for traditional retail uses in its Homemaker Megamall in Auburn.

The EIA (Appendix A) notes the need to diversify the retail offering provided on the Site so that it can remain competitive, particularly having regard to the emergence of the new Crossroads Homemaker Centre in Casula which accommodates some 50,000m² of retail floor space including a new 13,500m² Costco store.

The diversification of retail uses within the proposed new retail centre will not only support the viability of the bulky goods retail component, but will also have broader economic benefits by creating a new retail centre that will attract a wide range of consumers from a large catchment area to the Liverpool LGA.

The centre will reflect the increasing emphasis on the convenience aspect of shopping trips and will be consistent with the trend towards homemaker centres evolving into more of a mixed use retail format. It will respond to the way people shop and service the needs of the Liverpool LGA and broader catchment. It is intended that the centre operate as a convenience-based centre.

In addition, it will respond to an expressed demand for appropriate retail tenancies within the northern part of the Liverpool LGA. Both ALDI and Kmart have expressed their desire to establish a presence in The Grove Liverpool, as it meets their operational and locational requirements.

Kmart in particular, has noted (in its submission on the Liverpool Retail Hierarchy Review) that it has explored the potential to locate on a number of CBD sites, but these do not meet its operational and location requirements. Kmart highlights the benefits of being able to co-locate with bulky goods retailing and outlet retailing uses within The Grove Liverpool, which is well-placed to allow Kmart to cater to a demand from potential customers within Liverpool, Cabramatta, Bonnyrigg and parts of Fairfield. It is also intended that parts of the centre, in particular the Kmart DDS, will operate on a 24 hour basis to cater to shift workers living and working in the area. This is made possible by the absence of residential neighbours to the Site, and the limited amenity impacts resulting from the proposal.

A letter of support for the Planning Proposal from Kmart is included at Appendix G. It highlights the specific site and operational requirements Kmart requires to ensure it can operate a viable store. In particular, it requires a relatively large floorplate with good access to convenient, at-grade parking and the ability to co-locate with a supermarket. Kmart notes that the planned centre for the Site (facilitated by the Planning Proposal) is ideal for a new Kmart store. The Site is also appropriately located to draw trade (predominantly) from the northern catchment. Kmart has indicated that it is unlikely that a new store in The Grove Liverpool would attract a significant portion of customers away from Westfield Liverpool which is a regional shopping centre and benefits from two DDSs.

In its submission on the Liverpool Retail Hierarchy Review, ALDI also confirmed that it had investigated a number of sites within the Liverpool CBD, all of which were unsuitable for a

new ALDI store. ALDI has since opened a store in the Liverpool CBD. However, an ALDI store in The Grove Liverpool location will be able to attract a different customer base to ALDI's CBD store, and will be able to draw customers from a wider catchment than that current serviced by its CBD store. ALDI has confirmed that it will seek to provide a store within The Grove Liverpool in addition to its Liverpool CBD store (ie. the existing CBD store will continue to operate) to ensure that ALDI could continue to provide competitive grocery prices to surrounding residents.

5.1 Proposed Floorspace and Uses

The current and proposed floorspace on the Site is set out in Table 3 below:

Table 3 – Proposed Floorspace

Retail type	Existing (NLA)	Proposed (NLA)
Bulky goods	29,000m ²	27,000m ²
Traditional retail		17,000m ² allocated approximately as follows: – 5,500m ² DDS likely to be occupied by Kmart; – 3,800m ² major supermarket likely to be occupied by Coles; – 1,600m ² ALDI supermarket; – 1,500m ² across two mini majors; and – 4,600m ² specialty shops.
Total	29,000m ²	44,000m ²

The 17,000m² NLA of traditional retail floorspace proposed on the Site is equivalent to approximately 21,000m² of GFA.

5.2 Design of New Centre

A single-level retail centre is envisaged for development on the Site. Bulky goods retail premises are proposed be accommodated at the rear of the centre, whilst more traditional retail uses will be accommodated in the front portion. In order to ensure the ongoing operation of the bulky goods retail component during construction, it will be necessary to construct the new bulky goods retail component at the rear of the Site first, relocate existing tenants, and then construct the front portion of the new centre to accommodate traditional retailing.

The new centre is intended to operate as a single-level centre providing for the ready flow of foot traffic between the traditional and bulky goods components of the development.

Basement parking is proposed to be accessed off Viscount Place which will be redesigned to accommodate a turning circle and traffic calming measures such as tree planting and pedestrian crossings. Consistent with the RMS comments, Viscount Place will be re-graded to provide access to the underground car park. In addition, a limited amount of at-grade parking will be provided at the southern boundary of the centre which will be accessed via the turning circle. A food court is also envisaged at the centre's southern edge.

A number of pedestrian links to the approved outlet retailing centre on the Weekend Markets site are also being considered. Service vehicle access will be provided along the northern boundary of the Site.

A detailed development application will be lodged for the new centre once the LEP Amendment has been finalised. Concept sketches have been prepared for the proposed new centre and are provided at Figures 9 to 11 below.



Figure 6 – Centre entrance and signage (indicative)

Source: Leffler Simes



Figure 7 – Food court overlooking at grade parking at southern edge of the centre (indicative)

Source: Leffler Simes



Figure 11 – Outdoor play area adjoining the food Court (indicative)

Source: Leffler Simes

5.3 Infrastructure Contributions

The Traffic and Parking Assessment (Appendix B) identifies a number of intersection upgrade works required to ensure no unacceptable impact on the surrounding road network will result from the proposal. In addition, it is envisaged that improved pedestrian connections will be facilitated by the proposal.

The above will be facilitated via a VPA. An offer in this regard will be made to Council prior to the Planning Proposal being forwarded to the Department for a Gateway Determination.

Consistent with the VPA entered into by Gazcorp for the outlet retailing centre in The Grove Liverpool, it is envisaged that the VPA will also provide for the payment of contributions consistent with those required in the Liverpool CBD to ensure a fair and equitable payment for demand on community infrastructure.

5.4 Transformation of the Surrounding Area

It is understood that Council is currently undertaking a review of its LEP and is updating a number of strategic planning documents as part of this process. Council has indicated that it is preparing a broader strategic planning framework for the area in which the Site is located.

In addition, it is understood that the owner of the service station to the west of the Site is considering redeveloping it to accommodate residential development.

Further, a number of the industrial premises to the south of the site are redundant and in need of revitalisation. There is the potential for the area to transform to accommodate a range of alternate uses.

It is considered that the redevelopment of the Site to accommodate a mix of retail uses will support the revitalisation of the area and its transformation into a vibrant mixed use precinct.

As part of the Planning Proposal, Council has requested that a strategic study for the broader area bound by Cabramatta Creek, Orange Grove Road, Hume Highway and Homepride Avenue be provided. This is included at **Appendix D**. It is noted that the study is indicative only and is intended to inform Council's own strategic planning for the area.

6.0 Proposed LEP Amendments

The following section sets out the relevant amendments sought to Liverpool LEP 2008.

6.1 Objectives and Intended Outcomes

This Planning Proposal seeks to amend Schedule 1 of the Liverpool LEP 2008 to allow 'shops' on the Site and to place a GFA cap of 21,000m² on 'shop' floor space on the Site. The objective of this Planning Proposal is to permit a broader range of retail, business, entertainment and recreational premises on the Site.

The Planning Proposal specifically seeks the addition of 'shops' – and not 'retail premises' as a permissible use on the Site, and places a maximum GFA cap on the 'shop' land use only. This is intended to ensure that bulky goods retail premises can continue to be provided on the site without a maximum GFA cap.

6.2 Land to which the Plan will apply

Figure 12 identifies the land that is proposed to be included in the site specific LEP Amendment. It is legally described as part Lot 101 in DP 104316 and part of Lot 23 in DP1190437.



Figure 12 – Land to which the LEP Amendment applies

Source: Land and Property Information

6.3 Amendment to Schedule 1 of the LEP

It is proposed to add 'shops' as a permissible uses and limit the amount of 'shop' floor space permitted on the Site. This will be achieved by amending the Key Site Map at shown in Figure 13 below and inserting the following wording in an additional clause (potentially Clause 22) of Schedule 1 of the LEP:

Use of certain land at Warwick Farm

- (1) This clause applies to part of Lot 101 in DP 104316 and part of Lot 23 in DP1190437, 2-10 Viscount Place, Warwick Farm, as shown coloured red on the Key Sites Map.
- (2) Development for the purposes of shops is permitted with consent if the total gross floor area of shops on the site does not exceed 21,000m².

The 17,000m² NLA of traditional retail floorspace proposed on the Site is equivalent to approximately 21,000m² of GFA. Consistent with the Standard LEP Template, the floorspace limited is set out in GFA.

