

PLANNING PROPOSAL

PP/6/2015

Dural Service Centre

June 2016



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BACKGROUND

The land known as the Dural Service Centre (DSC) is a commercial and light industrial corridor in Dural that spans the eastern side of New Line Road between Daintree Place in the south and Quarry Road in the north.

Since 2006, the DSC has been the subject of a number of investigations by Council to rezone land, permit additional land uses and/or modify the development standards that apply to the land. These investigations include *the Ku-Ring-Gai and Hornsby Subregional Employment Study (2008)* prepared by SGS Economic and Planning. With respect to the DSC, the Employment Study made the following recommendations:

- Broaden the range of permissible uses to include local level retail and professional services;
- Discourage uses that draw on the wide catchment and generate significant trips; and
- Apply the IN2 General Industrial Zone with a limited area of B2 Local Centre Zone to introduce some local centre uses.

The recommendations have since informed the land use strategy and development standards for the DSC in the *Hornsby Local Environmental Plan (HLEP) 2013* and *Hornsby Development Control Plan 2013*.

On 7 March 2014, Council received a Gateway Determination from the Department to undertake technical studies to determine the feasibility of the future urban release of the South Dural Precinct (directly opposite the DSC), based on a Planning Proposal submitted by the South Dural Residents and Ratepayers Association. On the 16 February 2016, the Gateway Determination was altered to extend the timeframe to finalise the Planning Proposal to 14 March 2018. The required studies are currently under preparation by consultants acting on behalf of Statewide Property Ventures who act on behalf of the ratepayers association.

On 25 June 2015, a Planning Proposal was submitted for Council's evaluation, by Restifa and Partners Pty Ltd for property Nos. 268-278 New Line Road, Dural. Proposal seeks to rezone the land from IN2 Light Industrial to B2 Local Centre to support a wider range of commercial uses, including a full size supermarket, specialty retail, offices and a medical centre, with the provision for 834 car parking spaces. No amendment is proposed to the existing building height (10.5m) and floor space ratio (0.7:1) that apply to the site.

The proponent has also offered to enter into a Voluntary Planning Agreement (VPA) to secure the provision of traffic facilities required to support the Proposal. The VPA would be developed in consultation with Roads and Maritime Services.

The Planning Proposal is supported by technical studies prepared by Location IQ (Economic Assessment) and Colston Budd (Transport Assessment).

PART 1 - OBJECTIVES OR INTENDED OUTCOMES

To progress a Planning Proposal to rezone property Nos. 268 – 278 New Line Road, Dural from IN2 Light Industrial to B2 Local Centre, for commercial and retail purposes.

PART 2 - EXPLANATION OF THE PROVISIONS

Amendment of the *Hornsby Local Environmental Plan 2013* as follows:

1. Amend the Land Zoning Map to apply a B2 Local Centre zoning to the land currently zoned IN2 Light Industrial on property Nos. 268 – 278 New Line Road, Dural.
2. Amend the Additional Permitted Use Map to modify the extent of Area 5 so that it does not apply to property Nos. 268 – 278 New Line Road, Dural.

**Note – No change is sought for land zoned E3 Environmental Management*

PART 3 - JUSTIFICATION

Section A - Need for the planning proposal

1. *Is the planning proposal a result of any strategic study or report?*

The Planning Proposal is not a result of any strategic study or report prepared by Council. However, investigations to extend the commercial and retail function of the DSC were undertaken as part of the *Ku-ring-Gai and Hornsby Subregional Employment Study*. With respect to the DSC, the Study made recommendations that the DSC broaden the range of permissible uses to include local level retail and professional services and provide a limited area of B2 Local Centre zoned land to introduce some local centre uses.

The Planning Proposal was submitted with supporting documentation, including an Economic Impact Assessment prepared by Location IQ and a Traffic Assessment prepared by Colston Budd and Kafes. The studies are based on the current conditions of the area and concluded that:

- The proposed retail development would not pose unreasonable adverse impacts on existing local centres and would provide the local community a greater choice of retail options within the different local centres.
- The Proposal would improve local road conditions as the number and duration of private vehicle trips by local residents to more distant regional shopping centres would reduce.

The supporting documentation was peer reviewed on behalf of Council, by SGS Economics and Planning and Cardno, respectively. The independent evaluation concluded that insufficient evidence has been provided to support a full line supermarket based on the existing population of the trade area, however it is acknowledged that demand would be generated by the South Dural proposal.

Although it is appropriate that the South Dural Planning Proposal address the need for additional retail floor space, the amount of floor space and preferred location is yet to be identified. Therefore, preparation of a concurrent Planning Proposal provides further opportunity to consider the suitability of the land to accommodate future retail demand.

To support this outcome, Council has resolved (Appendix E) to seek a conditional Gateway Determination that requires the proponent, prior to public exhibition to submit:

- An updated Economic and Employment Land Assessment that establishes demand for retail and employment floor space arising from the estimated future population of the South Dural Planning Proposal;
- An updated traffic assessment that considers the future traffic movements arising from the South Dural Planning Proposal; and
- A Voluntary Planning Agreement that secures the provision of traffic facilities as offered by the proponent.

It is anticipated that exhibition of the Planning Proposal for the subject site would occur within a similar timeframe to the South Dural Planning Proposal.