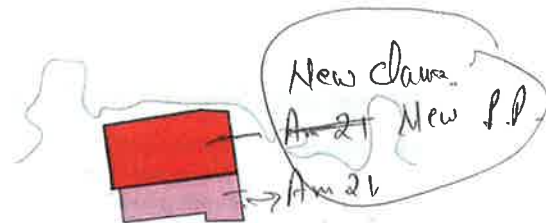
Key Sites map - sheet KYS-010

Key Sites

-  Key site - refer to clause 7.5
-  Key site - refer to clause 7.22
-  Key site - refer to clause 7.28
-  Key site - refer to schedule 1 clause 7
-  Key site - refer to schedule 1 clause 9
-  Key site - refer to schedule 1 clause 20
-  Key site - refer to schedule 1 clause 21
-  Key site - SWGC area - refer to clause 7.24
-  Key site - SWGC released precinct - refer to clause 7.24

Precincts

-  Liverpool City Centre
-  Moorebank South Industrial Precinct
-  Key site - refer schedule 1 clause 22



Refer to map KYS-011

Figure 13 – Proposed Key Site Map

Source: Liverpool LEP 2008 (amended by JBA)

7.0 Strategic and Statutory Planning Framework

7.1 Strategic Planning Framework

This section considers the strategic planning framework in which the Planning Proposal is considered.

7.1.1 Retail and Competition Policy Reviews

The Australian Government has recently completed a number of reviews of competition policy within Australia, which consider how planning and zoning laws (particularly those that relate the retail land use and development), impact on competition and economic performance. These reviews include the recently released Draft Competition Policy Review, as well as the following Productivity Commission reports:

- *Performance Benchmarking of Australian Business: Planning, Zoning and Development Assessments* (2010) (Benchmarking Report); and
- *Economic Structure and Performance of the Australian Retail Industry* (2011) (Retail Industry Report).

The Commission's Benchmarking Report was based on the premise that with the *'competitive and efficient allocation of land between uses, there is potential for flow-on benefits such as an efficient allocation of labour and ...lower prices for output (such as housing or retail goods and services)...'* to be realised.

The Commission found that planning guidelines which incorporate controls as to where retailers can locate restricts the flexibility of retailers in responding to consumers' preferences. It recommended that broadening of zone definitions and a reduction in the prescriptiveness in planning regulations.

The Commission also noted that the use of adverse impact tests to restrict new developments in an attempt to preserve existing businesses is unjustifiable, and weakens the ability of retailers to respond to consumer preferences. It also suggested that the proposed development of an out-of-centre retail location should be permitted where it is likely to generate a net benefit to the community, even if there are likely to be some detrimental impacts to an existing activity centre.

Finally, the Commission highlighted the importance of maintaining the flexibility in the planning system to ensure 'bricks and mortar retailers' can remain competitive and productive with the increase in on-line shopping.

This is supported by the recommendations of the recently-released Draft Competition Policy Review which highlighted the importance of planning and zoning rules in encouraging competition. It recommended that *'all governments should include competition principles in the objectives of planning and zoning legislation so that they are given due weight in decision-making'* including *'ensuring arrangements do not explicitly or implicitly favour incumbent operators'*.

It is considered that the Planning Proposal is consistent with the above competition and retail policy reviews. It will facilitate the provisions of a new retail centre within The Grove Liverpool, which is already emerging as a stand-alone centre. Further, as demonstrated in Sections 8.1 and 8.2 below, the development facilitated by the Planning Proposal will not have an unacceptable economic impact on surrounding centres, and will result in a net community benefit.

7.1.2 Metropolitan Strategy

In December 2014, the State Government released the final draft of the Metropolitan Strategy - A Plan for Growing Sydney – which will guide land use planning decisions in Metropolitan Sydney for the next 20 years.

The Metropolitan Strategy notes that *'many of Sydney's greatest opportunities lie in Western Sydney'*, and that the planned new airport at Badgerys Creek *'will emerge as a new hub of intense economic activity'*, and encourage improved new transport connections to regional centres such as Liverpool.

The Strategy highlights the fact that *'Badgerys Creek Airport will be the single largest infrastructure catalyst for employment growth in the history of Western Sydney'*. In response, the State Government is seeking to direct economic growth to surrounding areas including the Bankstown to Liverpool Enterprise Corridor (see **Figure 14** below). The Strategy indicates that opportunities for increased economic activity and job growth in the Bankstown to Liverpool corridor will be generated *'through a flexible regulatory environment'*. It also notes the need to grow strategic centres such as Liverpool thereby *'providing more jobs closer to home'* and supporting surrounding communities.

It is considered that the Planning Proposal will support the aims of the Metropolitan Strategy by facilitating the delivery of a diverse retail centre providing services and economic growth within south-western Sydney, and Liverpool in particular. It will encourage increased economic activity in the area and provide additional on-site local jobs. It will also provide additional services for the local community and encourage urban renewal and housing growth.

In addition, it is considered that the Planning Proposal responds to the Metropolitan Strategy's specific aims for the Liverpool area as detailed in **Table 4** below:

Table 4 – Planning Proposals Consistency with Metropolitan Strategy's aims for Liverpool

Aim	How addressed by Planning Proposal
Work with council to retain a commercial core in Liverpool, as required, for long-term employment growth.	The Planning Proposal will facilitate the diversification of The Grove Liverpool to provide increased retail offering and services to the local community, as well as increased economic activity and employment growth in the area. As detailed in the EIA at Appendix A and as detailed in Section 8.1 below, the development facilitated by the Planning Proposal will not have an unacceptable impact on the economic viability of the Liverpool CBD or affect its ability to function as a vibrant core within the Liverpool LGA. The Planning Proposal does not seek to rezone any part of the Liverpool CBD commercial core. Rather, it focuses on encouraging increased employment growth in the northern part of the Liverpool Regional Centre.
Work with council to provide capacity for additional mixed-use development in Liverpool including offices, retail, services and housing.	The Planning Proposal is consistent with this aim. It seeks to allow an additional permitted use within Schedule 1. The additional permitted use relates to retail uses and is limited to 21,000m ² GFA. The Planning Proposal will facilitate the redevelopment of the Site to accommodate additional retail premises and services and encourage a mix of uses in the surrounding area.
Work with council to investigate potential future uses of land located east of Georges River and north of Newbridge Road.	It is not considered that this aim relates directly to the Site. However, the Planning Proposal will facilitate the redevelopment of the Site (which is currently largely unoccupied and untenanted) as a viable development that will encourage increased economic activity in the area.
Support health-related land uses, infrastructure and conference facilities around Liverpool Hospital and Bigge Park.	It is not considered that this aim relates directly to the Site. However, the Planning Proposal will enable the redevelopment of the Site as a diverse retail centre which will service the needs of the nearby hospital precinct.
Work with council to improve walking and cycling connections to Liverpool train station from east of the train line.	It is not considered that these aim relates directly to the Site. However, improved pedestrian connections to surrounding open space will be explored as part of any future

Aim	How addressed by Planning Proposal
Work with council to improve walking and cycling connections between Liverpool and the Georges River.	development application lodged for the new retail centre following finalisation of the proposed LEP Amendment.

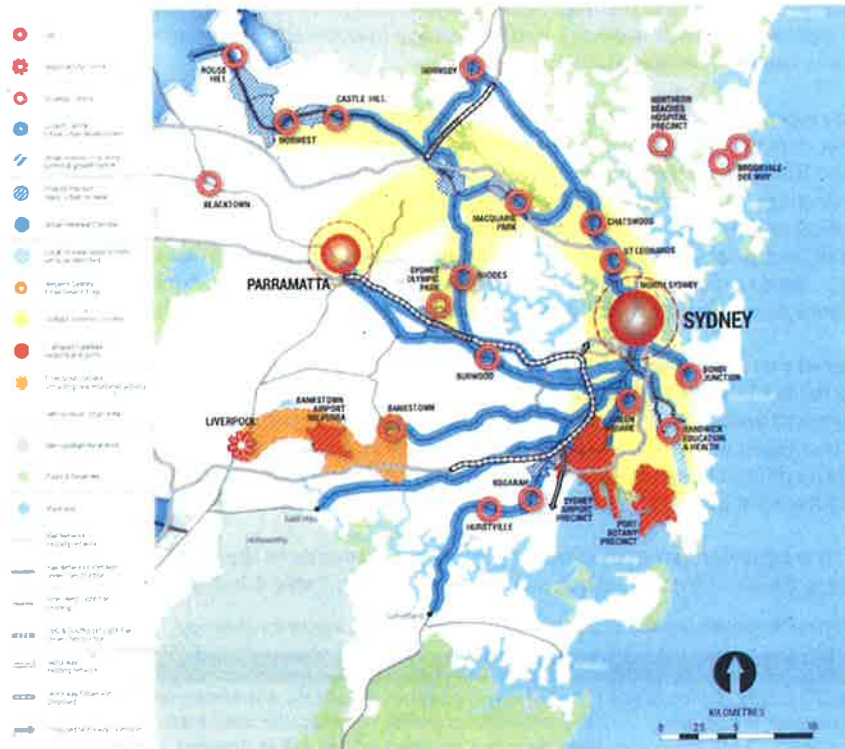


Figure 14 – Metropolitan Strategy Extract

Source: Metropolitan Strategy

7.1.3 South West Region Draft Subregional Strategy

The *South West Region Draft Subregional Strategy* (Draft Subregional Strategy) was released in December 2007 and precedes the gazettal of Liverpool LEP 2008 which commenced on 29 August 2008. The Draft Subregional Strategy identifies the Site (and The Grove Liverpool) as forming part of the Orange Grove Employment Lands and as accommodating industrial uses (see Figure 15 below).

However, since exhibition of the Draft Subregional Strategy, Liverpool LEP 2008 has rezoned The Grove Liverpool to a mix of B5 Business Development and B6 Enterprise Corridor zones. It is clear that, over the last few years The Grove Liverpool has been evolving to include a broader range of uses than those previously permitted in the 4(b) Industrial Special zone under Liverpool LEP 1997.

The Draft Subregional Strategy remains a draft policy. It is understood that the State Government will be developing new subregional strategy now that the final draft of the Metropolitan Strategy has been released, and it is expected that the Grove Liverpool's identification as a stand-alone centre will be recognised in any future subregional strategy prepared for the south-western region.

It is noted that the Grove Liverpool is located at the northern edge of the Liverpool Regional Centre (as identified in Figures 15 below) which extends approximately 1.5km in radius from the Liverpool train station. Therefore, the aims and objectives set out in the Metropolitan Strategy for the Liverpool Regional Centre are considered applicable to The

Grove Liverpool including the Strategy's aim to encourage increased economic activity within the Liverpool Regional Centre. This aim is facilitated by the Planning Proposal.

The Department has committed to releasing new subregional strategies in 2015/2016. The new subregional strategy for the area is likely to recognise the status of The Grove Liverpool as a stand-alone centre.



★ The Grove Liverpool

Figure 15 – Extract from Draft Subregional Strategy Map

Source: Draft Subregional Strategy

7.1.4 Draft Centres Policies

A number of NSW centre policies have been prepared and exhibited but never finalised.

In 2001, the State government released the *'Integrating Transport and Land Use Package'* which included the *'Right Place for Business and Services Planning Policy'* also known as Draft SEPP 66. In 2008, the Draft Policy was formally abandoned (as a consideration for DAs) by the State Government.

In 2009, the State Government released its *Draft Centres Policy: Planning for Retail and Commercial Development* for public comment. It aimed *'to create a network of vital and vibrant centres that cater for the needs of business, and are places where individuals and families want to live, work and shop'*.

In 2010, the State Government released (on a limited scale) a *Draft Activity Centres Policy* for consultation with key industry representatives. The 2010 Draft Policy retained the same general principles as the 2009 Policy and introduced 'sequential testing' and 'site suitability criteria assessment' requirements in assessing rezoning applications for *'edge or out of centre proposals'* where *'development cannot be accommodated on existing zoned land in centres'*.

The 'sequential test' requires a proponent for a spot rezoning for new retail premises in an 'out-of-centre' location to demonstrate that there are no other suitable sites in existing centres or 'edge-of-centre' locations which may be suitable for that use. The 'site suitability criteria assessment' then requires the proponent to demonstrate that the site on which the rezoning is proposed, is suitable for the use having regard to a number of specified criteria.

A detailed sequential test and site suitability criteria assessment is provided at **Appendix F**. The sequential test demonstrates that there are no available sites within other surrounding centre or edge-of-centre locations that are suitable to accommodate the type and scale of development envisaged for the Site.

The subdivision and ownership pattern in the Liverpool CBD in particular precludes the development of a new retail centre of this scale. Three sites were identified within the Retail Centres Hierarchy Review as being potentially appropriate for new retail development. Two of these are Council-owned car parks and are too small to accommodate a new retail centre without resulting in a development with multiple retail levels and a number of basement parking levels. This type of retail development would be unviable and expensive to construct. Further, development of a new retail centre on these sites would displace existing public parking uses. The former Peter Warren site on Elizabeth Street within the Liverpool CBD is the subject of an endorsed Planning Proposal to facilitate a mixed use development and therefore is not able to be developed (or suitable) for retail development.

Other surrounding centres have similar patterns of fragmented ownership with limited or no opportunities for large-scale retail development. These centres would also present significant challenges in terms of traffic impacts if a significant amount of retail floor space was development within the centres.

The edge-of-centre locations explored in the sequential testing represent significant challenges due to limited infrastructure connectivity and poor accessibility. In addition, new retail development in these locations would displace existing employment lands.

The site suitability criteria assessment demonstrates that the Site is the most appropriate location for the proposed new retail centre and will respond to a market demand for additional retail floorspace within this location. The Grove Liverpool is already identified as a stand-alone centre and is earmarked for further expansion of retail uses. It is well connected to the road network and existing infrastructure, and is not affected by an environmental constraints which would preclude its development for a new retail centre.

It is the only site within existing centre and edge-of-centre locations that can provide a significant area of level land to support the range of retail uses proposed. DDSs such as Kmart need to trade side by side with a full-line supermarket in order to be viable. This means that with car parking, a minimum area of 2ha would be required to facilitate such a development, excluding the specialty shops, smaller supermarket and mini majors. In addition, the proposed convenience centre will offer bulky goods retail which requires a large flat site.

The Planning Proposal's consistency with the principles of both the 2009 and 2010 Centres Policies are considered in **Table 5** below.

Table 5 – Consistency with Centre Policies

Draft Centres Policy (2009)	Draft Activity Centres Policy (2010)	Consistency of Planning Proposal
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.	Commercial development should be located in activity centres.	The Grove Liverpool is an established activity centre and is an appropriate location for increased retail activity. It is located at the northern edge of the Liverpool Regional Centre and is well connected to existing transport services. The increased provision of retail services on the Site (facilitated by the Planning

Draft Centres Policy (2009)	Draft Activity Centres Policy (2010)	Consistency of Planning Proposal
		Proposal) will improve the liveability of the surrounding residential areas.
The planning system should be flexible enough to enable all centres to grow, and new centres to form.	Activity centres should be able to grow and new activity centres form.	The Grove Liverpool is an existing centre that is ideally located to grow and accommodate changes in retail formats. Its transformation into a stand-alone centre has been recognised in the Liverpool Retail Centres Hierarchy Review and this Planning Proposal will support the continued diversification of the Centre.
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.	Market determines need for development.	There is a clear market demand for increased retail space at The Grove Liverpool. In submissions made during the exhibition of the Liverpool Retail Centres Hierarchy Review, both Kmart and ALDI indicated their difficulty in finding appropriate sites within the Liverpool CBD to provide appropriate retail services to surrounding residents. Both retailers have indicated their preference to locate within The Grove Liverpool.
The planning system should ensure that the supply of available floor space always accommodates the market demand, to help facilitate new entrants into the market and promote competition.	The supply of development should accommodate market demand.	This Planning Proposal will ensure that additional retail floor space is made available in the right location and in the right format to accommodate market demand.
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.	Activity centres should support a range of uses and contribute to a competitive market.	This Planning Proposal will increase the range of uses available at The Grove Liverpool, consistent with both Centre Policies.
Retail and commercial development should be well designed to ensure it contributes to the amenity, accessibility, urban context and sustainability of centres.	Activity centres should be well designed and integrated with surrounding uses.	The Planning Proposal for the Site will ensure that the additional retail space is co-located with complementary uses within The Grove Liverpool.

7.1.5 Liverpool Retail Centres Hierarchy Review

As detailed in Section 2.2 above, the Liverpool Retail Centres Hierarchy Review identified the potential for The Grove Liverpool to attract additional expenditure from residents outside of the Liverpool LGA, in particular the Fairfield LGA which does not contain a department store, and lacks a DDS in the south-east of the LGA. The Review also identified the potential for the diversification of the Centre to provide retail offering other than bulky goods premises.

In acknowledgement of the evolving nature of The Grove Liverpool, in November 2012 Council adopted the Liverpool Retail Centres Hierarchy Review and classified 'the Orange Grove Centre as a Stand Alone Centre (in line with the standard definitions provided in Table 1 of the NSW Government Draft Centres Policy 2009)'. At this meeting Council also resolved 'to consider a Planning Proposal for a rezoning of the Mega Centre site in the Orange Grove Centre (Lot 101 DP 104316) to accommodate a broader range of retail uses'.