2. *Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?*

Yes. The Planning Proposal is the best means of achieving the intended outcome of rezoning of the land for commercial and retail purposes.

Although it is appropriate that the South Dural Planning Proposal addresses the need for additional retail floor space, the amount of floor space and preferred location is yet to be identified. As the South Dural Planning Proposal is based on a defined study area, any proposal to rezone land external to the precinct would require a new resolution of Council and an updated Gateway Determination which may delay the process.

Therefore, preparation of a concurrent Planning Proposal provides further opportunity to consider the suitability of the subject site to accommodate future retail demand.

3. *Is there a net community benefit?*

Yes. The Planning Proposal would deliver a net community benefit by providing:

- infrastructure at no additional cost to government including a new signalised traffic intersection, 4 lane widening of New Line Road and improved pedestrian paths and crossings; and
- local retail and employment opportunities

Progression of the VPA would likely require a tri-party Agreement between the Proponent, Council and the Roads and Maritime Service.

Section B - Relationship to strategic planning framework

4. *Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?*

Yes. The Proposal is generally consistent with the objectives of the *Metropolitan Strategy – A Plan for Growing Sydney and the Draft Sub-regional Strategy* as detailed below.

Metropolitan Strategy – A Plan for Growing Sydney

The Strategy advocates for the provision of jobs in local communities, and improved productivity and competitiveness within the North Subregion.

The Metropolitan Strategy also promotes the identification and protection of strategically important industrial-zoned land within the North subregion.

Council's Employment Study indicates that the DSC has a surplus supply of industrial floor space of 142,056sqm. Since the adoption of the *HLEP 2013* which rezoned a small portion of the DSC for commercial use, the surplus has reduced to 94,660sqm. Should the subject properties be rezoned, the IN2 Light Industrial floor space potential would further reduce by 38,800sqm, leaving a total surplus of 55,863sqm.

Accordingly, the rezoning would not detrimentally impact upon the availability of industrial zoned land in the DSC, as a surplus of industrial floor space would still exist. Confirmation of this outcome forms part of Council's resolution.

The Draft Sub-regional Strategy (North Subregion)

The Strategy encourages councils to enhance local centres, investigating appropriate locations for retail uses in centres, business development zones and enterprise corridors.

The expansion of the Dural Service Centre to accommodate additional retail floor space would not impact upon the future revitalisation of the Round Corner Town Centre as the existing renewal strategy is not reliant on population growth from the South Dural Precinct. The Hill's Centres Direction, identifies demand for approximately 70 additional speciality shops within the North Sector, which includes the Round Corner Town Centre.

Therefore, should South Dural proceed, any future retail floor space would be in addition to existing unmet demand within the Hills Shire. As Round Corner is fully developed, the feasibility of amalgamating and redeveloping existing fragmented land holdings would be impacted by the availability of underdeveloped land within the locality. The recent expansion of Round Corner to include the vacant land at property No. 679 Old Northern Road to support a mixed use development, including a supermarket is an example of this constraint.

Should the South Dural Precinct be released, it would be appropriate to consider locations both within the precinct and the Dural Service Centre so that local retail and employment uses are appropriately integrated.

The Sub-regional Strategy sets an employment capacity target to 2031 of 9,000 for Hornsby Local Government Area. Employment capacity targets reflect the core policy directions of the Metropolitan Strategy, to provide jobs closer to home and to increase employment in Strategic Centres.

The Proposal would assist with providing employment opportunities for the local community and would address the future need for increased retail development.

5. *Is the planning proposal consistent with the local council's Community Strategic Plan, or other local strategic plan?*

Yes. The Planning Proposal is consistent with Council's Community Strategic Plan. *Your Community Plan 2013 – 2023* aims to achieve a harmonious balance for the natural and built environment by monitoring and reviewing existing planning controls to ensure quality outcomes for the long term benefit of the Shire.

6. *Is the planning proposal consistent with applicable state environmental planning policies?*

Yes. The Planning Proposal is consistent with relevant State Environmental Planning Policies (SEPPs) and deemed SEPPs. See Appendix C for details.

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

The *Planning Proposal* will need to justify the rezoning of Industrial land to Business land to be consistent with Direction 1.1 Business and Industrial Zones. The objective of this direction is to encourage employment growth in suitable locations, protect employment lands and support the viability of “identified strategic centres”. The direction states that a planning proposal shall not reduce the total potential floor space area for industrial uses in industrial zones.

The *Planning Proposal* is consistent with the following directions which are also applicable:

Direction 2.1 Environmental Protection Zones
Direction 3.4 Integrating land use and transport
Direction 4.3 Flood Prone Land
Direction 4.4 Planning for Bushfire Protection
Direction 5.9 North West Rail Link Corridor Strategy
Direction 7.1 Implementation of a Plan for Growing Sydney

See Appendix D for details.

Section C - Environmental, social and economic impact

8. *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?*

Property Nos. 276-278 New Line Road, Dural, is zoned IN2 Light Industrial and E3 Environmental Management zone under the *HLEP 2013*.

The proposed rezoning of the site would not apply to the portion of the E3 Environmental Management zone. Accordingly, there would be no environmental impact.