Thus, this Planning Proposal is consistent with the Liverpool Retail Centres Hierarchy Review.

Notably, both ALDI and Kmart made submissions during the exhibition of the Retail Centres Hierarchy Review which noted their difficulties in finding appropriately sized and

located tenancies within the northern part of the Liverpool LGA (particularly the Liverpool CBD), and their preference to locate within The Grove Liverpool.

7.1.6 Growing Liverpool 2021

Growing Liverpool 2021 is the Community Strategic Plan for the Liverpool LGA and identifies the following relevant objectives for the area:

- 1.3 – Further develop commercial centres that accommodates a variety of employment opportunities.
- 2.8 – Encourage the revitalisation of local retail centres.
- 10.2 – Facilitate economic development.

The Planning Proposal will facilitate objectives 1.3 and 10.2 by allowing for the establishment of a diverse retail centre on the Site which will provide increased employment and economic development in the locality. It will also satisfy objective 2.8 in that it will revitalise the existing Centre and surrounding area, and not result in unacceptable economic impacts on surrounding centres (see Section 8.1 below).

7.2 State and Regional Planning Framework

This section summarises the Planning Proposal's consistency with relevant State and Regional statutory planning policies. No relevant Commonwealth legislation applies to the Planning Proposal for the Site.

7.2.1 Environmental Planning and Assessment Act 1979

Ministerial directions under Section 117 of the *Environmental Planning and Assessment Act* (EP&A Act) set out a range of matters to be considered when preparing an amendment to a LEP. The Section 117 Directions relevant to the Planning Proposal are as follows:

Direction 1.1 Business and Industrial Zones

This direction applies to business or industrial zoned land. The objectives of this direction is to:

- (a) encourage employment growth in suitable locations,*
- (b) protect employment land in business and industrial zones, and*
- (c) support the viability of identified strategic centres.*

This Direction states that a Planning Proposal must:

- (a) give effect to the objectives of this direction,*
- (b) retain the areas and locations of existing business and industrial zones,*
- (c) not reduce the total potential floor space area for employment uses and related public services in business zones,*
- (d) not reduce the total potential floor space area for industrial uses in industrial zones, and*
- (e) ensure that proposed new employment areas are in accordance with a strategy that is approved by the Director-General of the Department of Planning.*

The Planning Proposal does not reduce the available land zoned for business use. It does not propose to amend the existing zoning on the Site. Rather it will allow for the expansion of permitted uses on the Site to include 'shops'. The Planning Proposal will facilitate the redevelopment of the Site to accommodate a new retail centre. There will be a minor reduction in bulky goods floorspace as a result of the proposal. However, the Liverpool Retail Centres Hierarchy Review identified a sufficient supply of bulky goods retail floorspace in the local area and the proposed reduction on the Site is not considered significant in the context.

Further, as detailed in the EIA (Appendix A) the development facilitated by the Planning Proposal will not have an unacceptable impact on the economic viability of the Liverpool CBD. This finding is supported by Council's independent peer review of the EIA. The Planning Proposal will also support economic growth within the Liverpool Regional Centre of which it forms a part.

The Planning Proposal does not result in the loss of any industrial-zoned land.

Direction 2.1 Environment Protection Zones

This Direction requires as follows:

- A Planning Proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas.
- A Planning Proposal that applies to land within an environment protection zone or land otherwise identified for environment protection purposes in a LEP must not reduce the environmental protection standards that apply to the land.

The northern edge of the Site is identified as Environmentally Significant Land. The Planning Proposal does not seek to remove this overlay or amend Clause 7.6 of Liverpool LEP 2008 which applies specific controls to land identified as Environmentally Significant.

This portion of the Site is already zoned to permit urban development. The Planning Proposal seeks to allow an additional permitted use within Schedule 1. The additional permitted use relates to 'shops' and is limited to 21,000m² GFA. It is considered that, once the LEP Amendment is finalised, an appropriate design for the new retail centre development can be prepared that would not have an adverse impact on the environmental significance of land along the northern edge of the site.

Direction 3.4 - Integrating Land Use and Transport.

The objective of this Direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives:

- (a) improving access to housing, jobs and services by walking, cycling and public transport, and*
- (b) increasing the choice of available transport and reducing dependence on cars, and*
- (c) reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and*
- (d) supporting the efficient and viable operation of public transport services, and*
- (e) providing for the efficient movement of freight.*

The Grove Liverpool has good access to a main arterial road network. Bus services are provided along Orange Grove Road with bus stops provided directly outside the Centre and across the road. The development facilitated by this Planning Proposal is likely to support increased population growth and economic activity in the area which is expected to generate increased demand for, and utilisation of, public transport in the area.

This Direction requires a Planning Proposal to locate zones for urban purposes and include provisions that give effect to and are consistent with the aims, objectives and principles of the following documents:

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

It is noted that the above policies were formally abandoned as a matter for consideration in the assessment of DAs in accordance with Planning Circular 08-103 which was issued by the Department on 13 November 2008. They are draft policies that have not been finalised and are outdated. Despite this, the Planning Proposal is considered to be consistent with their objectives and principles as it does not seek to create a new zone for urban purposes. Rather, it seeks to permit additional shop floor space on land already zoned for urban purposes to allow for a more diverse range of uses.

Direction 4.3 - Flood Prone Land

This Direction applies to land identified as flood prone. The objectives of this Direction are:

- (a) to ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005, and
- (b) to ensure that the provisions of an LEP on flood prone land is commensurate with flood hazard and includes consideration of the potential flood impacts both on and off the subject land.

The Direction applies a number of requirements to Planning Proposal's relating to flood prone land. A Flood Assessment Report is included at Appendix C which confirms that the Planning Proposal is consistent with the relevant requirements of the Direction for the following reasons:

- All additional floor space will be able to be located above the flood planning level;
- The Site is not currently zoned Special Uses, Recreation, Rural or Environmental Protection;
- The development facilitated the Planning Proposal will not result in development within the Cabramatta Creek channel or loss of flood storage;
- The Site is already partially developed and further development is not anticipated to result in an increase in flood levels.

Direction 4.4 Planning for Bushfire Protection

This Direction applies when a RPA prepares a Planning Proposal that will affect, or is in proximity to land mapped as bushfire prone land. This Direction is relevant to the Planning Proposal as part of the Site is bushfire prone.

The following provisions apply under this Direction:

Table 6 – Planning Proposal's Consistency with Direction 4.4 Planning for Bushfire Protection

Provision	Planning Proposal's Compliance
In the preparation of a Planning Proposal the relevant planning authority must consult with the Commissioner of the NSW Rural Fire Service following receipt of a gateway determination under section 56 of the Act, and prior to undertaking community consultation in satisfaction of section 57 of the Act, and take into account any comments so made	It is expected that Council will act as RPA for the Planning Proposal and will consult with the Commission of the NSW Rural Fire Service once a Gateway Determination has been issued for the Planning Proposal. It is considered that future development on the site facilitated by the Planning Proposal will be able to incorporate appropriate bushfire protection measures, particularly as no residential development is envisaged.
A Planning Proposal must:	
– have regard to <i>Planning for Bushfire Protection 2006</i> ,	
– introduce controls that avoid placing inappropriate developments in hazardous areas, and	
– ensure that bushfire hazard reduction is not prohibited within the Asset Protection Zone (APZ).	
A planning proposal must, where development is proposed, comply with the following provisions, as appropriate:	
– provide an APZ incorporating at a minimum:	
– an Inner Protection Area bounded by a perimeter road or reserve which circumscribes the hazard side of the land intended for development and has a building line consistent with the	

Provision	Planning Proposal's Compliance
- incorporation of an APZ, within the property, and - an Outer Protection Area managed for hazard reduction and located on the bushland side of the perimeter road, - for infill development (that is development within an already subdivided area), where an appropriate APZ cannot be achieved, provide for an appropriate performance standard, in consultation with the NSW Rural Fire Service. If the provisions of the planning proposal permit Special Fire Protection Purposes (as defined under section 100B of the <i>Rural Fires Act 1997</i>), the APZ provisions must be complied with, - contain provisions for two-way access roads which links to perimeter roads and/or to fire trail networks, - contain provisions for adequate water supply for firefighting purposes, - minimise the perimeter of the area of land interfacing the hazard which may be developed, - introduce controls on the placement of combustible materials in the Inner Protection Area.	

Direction 6.3 Site Specific Provisions

The objective of this direction is to discourage unnecessarily restrictive site specific planning controls.

The Direction states that a Planning Proposal that will amend another environmental planning instrument in order to allow a particular development proposal to be carried out must either:

- (a) allow that land use to be carried out in the zone the land is situated on, or
- (b) rezone the site to an existing zone already applying in the environmental planning instrument that allows that land use without imposing any development standards or requirements in addition to those already contained in that zone, or
- (c) allow that land use on the relevant land without imposing any development standards or requirements in addition to those already contained in the principal environmental planning instrument being amended.

A Planning Proposal may be inconsistent with the terms of this direction only if the RPA can satisfy the Department that the provisions of the Planning Proposal that are inconsistent are of minor significance.

The Planning Proposal for the Site seeks to allow an additional permitted use within Schedule 1 of the Liverpool LEP 2008. The additional permitted use relates to 'shops' and is limited to 21,000m² GFA. Although the Planning Proposal seeks to add an additional provision in Schedule 1 of the LEP, the intention of this provision is to expand the permissible uses on the Site, and not to narrow the permitted under on the Site.

The application of a maximum GFA cap on this 'shop' use 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 Liverpool CBD (and other surrounding centres) will not be adversely affected. The addition of a floor space limit on shop uses does not affect the consistency of the Planning Proposal with the B5 Business Development zone objectives.

Direction 7.1 - Implementation of the Metropolitan Strategy

The objective of this direction is to give legal effect to the vision, transport and land use strategy, policies, outcomes and actions contained in the Metropolitan Strategy. As

detailed in Section 7.2.1 above, the Planning Proposal is consistent with the Metropolitan Strategy.

7.2.2 Water Management Act 2000

The *Water Management Act 2000* (WM Act) provides for the sustainable and integrated management of water resources of the State. In accordance with the WM Act, any development within 40 metres of a waterway must be referred to the NSW Office of Water for concurrence. These provisions will apply to a future DA lodged for the new retail centre on the Site, and will be considered as part of the assessment process. It is expected that appropriate measures can be implemented to ensure no adverse impact on water quality within the adjoining Cabramatta Creek will occur as a result of the development of a new retail centre on the site.

7.2.3 State Environmental Planning Policies

The assessment of the Planning Proposal against relevant State Environmental Planning Policies (SEPPs) is set out below.

SEPP No 32 Urban Consolidation (Redevelopment of Urban Land)

This SEPP aims:

- (a) *to promote the orderly and economic use and development of land by enabling urban land which is no longer required for the purpose for which it is currently zoned or used to be redeveloped for multi-unit housing and related development, and*
- (b) *to implement a policy of urban consolidation which will promote the social and economic welfare of the State and a better environment by enabling:*
 - (i) *the location of housing in areas where there are existing public infra-structure, transport and community facilities, and*
 - (ii) *increased opportunities for people to live in a locality which is close to employment, leisure and other opportunities, and*
 - (iii) *the reduction in the rate at which land is released for development on the fringe of existing urban areas*

Council is required to implement the above aims and objectives when preparing a new EPI. Clause 6 of the SEPP also requires Council to consider whether urban land is no longer needed or used for the purposes for which it is currently zoned or used, and whether it is suitable for redevelopment for multi-unit housing and related development in accordance with the aims and objectives of the SEPP.

The Planning Proposal is consistent with SEPP 32 as it includes an additional use that will allow for the redevelopment of the Site as a new retail centre, which will encourage employment and economic growth in the area. The proposal is unlikely to result in a revitalisation of the surrounding industrial area which is currently underutilised.

SEPP 55 – Remediation of Land

Clause 6 of SEPP 55 states that a planning authority, when preparing and an EPI, must not permit a change of use on land identified in subclause 6(4) of the SEPP unless the planning authority has considered:

- whether the land is contaminated; and
- if the land is contaminated, whether it is suitable for the purpose for which it is proposed to be zoned; and
- whether remediation of the land is required to make it suitable for its proposed use.

The following types of land are identified in subclause 6(4):

Table 7 – Types of land for which potential contamination must be considered

Relevant type under subclause 6(4) of SEPP 55	Relevant to site
Land that is within an investigation area.	The site is not in an investigation area.
Land on which development for a purpose referred to in Table 1 to the Contaminated Land Planning Guidelines is being, or is known to have been, carried out.	Table 1 of the Contaminated Land Planning Guidelines sets out the following activities that may cause contamination: – acid/alkali plant and formulation – agricultural/horticultural activities – airports – asbestos production and disposal – chemicals manufacture and formulation – defence works – drum re-conditioning works – dry cleaning establishments – electrical manufacturing (transformers) – electroplating and heat treatment premises – engine works – explosives industry – gas works – iron and steel works – landfill sites – metal treatment – mining and extractive industries – oil production and storage – paint formulation and manufacture – pesticide manufacture and formulation – power stations – railway yards – scrap yards – service stations – sheep and cattle dips – smelting and refining – tanning and associated trades – waste storage and treatment – wood preservation The Site is not known to have been used for any of the above uses in the past.
To the extent to which it is proposed to carry out development on it for residential, educational, recreational or child care purposes, or for the purposes of a hospital - land: – in relation to which there is no knowledge (or incomplete knowledge) as to whether development for a purpose referred to in Table 1 to the Contaminated Land Planning Guidelines has been carried out, and – on which it would have been lawful to carry out such development during any period in respect of which there is no knowledge (or incomplete knowledge).	The Site is not known to have been used for any of the potentially contaminating uses identified in Table 1 of the Contaminated Land Planning Guidelines. However, its previous 4(b) zoning under Liverpool LEP 1997 did permit some of the listed uses. Nevertheless, the Planning Proposal is intended to facilitate the development of the site for retail purposes and not for residential, educational, recreational, child care purposes or a hospital.

The site is not known to have been used for any contaminating uses in the past. Further, the Planning Proposal will facilitate the redevelopment of the Site for an expanded range of retail uses and does not seek to facilitate the redevelopment of the Site for more sensitive uses. The Planning Proposal is considered to be consistent with SEPP 55.

Draft Competition SEPP (2010)

The Draft Competition SEPP 2010 was publicly exhibited but never finalised, and is no longer a matter for the consideration in the assessment of DAs. The objectives of the SEPP were as follows:

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

In this regard, the SEPP states that an EPI should not restrict the number of retail premises within a certain area or the proximity of retail premises to one another.

Although the SEPP has never been finalised, its objectives are considered to be sound. In particular, it is not considered appropriate for a planning authority to seek to limit the number of retail premises and their location, particularly where no overall economic impact can be demonstrated (see Section 8.1 and the EIA at Appendix A).

7.3 Local Planning Framework

7.3.1 Liverpool Local Environmental Plan

The following key uses are currently permissible with consent within the B5 zone:

- Bulky goods premises;
- Office premises; and
- Food and drink premises.

The Planning Proposal will retain the B5 zoning on the Site, and will add 'shops' as an additional permitted use with a maximum GFA cap of 21,000m².

The Planning Proposal is consistent with the objectives of the B5 Business Development Zone as set out below:

- *To enable a mix of business and warehouse uses, and bulky goods premises that require a large floor area, in locations that are close to, and that support the viability of, centres.*

The Planning Proposal will facilitate the redevelopment of the Site to provide an expanded retail offering. However, bulky goods premises will continue to be provided on the site in a new, diversified retail centre. It is considered that the Planning Proposal will enhance the bulky goods retail offering on the site by attracting additional retail spending to the new centre, as well as broader Grove Liverpool retail complex which is predominantly zoned B5.

- *To maintain the economic strength of centres by limiting the retailing of food and clothing.*
- The Planning Proposal will not have an unacceptable economic impact on surrounding centres (see Section 8.1 below), and will support the viability of the existing centre on the Site by expanding the range of permissible uses. It will maintain the economic strength of surrounding centres by placing a limit on 'shop' floor space and, in this way, limit the retailing of food and clothing to a level that has been assessed to have no unacceptable economic impacts on surrounding centres.
- *To provide for a larger regionally significant business development centre in a location that is highly accessible to the region.*

The Planning Proposal will also ensure that The Grove Liverpool – which has been recognised as a Stand Alone centre - will provide additional retail and business services in an accessible location and will be able to draw trade from a wider catchment.

- *To ensure a reasonable concentration of business activity.*

The Planning Proposal does not seek to limit or remove any existing permitted uses in the B5 zone. Existing businesses within The Grove Liverpool are expected to continue to operate once the centre is redeveloped. These existing business and retailers will benefit from the additional retail spending attracted to the Centre which will support continued business activity in the area.

8.0 Environmental, Economic and Social Analysis

This section of the report considers the potential economic, social and environmental impacts and benefits of the new retail centre development facilitated by the Planning Proposal.