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

Yes. The proposal provides for a new signalised intersection at the site, providing access to New line Road, and proposes road widening for the full width of the site. As part of the Planning proposal, a Traffic Assessment has been prepared by Colston Budd Hunt and Kafes Pty Ltd (Appendix F). The transport assessment concluded that:

- The surrounding road network could accommodate the traffic generated by the proposed development with the proposed signalised site access operating at a good level of service with spare capacity.
- The proposed development could assist in mitigating some of the traffic impacts of South Dural by retaining retail trips locally.
- As a result of the proposed development traffic flows on New Line Road and Old Northern Road (away from the site) could be reduced by 1,350 to 1,600 vehicles per day, with resultant improvements at intersections along these roads.
- The provision of traffic signal access on New Line Road would improve pedestrian access across New Line Road and access to bus stops.

The peer review by Cardno of the Transport Assessment undertaken by Colston Budd Hunt & Kafes (Appendix F) concluded that the traffic and parking assessment is lacking in details to enable a robust and transparent assessment of the potential impacts of the Planning Proposal. The peer review suggests that further examination and testing of assumptions and results could be undertaken as part of the planning proposal process. Further details could be required by the Gateway Determination to ensure traffic impacts are appropriately addressed and considered.

The NSW Roads and Maritime Services has indicated that significant regional road upgrades need to occur to accommodate increased traffic generation as a result of South Dural.

Council is seeking a conditional Gateway Determination that requires the proponent to undertake an updated traffic assessment that considers the future traffic movements arising from the South Dural Planning Proposal.

The VPA would secure the traffic upgrades and facilities required to support the Proposal.

10. How has the planning proposal adequately addressed any social and economic effects?

The Economic Impact Assessment (EIA) undertaken by Location IQ (Appendix F) considers the likely economic impacts that would result from the proposed development. The analysis assumes that the South Dural Planning Proposal does not proceed. The key findings of the Report are that:

- The current population could support 3-4 full-line supermarkets, however there are limited sites in the area suitable for this use.
- There is a strong need for convenient shopping facilities to meet the needs of local residents.
- The proposed development would not impact on the viability or continued operation of any existing retail centre within the main trade area or the surrounding region.
- The proposed development does not undermine the continued operation of existing supermarkets in the trade area.
- A net community benefit would result from the development due to the improvement in the range of retail facilities available to residents and the creation of additional employment.
- The combination of positive economic impacts would outweigh the trading impacts that could be anticipated for a small number of existing retail stores, particularly supermarkets, in the region.

The peer review of the EIA undertaken by SGS Planning and Economics (Appendix F) concluded that the Planning Proposal failed to demonstrate a current need for more retail facilities at the proposed location. The following issues were raised:

- The retail trading area appears to be too large: The analysis fails to satisfactorily justify the catchment and distinguish between the catchments for the supermarket and bulky goods trading components of the proposed centre.
- Inconsistencies in turnover calculations: Of particular issue is the uneven consideration of injections from beyond the defined trade area.
- Issues with impact on centres: There is still a lack of clarity around trade diversion impacts on nearby centres – particularly in terms of impacts on other supermarkets. The inclusion of non-approved centres into the equation is also an issue.
- Needs and employment effects: The report makes an unrealistic assessment of need based on the exclusion of major centres which are likely to serve large proportions of the population in the main trade area.

However, should the South Dural Planning Proposal proceed, the increased population in the area would result in an additional demand for retail floor space.

Council is seeking a conditional Gateway Determination that requires the proponent to undertake an updated Economic and Employment Land Assessment that establishes demand for retail and employment floor space arising from the estimated future population of the South Dural Planning Proposal.

Section D - State and Commonwealth interests

11. *Is there adequate public infrastructure for the planning proposal?*

No. Infrastructure would need to be augmented or provided, including the upgrading of roads and intersections. The proposal would be serviced by new traffic facilities including a signalised intersection and widening of New Line Road to provide a four lane carriageway along the entire frontage of the site.

RMS has advised that all road infrastructure improvements would be required to be fully funded by the proponent. The VPA would secure the traffic upgrades and facilities required, to be provided by the proponent.

The Proposal is contrary to the provisions for a service access lane to be provided for the site in accordance with Part 5 – Industrial of the *Hornsby Development Control Plan (HDCP) 2013*. However, implementation of the service lane has been compromised by recently approved development. Should the Proposal proceed, an amendment to the HDCP would be required to update the access requirements for the locality and introduce site specific controls to ensure the orderly development of the site.

12. *What are the views of State and Commonwealth public authorities consulted in accordance within this gateway determination?*

Preliminary advice was sought from Sydney Water and the NSW Roads Maritime Services (RMS) concerning their position on the impact of this proposal for public infrastructure.

Sydney Water advised that existing water and waste water connections are available for the site should the Proposal proceed.

The RMS advised that further analysis and justification is required regarding the proposed signalised intersection on New Line Road and proposed traffic works including road widening works.

Consultation will occur with relevant public authorities identified as part of the Gateway Determination.

PART 4 - COMMUNITY CONSULTATION

In accordance with “A guide to preparing local environmental plans” prepared by the Department of Planning and Environment (2013) the Planning Proposal will be exhibited for a period of 28 days. The exhibition will include:

Public Authorities

Notification letters and a copy of the Planning Proposal will be sent to relevant public authorities.

Advertisement in local newspapers

An advertisement will be placed in the Hills News and Hornsby Advocate local newspapers to identify the purpose of the Planning Proposal and where the Planning Proposal can be viewed.