8.1 Economic Impacts and Benefits

In its Benchmarking Report, the Productivity Commission recommended the elimination of impacts on the viability of existing businesses as a consideration for DA and rezoning approval. Rather, it recommended that consideration of impacts on the viability of centres be limited to the broader metropolitan and strategic planning stages. Despite this, a detailed assessment of the potential economic impacts of a new retail centre development on the Site have been considered in the EIA (Appendix A) and have been peer reviewed by Deep End Services to ensure an accurate assessment (see Appendix E). In addition, Council has commissioned an independent peer review of the EIA by Essential Economics.

The findings of the EIA and peer reviews are summarised below.

8.1.1 Trade Area

The EIA defines a trade area for the proposed development having regard to the following factors:

- Location of competitive centres particularly those that contain a DDS or full-line supermarket;
- Strategic location of The Grove Liverpool at the border between the Liverpool and Fairfield LGAs.
- Proximity of The Grove Liverpool to the arterial road network;
- The proposal to co-locate bulky goods retailing, an outlet retailing centre and traditional retailing within a single centre to create a regionally significant centre.

The extent of the Trade Area is shown in Figure 16 below and is divided into the following component:

- Primary Trade Area (PTA) – includes central Liverpool and the Cabramatta area.
- Secondary Trade Area North (STA North) – includes Canley Vale and part of Fairfield South.
- Secondary Trade Area East (STA East) – includes Chipping Norton and part of Warwick Farm.
- Secondary Trade Area South (STA South) – includes Lurnea and part of Casula.
- Secondary Trade Area West (STA West) – includes Miller, Busby and part of Green Valley.

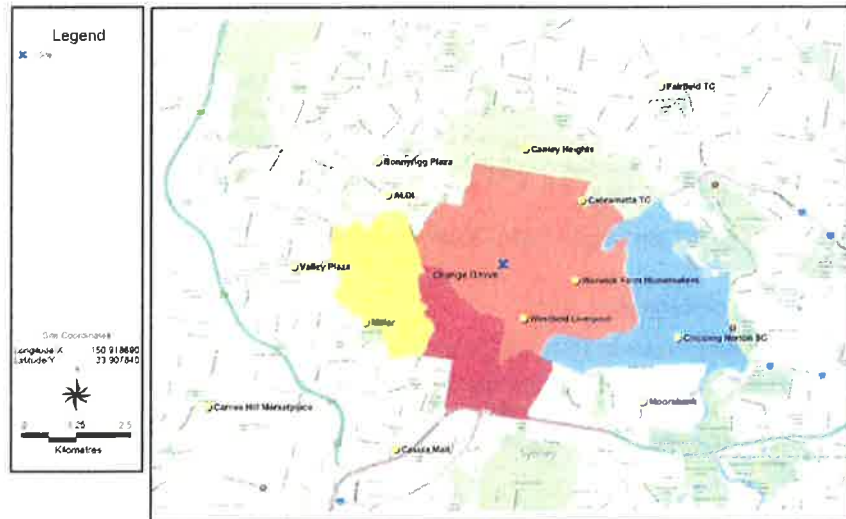


Figure 16 – Trade Area

Source: Leyshon Consulting

Trade Area Characteristics

The EIA notes that the Trade Area has a slightly younger age profile than the Sydney Region as a whole, and a slightly higher proportion of traditional family households (ie. couples with dependent children). Its average household size was also significantly above the Sydney average.

The labour force within the Trade Area has a lower number of managerial and professional workers than the Sydney average. Conversely, the proportion of employed persons in trade-based occupations is well above the Sydney average. The Trade Area also has an unemployment rate greater than the Sydney average.

Based on 2011 Census data, the EIA concludes that the average annual household income in the Trade Area is \$61,119 per household which is some 32% below the Sydney average.

Compared to the Sydney region as a whole, the Trade Area is also more ethnically diverse, with less than 50% of the population born in Australia.

However, the STA East has a markedly different demographic to broader Trade Area due to recent residential development in the northern part of Chipping Norton. The unemployment rate in this part of the Trade Area is less than the Sydney average, and average annual household income is estimated at \$91,586.

Despite this higher average household income in the STA East, it is evident that the population within the Trade Area has below average socio-economic characteristics compared with the Sydney Region as a whole. Consequently, there is a need for access low-cost retail goods and services of the type envisaged to be provided at The Grove Liverpool.

8.1.2 Predicted Population & Retail Spending Growth and Estimated Retail Floorspace Demand

Since 2001 Liverpool LGA, and to a lesser extent Fairfield LGA, have both experienced sustained population growth. According to the Australian Bureau of Statistics (ABS), preliminary data regarding the annual growth rates in both LGAs for the year to June 2013 were as follows:

- Liverpool: +2.1%; and
- Fairfield: +1.5%.

The Department predicts that Liverpool LGA will grow at an annual average of +2.1% during the period 2011 to 2031 reaching an overall population of 288,590 persons by 2031. Fairfield LGA meanwhile is projected to grow at +1.0% per annum between 2011 and 2031. The Liverpool Retail Hierarchy Review predicted the following population growth for the Trade Area between 2006 and 2031:

- Liverpool LGA: +113,681 persons (or +58,735 persons excluding the South West Growth Sector (SWGS)).
- Fairfield LGA: +29,428 person.
- Northern part of Campbelltown LGA: +6,054 person

Thus, the Review concluded that, excluding the SWGS, an overall population increase of +94,217 person between 2006 and 2031 is expected within (what is generally regarded as) the 'developed' areas of Liverpool and Fairfield LGAs and the northern part of Campbelltown LGA.

Such a significant population increase will give to a substantial increase in available retail spending. The EIA estimates an annual increase of +\$250.7 million in retail spending between 2011 and 2021 of which +\$80.2 million can be attributed to supermarket spending.

Similarly, such a significant increase in available spending will give rise to a very substantial demand for additional retail floorspace. While some of this increased demand will be directed to centres outside the Trade Area, the majority will flow to existing and proposed new centres within the Trade Area.

The EIA predicts that the increase in available retail expenditure generated by population growth in the Trade Area will require between 34,250m² and 43,535m² of additional retail floorspace between 2011 and 2021. This is equivalent to two new centres of the scale being proposed within The Grove Liverpool.

The increase in available supermarket spending is estimated (in the EIA) to give rise to a demand for between 8,020m² and 9,435m² of additional supermarket floorspace. This is equivalent to two to three new full-line supermarkets within the Trade Area by 2021.

8.1.3 Economic Impact Analysis

The EIA estimates that the proposed new retail centre facilitated by the Planning Proposal will achieve annual sales of some \$116.5 million in 2019 of which \$98.8 million will be derived from spending generated by residential within the Trade Area, and \$17.5 million from residents outside of it. The co-location of bulky goods retail premises and traditional retail premises on the Site will mean that the proposed new centre will have a regional-scale attraction, and will be able to draw customers from a wider catchment. This will be supported by the provision of other retail uses on the Site including the approved outlet retailing centre.

The expected annual turnover equates to approximately \$7,053 per m² of retail floorspace per annum which is typical of a DDS-anchored shopping centre. The overall market share of the proposed centre within the Trade Area in 2019 is estimated at 8.7% of available spending, which means that 91.3% of available spending generated within the Trade Area in 2019 will be directed to other retail centres within the Trade Area or external to it.

The EIA analyses the potential impact of the proposed development on existing shopping centres in and adjacent to the Trade Area. It takes into account the floorspace proposed in approved retail development projects (see Section 3.4 above), as well as that proposed retail floorspace on the Site, and then assesses the potential cumulative impact on relevant centres over time. The estimate is based on the assumption that other approved centres within the Trade Area will be operational in 2016, and that the proposed new centre on the Site will be operation by 2019.

Table 8 below analyses potential impacts on centres within the Trade Area at 2016 when it is assumed approved retail developments within the Trade Area will commence operating. The EIA estimates that the impact (at 2016) of approved/proposed developments within the Trade Area on the Liverpool CBD will be -3.2%, with the impact on Westfield Liverpool in particular being -4%. Casula Mall will experience the greatest impact (8.7%) due to the development of the proposed Woolworths Centre at Casula. However, the impacts on all other centres is estimated at less than -4%.

The EIA notes that between 2016 and 2019 most centres will experience some lift in their turnover due to population and spending growth in their trade areas.

As shown in Table 8 below, the EIA estimates that the impact of the proposed new retail space at The Grove Liverpool in 2019 will be -5.0% on the Liverpool CBD as a whole, and -5.8% on Westfield Liverpool in particular. Impacts on other centres are generally expected to be modest ranging between -1.6% at Woolworths, Casula and -6.1% at Miller. The only exception is Bonnyrigg Plaza which is projected to experience an impact of -7.3% in 2019. This is based on the assumption that Bonnyrigg will expand before 2019.

All of these impacts are either in the very low, or low-to-medium category of impact and would not undermine or materially affect the viability of any shopping centre. In general, Australian planning courts accept that impacts in excess of -15% are required to threaten the viability of existing shopping centres depending on their particular circumstances.