Advertisement on the Council website

The Planning Proposal will be exhibited on the Council website (<http://www.hornsby.nsw.gov.au/council/noticeboard>) under On Exhibition. Council's libraries have access to the website.

Letters to affected and adjoining property owners

A letter will be sent to affected and adjoining property owners advising of the exhibition of the Proposal and inviting submissions.

Letters to persons who made a submission during preliminary notification

A letter will be sent to persons who made a submission during preliminary notification advising of the exhibition of the Proposal and inviting submissions.

Letters to community and industry groups

A letter will be sent to the following community and industry groups advising of the exhibition of the Proposal and inviting submissions:

- Dural and Round Corner Chamber of Commerce;
- Dural and District Historical Society;
- Dural District Progress Association;
- Friends of South Dural;

Displays at the Council Administration Building and local libraries

The Planning Proposal will be displayed at the Council Administration Centre at 296 Peats Ferry Road, Hornsby and the following libraries:

- Hornsby Library
- Galston Library
- Pennant Hills Library

Referrals to other Divisions/Branches

A copy of the Planning Proposal will be forwarded to relevant Divisions/Branches of Council for comment.

Review of Consultation Strategy

Where submissions warrant, the consultation strategy may be reviewed to extend the exhibition period and/or the methods of consultation. This may occur where a submission provides reasonable justification for a request for an extension to the exhibition period or where Council is of the opinion an amendment to the consultation strategy would facilitate greater feedback on the draft Plan.

Following the exhibition period, a report on submissions will be presented to Council for its consideration.

PROPOSED TIMELINE

Weeks after endorsement from DP&I for exhibition	Item
0	Gateway Determination
4	Consultation with RFS Proponent to prepare revised technical studies
8	Exhibition Start
12	Exhibition end
20	Consideration of submissions
24	Report to Council on submissions
28	Request draft instrument be prepared

Appendix A

Existing *HLEP* 2013 Maps

Existing Zoning Map Legend

Zone	
B1	Neighbourhood Centre
B2	Local Centre
E1	National Parks and Nature Reserves
E3	Environmental Management
IN2	Light Industrial
R2	Low Density Residential
RE1	Public Recreation
RE2	Private Recreation
RU2	Rural Landscape
RU5	Village
SP2	Infrastructure

Existing Zoning –

Nos. 276-278 New Line Road (CP SP75852)

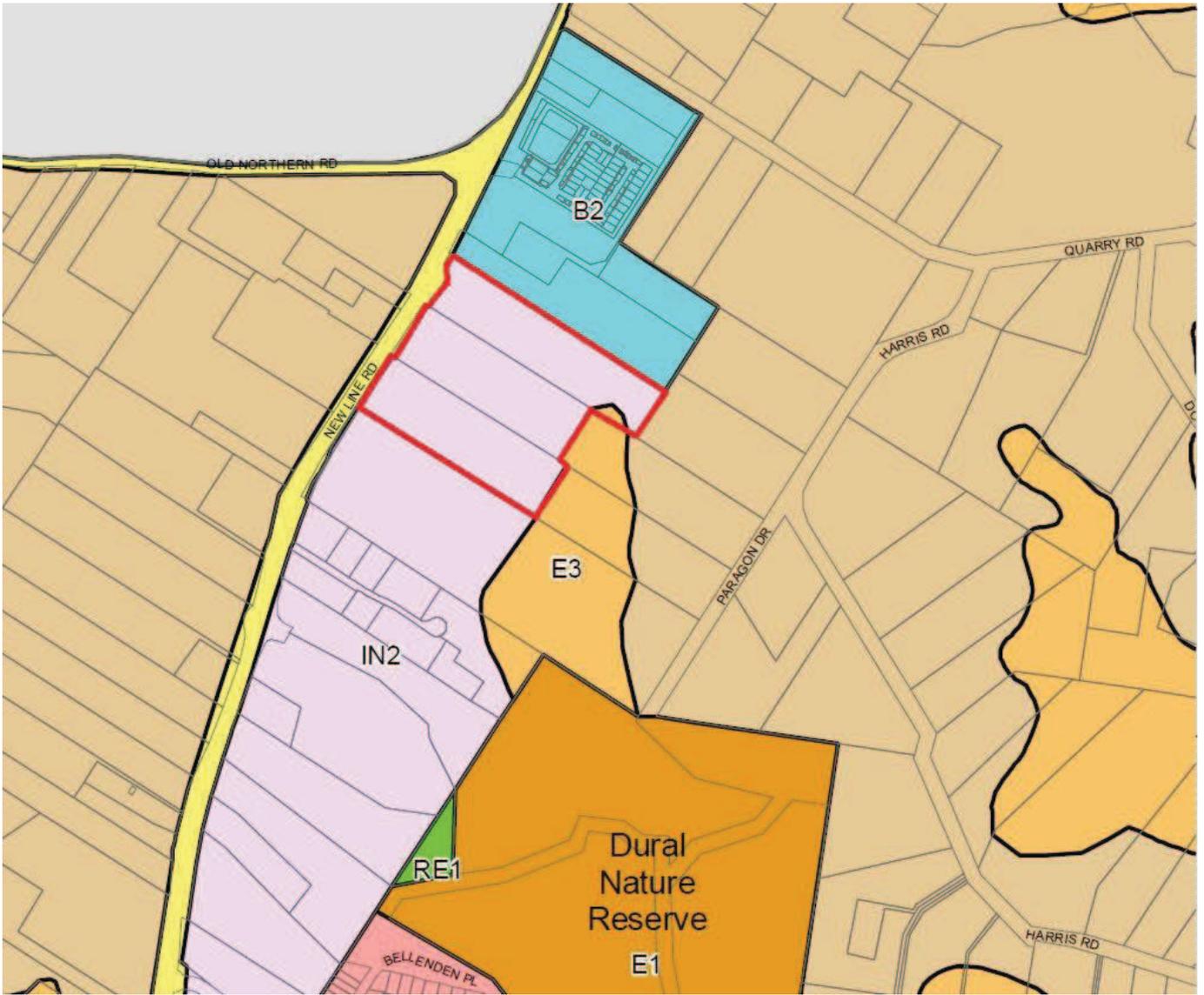
*IN2 Light Industrial / E3
Environmental Management*

Nos. 272 – 274 New Line Road (Lot 1 DP218273)

IN2 Light Industrial

Nos. 268 – 270 New Line Road (Lot 268 DP1102182)

IN2 Light Industrial

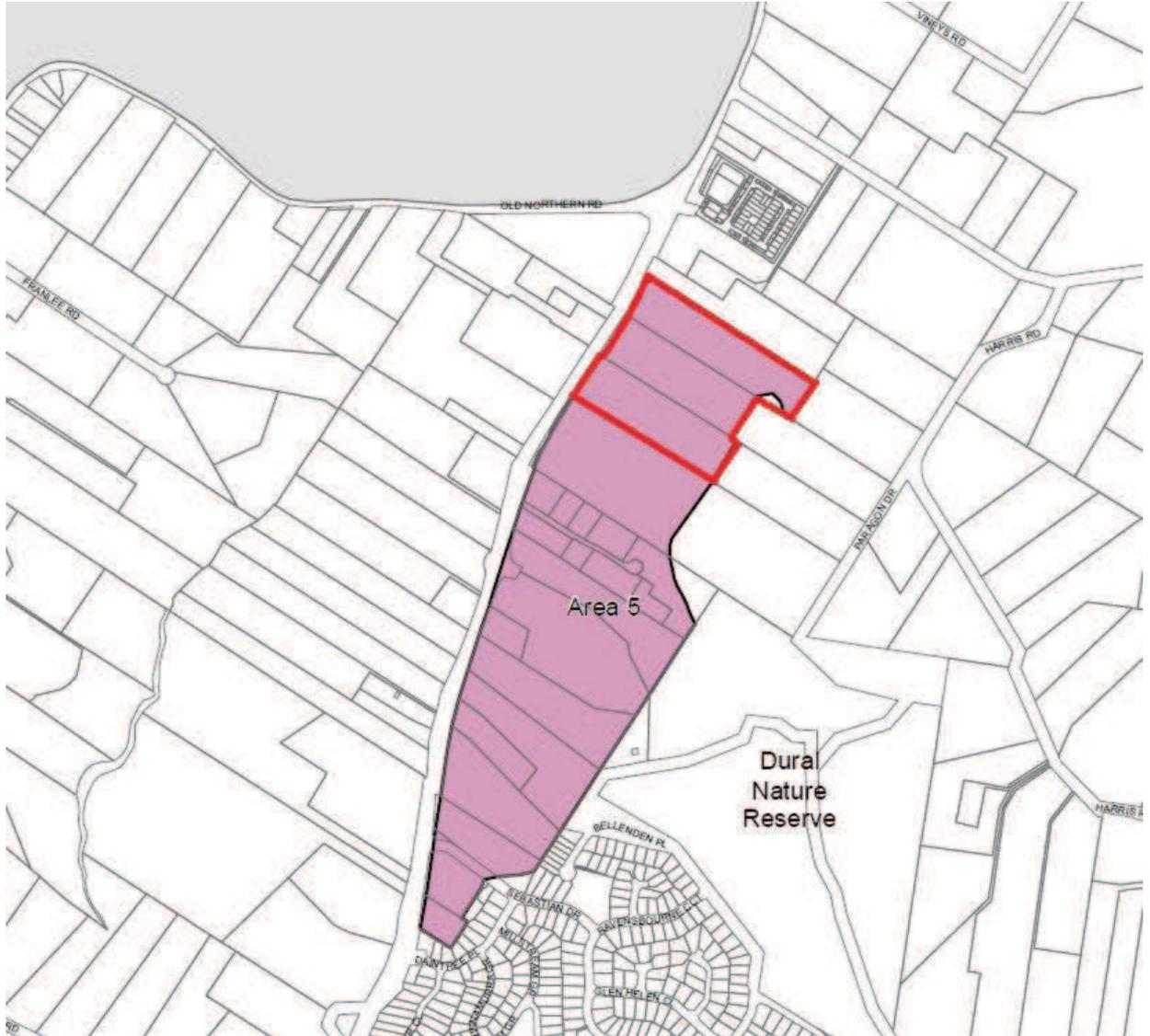


Proposed site - Property Nos. 268-278 New Line Road Dural

Additional Permitted Uses Map

Legend

 Refer to Schedule 1



Proposed site - Property Nos. 268-278 New Line Road Dural

Appendix B

Proposed *HLEP* 2013 Maps

Existing Zoning Map Legend

Zone	
B1	Neighbourhood Centre
B2	Local Centre
E1	National Parks and Nature Reserves
E3	Environmental Management
IN2	Light Industrial
R2	Low Density Residential
RE1	Public Recreation
RE2	Private Recreation
RU2	Rural Landscape
RU5	Village
SP2	Infrastructure