The independent peer review by Essential Economic found that the potential development facilitated by the Planning Proposal is forecast to result in a reduction in retail sales of -5.9% in 2019 at the Liverpool CBD, and -7.3% of sales at Westfield Liverpool. Essential Economic noted that its assessment of economic impacts is based on slightly different assumptions (compared to the EIA and Deep End Services peer review) relating to approved retail developments in the region, population, retail spending data and sales estimates of the proposed development. Nevertheless, Essential Economics note that accounting for these changes is unlikely to alter the overall findings of the analysis undertaken by the EIA and Deep End Services peer review.

Importantly, the Essential Economic independent review found that:

While the proposed development at Orange Grove will impact retail sales at competing centres, this is not expected to lead to the reduction of retail facilities at these centres. Therefore, the impacts are not beyond those expected in a competitive retail environment.

Notably, the EIA estimates an only -2.1% impact on the Fairfield Town Centre. The peer review by Essential Economics estimates an even lesser impact of -1.7% of annual sales. This impact is minor and will not adversely impact on the economic operation of the Fairfield Town Centre.

Table 8 – Estimated impact of proposed new centre in 2019

Centre	Estimated Annual Sales				Estimated Annual Sales				Change 2019 Pre & Post (\$)	Change 2019 Pre & Post %
	2013	2016 Pre Devt	2016 Post Devt	\$ Change 2016 Pre & Post	% Change	2019 Pre Devt	2019 Post Devt	Change 2019 Pre & Post (\$)		
The Grove Liverpool	Bulky Goods	\$60.5	\$55.0	\$60.0	\$5.0	9.1%	\$61.0	\$67.0	\$6.0	9.8%
	Markets	\$24.0	\$26.0	\$0.0	(\$26.0)	(100%)	n.a	n.a	n.a	n.a
	Other Retail	\$6.5	\$16.5	\$18.5	\$2.0	12.1%	\$20.5	\$22.0	\$1.5	7.3%
	Outlet Centre	\$0.0	\$0.0	\$63.0	\$63.0	n.a	\$65.0	\$72.8	\$7.8	12%
	Traditional Centre	\$0.0	\$0.0	\$0.0	\$0.0	n.a	n.a	\$116.5	\$116.5	100%
Total The Grove Liverpool										
Liverpool CBD	Westfield Liverpool	\$471.0	\$485.0	\$465.5	(\$19.5)	(4.0)%	\$508.7	\$479.0	(\$29.7)	(5.8)%
	Liverpool CBD Balance	\$160.0	\$165.0	\$164	(\$1.0)	(0.6)%	\$169	\$164.5	(\$4.5)	(2.7)%
	Sub-Total Liverpool CBD	\$631.0	\$650.0	\$629.5	(\$20.5)	(3.2)%	\$677.6	\$643.5	(\$34.2)	(5.0)%
Cabramatta		\$249.0	\$255.0	\$250.0	(\$5.0)	(2.0)%	\$265.3	\$254.8	(\$10.5)	(4.0)%
	Bonnyrigg	\$104.0	\$94.4	\$90.5	(\$3.9)	(4.1)%	\$169.4	\$157.0	(\$12.4)	(7.3)%
Stockland Wetherill Park		\$262.4	\$374.9	\$370.5	(\$4.4)	(1.2)%	\$381.7	\$370.5	(\$11.2)	(2.9)%
	Fairfield Town Centre	\$358.0	\$338.8	\$335.0	(\$3.8)	(1.1)%	\$345.2	\$338.0	(\$7.2)	(2.1)%
Casula Mall		\$180.0	\$202.6	\$185.0	(\$17.6)	(8.7)%	\$190.6	\$186.0	(\$4.6)	(2.4)%
	Carnes Hill	\$137.8	\$155.1	\$149.2	(\$5.9)	(3.8)%	\$167.8	\$165.0	(\$2.8)	(1.7)%
Miller		\$58.0	\$60.4	\$59.2	(\$1.2)	(2.0)%	\$62.8	\$59.0	(\$3.8)	(6.1)%
	Valley Plaza	\$85.0	\$95.7	\$93.0	(\$2.7)	(2.8)%	\$98.7	\$96.0	(\$2.7)	(2.7)%
Moorebank		\$48.0	\$52.0	\$51.0	(\$1.0)	(1.9)%	\$54.1	\$52.0	(\$2.1)	(3.9)%
	Costco	n.a	\$130.0	\$125.0	(\$5.0)	(3.8)%	\$144.7	\$138.7	(\$6.0)	(4.1)%
Woolworths Casula		n.a	\$0.0	\$44.0	\$44.0	n.a	\$48.8	\$48.0	(\$0.8)	(1.6)%
	Crossroads Bulky Goods	\$96.7	\$110.0	\$107.0	(\$3.0)	(2.7)%	\$110.2	\$103.5	(\$6.7)	(6.1)%
Warwick Farm Bulky Goods		\$45.0	\$43.0	\$41.0	(\$2.0)	(4.7)%	\$42.2	\$40.0	(\$2.2)	(5.2)%
	Other Centres	n.a	n.a	n.a	(\$12.0)	n.a	n.a	n.a	(\$24.0)	n.a
TOTAL IMPACT				(\$88.0)						(\$131.2)

In summary, **Table 8** above demonstrates that no surrounding centre (with the exception of Fairfield Town Centre and the Warwick Farm Bulk Goods Centre) is projected to have a turnover in 2019 (when the proposed new centre commences operation) lower than the estimated current turnover. Furthermore, the impact on the Fairfield Town Centre primarily arises from the reduction in sales which occur between 2013 and 2016 due to the expansion of Stockland Wetherill Park.

Further, the estimated turnover of the Westfield Liverpool shopping centre at 2019 (when the proposed new centre is expected to commence operating) is higher than the estimated 2016 turnover when other approved centres within Trade Area will commence operating.

The EIA concludes that the PTA's population and spending growth will underpin a lift in retail sales at all centres between 2016 and 2019. Therefore, the proposal is capable of being absorbed within Liverpool's retail centres hierarchy without a detrimental impact on any centre within the Trade Area.

8.1.4 Impact on Liverpool CBD

For the purposes of this assessment, the Liverpool CBD has been split into two components, being Westfield Liverpool and the balance of the CBD.

As identified above, the EIA found that Westfield Liverpool is performing relatively well compared to other Centres in the Sydney region and had no vacancies at the time of investigation. It is envisaged that Westfield Liverpool will remain the dominant regional shopping centre in the Liverpool LGA for the foreseeable future and the Planning Proposal will not change the status or importance of this Centre.

In terms of productivity and retail vacancies, the remainder of the CBD is considered be trading successfully at present. The vacancy rate is below average for a centre of this type and has improved substantially since 2011. In 2011 a vacancy rate of 6.2% was recorded and the most recent survey undertaken as part of the EIA estimated a vacancy rate of 4.1%. This improvement in vacancy rates has been attributed to an increase in residential development in close proximity to the Centre, and the emergence of specialist retail stores catering to specific ethnic groups.

Notably, the survey undertaken found that there are no existing premises within the CBD that could accommodate a major retailer, nor where there any obvious opportunities for the amalgamation of land to accommodate a larger tenancy. This is important in the context of the Planning Proposal as there is a need to provide alternate retail space outside of the Liverpool CBD that can accommodate a DDS.

8.2 Net Community Benefit

The EIA includes a net community benefit assessment. It confirms that the proposed development facilitated by the Planning Proposal will generate significant community benefits when it commences operation in 2019.

The proposal will provide improved access to consumers within the Trade Area to DDSs and supermarkets, particularly for residents within the PTA and STA North. At present, residents within these area only have access to stores located in large centres such as Westfield Liverpool or more distant, subregional centres at Bonnyrigg, Wetherill Park and Casula.

Further, the proposed development will improve competition and choice for residential within the Trade Area particularly with the introduction of a Kmart store with no Kmart store currently existing within any major centres within the Trade Area at present. This is likely to result in improved value and affordability for residents within the Trade Area.

In addition, the development will improve shopper convenience through the co-location of a range retailing types within The Grove Liverpool including bulky goods retailing, outlet retailing and traditional retail uses.

The new centre will also create an estimated 607 jobs on a full or part-time basis once operation. Even taking into account an approximate -5% impact on certain centres within its vicinity immediately following its operational commencement, the centre will still result in the addition of 567 jobs in the area in 2019.

The development will also act as a catalyst for long-term redevelopment of lands surrounding the Site. This is particularly important given the need to find more sustainable and viable uses of the surrounding industrial-zoned land.

The EIA concludes that despite some impacts on surrounding centres, overall the benefits of the additional retail development on the Site outweigh any potential negative impacts.