Proposed Zoning –

Nos. 276-278 New Line Road (CP SP75852)

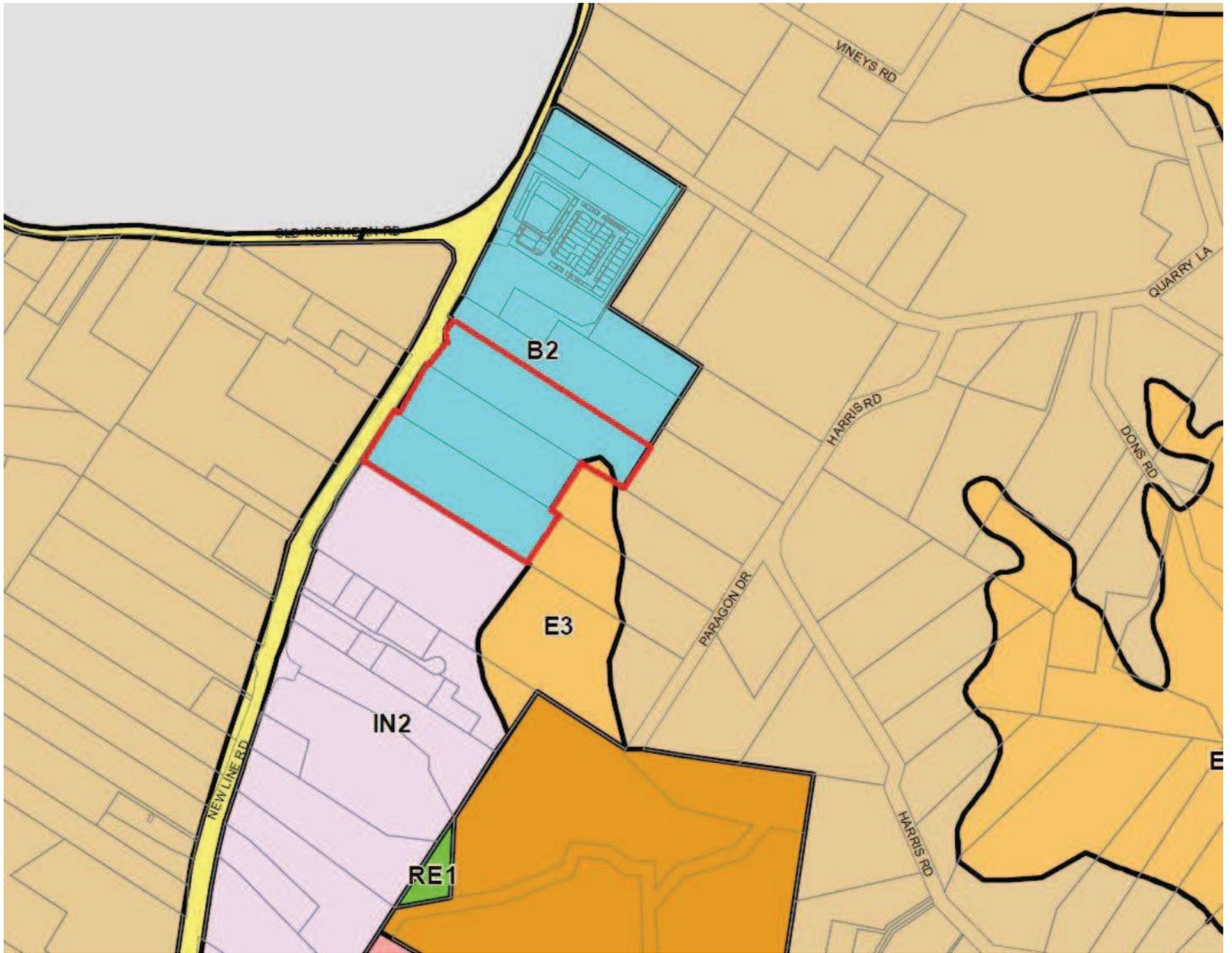
B2 Local Centre/ E3 Environmental Management

Nos. 272 – 274 New Line Road (Lot 1 DP218273)

B2 Local Centre

Nos. 268 – 270 New Line Road (Lot 268 DP1102182)

B2 Local Centre



Proposed site - Property Nos. 268-278 New Line Road Dural

Proposed Additional Permitted Uses Map

Legend

 Refer to Schedule 1

Proposed Amendments–

Nos. 276-278 New Line Road (CP SP75852

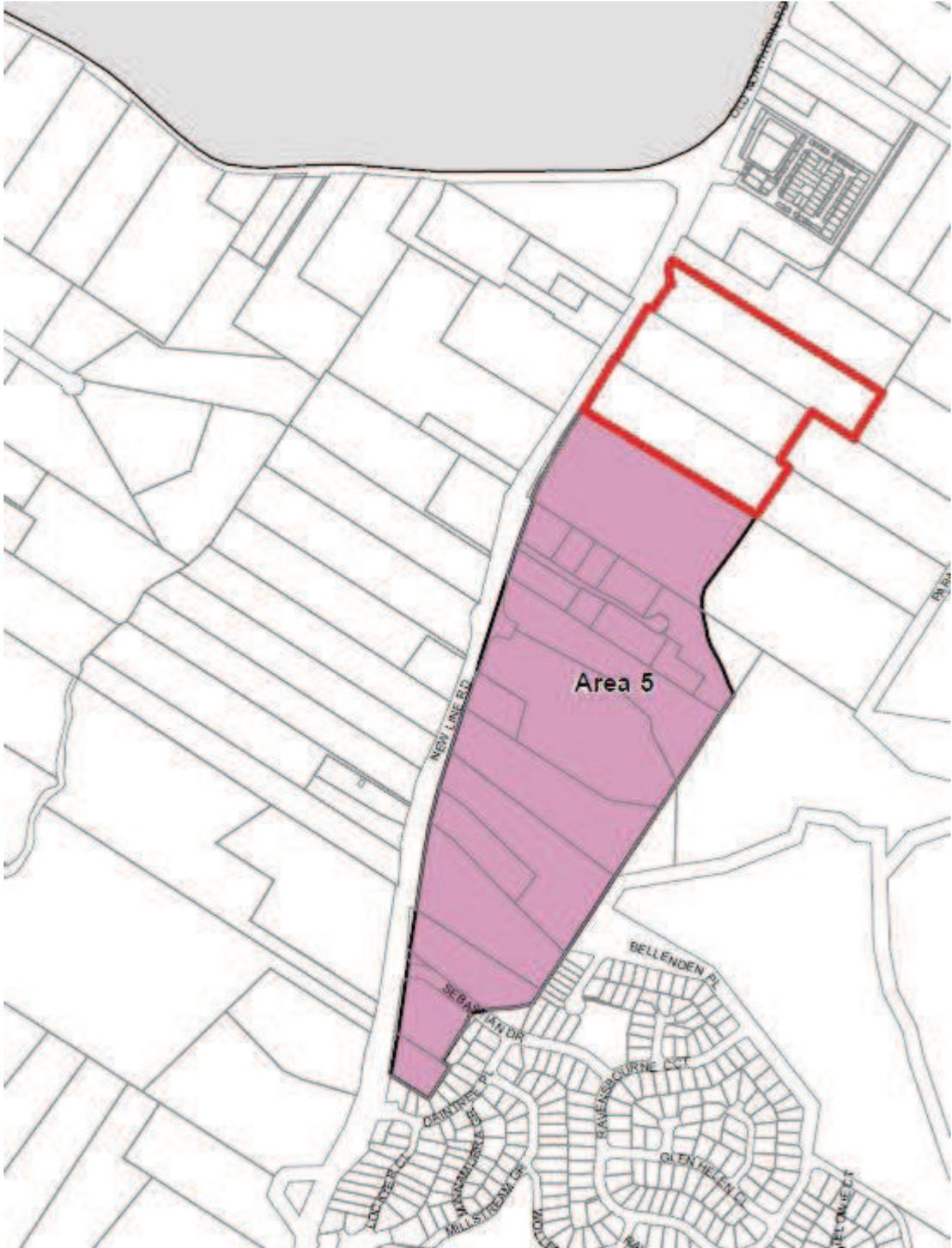
No Additional Permitted Uses

Nos. 272 – 274 New Line Road (Lot 1 DP218273)

No Additional Permitted Uses

Nos. 268 – 270 New Line Road (Lot 268 DP1102182)

No Additional Permitted Uses



Proposed site - Property Nos. 268-278 New Line Road Dural

Appendix C

State Environmental Planning Policy Checklist

State Environmental Planning Policies		
SEPP Title	Compliance	Comment
1. Development Standards	N/A	
2. Minimum Standards for Residential Flat Development	Repealed	
3. Castlereagh Liquid Waste Disposal Depot	Repealed	
4. Development Without Consent and Miscellaneous Complying Development	Repealed	
6. Number of Storeys in a Building	Repealed	
7. Port Kembla Coal Loader	Repealed	
8. Surplus Public Land	Repealed	
9. Group Homes	Repealed	
10. Retention of Low-Cost Rental Accommodation	Repealed	
11. Traffic Generating Developments	Repealed	
12. Public Housing (Dwelling Houses)	Repealed	
13. Sydney Heliport	Repealed	
14. Coastal Wetlands	N/A	
15. Rural Landsharing Communities	N/A	
16. Tertiary Institutions	Repealed	
17. Design of Building in Certain Business Centres	Not Made	
18. Public Housing	Not Made	
19. Bushland in Urban Areas	N/A	
20. Minimum Standards for Residential Flat Development	Repealed	
21. Moveable Dwellings	N/A	
22. Shops and Commercial Premises	Repealed	
24. State Roads	Not Made	
25. Residential Allotment Sizes	Repealed	
26. Littoral Rainforests	N/A	
27. Prison Sites	Repealed	
28. Town Houses and Villa Houses	Repealed	
29. Western Sydney Recreational Area	N/A	
30. Intensive Agriculture	N/A	
31. Sydney (Kingsford Smith) Airport	Repealed	
32. Urban Consolidation (Redevelopment of Urban Land)	N/A	
33. Hazardous and Offensive Development	N/A	
34. Major Employment Generating Industrial Development	Repealed	
35. Maintenance Dredging of Tidal Waterways	Repealed	
36. Manufactured Home Estates	N/A	
37. Continued Mines and Extractive Industries	Repealed	
38. Olympic Games and Related	Repealed	