In addition, as detailed in Section 5.3 above, it is proposed that a VPA be prepared in support of the proposal which will provide for upgrades to the surrounding road and pedestrian network, as well as a contribution towards community infrastructure consistent with that required in the Liverpool CBD.

8.3 Traffic and Transport Impacts

The Traffic and Transport Assessment at Appendix B analyses the potential traffic impacts resulting from the proposed development facilitated by the Planning Proposal on the surrounding road network.

The Thursday evening peak is the busiest traffic period for retail development as late night shopping trips coincide with return journey work trips. The Saturday midday peak has also been assessed as a typical peak traffic generation period for retail development.

The traffic generation estimates for different types of retail uses existing and approved on the Site are based on RMS guidelines, as well as the rates specified in the previous traffic report for the approved outlet retailing centre on the Weekend Markets site.

The Traffic and Transport Assessment notes that on a Site such as The Grove Liverpool (with multiple land uses), it can be expected that a number of visitors will seek to access more than one retail option available on the Site in a single trip. Therefore, a reduction in trips generated should be factored into the traffic assessment to reflect the share-purpose trip. In this regard, the Traffic and Transport Assessment applies the same reduction that was applied in the assessment of the traffic impacts on the approved outlet retail centre – a reduction of 10%. This is considered to be a conservative estimate of the possible reduction, particularly as the Planning Proposal seeks to increase the diversity of retail offering on the Site, and therefore the likelihood and frequency of shared vehicle trips.

The Traffic and Transport Assessment estimates that The Grove Liverpool will generate a total of 1,658 vehicle trips per hour during the Thursday evening peak, and 1,145 during the Saturday midday peak.

The expected distribution of vehicle traffic across the surrounding road network is based on traffic surveys undertaken in preparation of the Traffic and Transport Assessment. However, a slightly higher proportion of vehicle trips has been attributed to Hume Highway (accessed via Homepride Avenue) due to the concentration of new development on the eastern part of the Site which is currently vacant.

The Traffic and Transport Assessment concludes that the proposed development facilitated by the Planning Proposal will result in increased delays and queuing on key intersections and therefore recommends the following traffic upgrade works (see Figure 17 below):

- Converting the central exit land on Viscount Place to a shared left-out/right-out centre lane;
- A change to the existing short left out lane to a long lane;
- Changing the existing right turn lane into a short lane; and

- The additional of a left-in slop for southbound traffic.

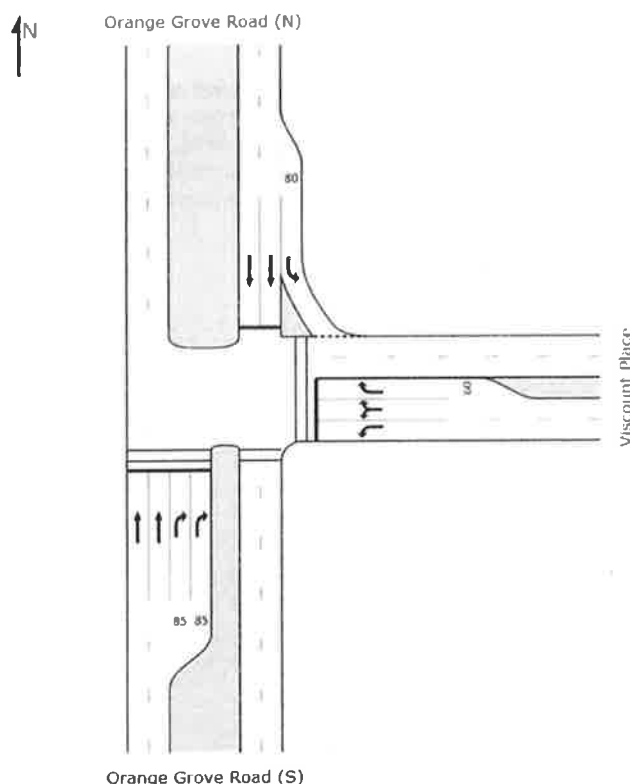


Figure 178 – Proposed Intersection Upgrades

Source: AECOM

With the proposed intersection upgrades, the level of service at the Orange Grove Road/Viscount Place will operate at LOS B (good with acceptable delays and spare capacity) during the Thursday evening peak, and at LOS C (satisfactory) during the Saturday midday peak. The intersection of Homepride Avenue/Hume Highway will operate at LOS B during the Thursday evening and Saturday midday peak.

Thus no unacceptable traffic impacts are expected to result from the development facilitated by the Planning Proposal provided the proposed intersection upgrade works are undertaken. It is considered that these works could be facilitated via a VPA.

8.4 Environmental Considerations

This Planning Proposal does not seek to amend the Environmentally Significant Land provisions of Liverpool LEP 2008 as they apply to the Site. Only a small portion of the Site (in the north-western and north-eastern corners) is identified as Environmentally Significant. An appropriate design for development on the Site that does not impact on its environmental significance can be prepared at the DA stage. The Site's environmental significance will not affect its ability to be developed as a mixed retail centre particularly as areas of significance are isolated to the Site's edges, and the Site already accommodates a bulky goods retail centre.

The Site is flood affected. However, the Flood Assessment (**Appendix C**) confirms that the Site is able to be developed without adverse flooding impacts.

In addition, appropriate built form measures will be able to be incorporated into the design of the development at the DA stage to address any bushfire risk as a result of the bushfire prone classification of the Site.

8.5 Public Interest

The Planning Proposal is considered to be in the public interest. As set out in **Section 8.2** above, it will have a number of community benefits, and will result in a number of positive economic outcome including the potential to transform the surrounding area which is currently underutilised. It will not have any unacceptable economic impact on surrounding centres and will provide additional, convenient retail services to the surrounding residents.

9.0 Assessment of Planning Proposal against NSW Department of Planning and Environment Guidelines

The following section includes an assessment against the requirements in *A guide to preparing local environmental plans* and *A guide to preparing planning proposals* published by the Department of Planning and Infrastructure in July 2009.

9.1 Need for a Planning Proposal

Q1 – Is the planning proposal a result of any strategic study or report?

The Liverpool Retail Centres Hierarchy Review recognised The Grove Liverpool as a stand-alone centre, and at its November 2012 meeting Council agreed to consider a Planning Proposal to provide a broader range of uses on the Site. The Planning Proposal responds to this resolution, as well as the need to provide additional appropriately-located and designed retail floor space within the Liverpool LGA to meet an expressed market demand.

Q2 – Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

The Planning Proposal is the best and most appropriate means of achieving the desired future redevelopment of this land. It will provide an additional permitted use for the Site encouraging traditional retailing and will place a cap on 'shop' floorspace to limit potential economic impacts.

This will allow for the development of a viable and diverse new retail centre on the Site that will provide appropriate retail services to the surrounding population.

9.2 Relationship to strategic planning framework

Q3 – Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?

The Planning Proposal is consistent with relevant State-level strategic planning policies as set out in Sections 7.1.2 to 7.1.4 above.

Q4 – Is the planning proposal consistent with a council's local strategy or other local strategic plan?

The Planning Proposal is consistent with Council's strategic planning policies as set out in Sections 7.1.5 and 7.1.6 above.

Q5 – Is the planning proposal consistent with applicable State Environmental Planning Policies?

The Planning Proposal is consistent with applicable SEPPS as set out in Section 7.2.3 above.

Q6 – Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

The Planning Proposal is consistent with the relevant Section 117 Directions as set out in Section 7.2.1 above.

9.3 Environmental, social and economic impact

Q7 – Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The Planning Proposal will not result in any impact of critical habitat or threatened species, populations or ecological communities or their habitats. As detailed in Section 8.4 above, no unacceptable impacts on Environmentally Significant Land is expected to result from the development which will be facilitated by the Planning Proposal.

Q8 – Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

An assessment of the environmental impacts of the Planning Proposal has been undertaken and is detailed in this report. No unacceptable impacts will result from the proposal.

Q9 – Has the planning proposal adequately addressed any social and economic effects?

The economic and social impacts of the development facilitated by the Planning Proposal are considered in Section 8.1 and 8.2 above. The proposal will not have any unacceptable economic impacts and will have a net community benefit.

9.4 State and Commonwealth Interests

Q10 – Is there adequate public infrastructure for the planning proposal?

The Site is located in an established urban area and has access to a range of existing services. Further investigations will be undertaken as part of the preparation of the future DA to determine whether any upgrade of existing facilities is required.

Q11 – What are the views of State and Commonwealth public authorities consulted in accordance with the Gateway determination?

Consultation with Council and the RMS has already been undertaken in relation to the proposal. These public authorities are generally supportive of the proposal subject to an appropriate assessment of the potential impacts.