Development Proposals		
39. Spit Island Bird Habitat	N/A	
40. Sewerage Works	Not Made	
41. Casino/Entertainment Complex	Repealed	
42. Multiple Occupancy and Rural Land (Repeal)	Repealed	
43. New Southern Railway	Repealed	
44. Koala Habitat Protection	Yes	Council records indicate that property No. 260-266 New Line Road, Dural south of the subject site, is identified as potential koala habitat. Should the Planning Proposal proceed, the requirements of this SEPP would be considered for any development with an interface to this adjoining site.
45. Permissibility of Mining	Repealed	
46. Protection and Management of Native Vegetation	Repealed	
47. Moore Park Showground	N/A	
48. Major Putrescible Landfill sites	Repealed	
49. Tourism Accommodation in Private Homes	Repealed	
50. Canal Estates	N/A	
51. Eastern Distributor	Repealed	
52. Farm Dams and Other Works in Land and Water Management Plan Areas	N/A	
53. Metropolitan Residential Development	Repealed	
54. Northside Storage Tunnel	Repealed	
55. Remediation of Land	Yes	Requires consideration of contamination issues when rezoning land. Council must be satisfied that the land is suitable for the proposed use or can be remediated to make it suitable. The Planning Proposal seeks to rezone the subject site from IN1 Light Industrial to B2 Local Centre zoning. A preliminary investigation report would be required to be undertaken as part of the Planning Proposal to confirm the land is suitable for business land uses.
56. Sydney Harbour Foreshores and Tributaries	Repealed	
58. Protecting Sydney's Water Supply	Repealed	
59. Central Western Sydney Economic and Employment Area	N/A	
60. Exempt and Complying Development	Repealed	
61. Exempt and Complying Development for White Bay and Glebe Island Ports	Repealed	
62. Sustainable Aquaculture	N/A	
63. Major Transport Projects	Repealed	
64. Advertising and Signage	Yes	Any signage proposed for the site would be assessed with regard to this Policy at the Development Application stage.
65. Design Quality of Residential Flat Development	N/A	
66. Integration of Land Use and	Repealed	

Transport		
67. Macquarie Generation Industrial Development	Repealed	
68. Not Allocated		
69. Major Electricity Supply Projects	Repealed	
70. Affordable Housing (Revised Schemes)	N/A	
71. Coastal Protection	N/A	
72. Linear Telecommunications Development – Broadband	Repealed	
73. Kosciusko Ski Resorts	Repealed	
74. Newcastle Port and Employment Lands	Repealed	
SEPP 1989 Kurnell Peninsula	N/A	
SEPP 1989. Penrith Lakes Scheme	N/A	
SEPP 2004. Housing for Seniors or People with a Disability	N/A	
SEPP 2004. Building Sustainability Index: BASIX	N/A	
SEPP 2004. ARTC Rail Infrastructure	Repealed	
SEPP 2004. Sydney Metropolitan Water Supply	Repealed	
SEPP 2005. Development on Kurnell Peninsula	N/A	
SEPP 2005 State Significant Precincts	N/A	
SEPP 2005. Major Development	Repealed	
SEPP 2006. Sydney Region Growth Centres	N/A	
SEPP 2007. Mining, Petroleum Production and Extractive Industries	N/A	
SEPP 2007. Temporary Structures and Places of Public Entertainment	Repealed	
SEPP 2007. Infrastructure	Yes	The Planning Proposal is consistent with the Policy. Should the Proposal proceed, necessary infrastructure works would be required in consultation with the relevant authorities.
SEPP 2007. Kosciuszko National Park – Alpine Resorts	N/A	
SEPP 2007 Miscellaneous Consent Provisions	N/A	
SEPP 2008. Rural Lands	N/A	
SEPP 2008. Exempt and Complying Development Codes	N/A	
SEPP 2009. Western Sydney Parklands	N/A	
SEPP 2009. Affordable Rental Housing	N/A	
SEPP 2009. Western Sydney Employment Area	N/A	
SEPP 2009. Affordable Rental Housing	N/A	
SEPP 2010. Urban Renewal	N/A	
SEPP 2011. Sydney Drinking Water Catchment	N/A	
SEPP 2011 - 53 Transitional Provisions	N/A	
SEPP 2011. State and Regional Development	N/A	
SEPP 2013 Three Ports	N/A	

Sydney Regional Plans (deemed SEPPs)		
SREP 1. Dual Occupancy	Repealed	
SREP 2. Dual Occupancy	Repealed	
SREP 3. Kurnell Peninsula	Repealed	
SREP 4. Homebush Bay	Repealed	
SREP 5. Chatswood Town Centre	N/A	
SREP 6. Gosford Coastal Areas	Repealed	
SREP 7. Multi-Unit Housing – Surplus Government Sites	Repealed	
SREP 8. Central Coast Plateau Areas	N/A	
SREP 9. Extractive Industry (No. 2)	N/A	
SREP 10. Blue Mountains Regional Open Space	Repealed	
SREP 11. Penrith Lakes Scheme	Repealed	
SREP 12. Dual Occupancy	Repealed	
SREP 13. Mulgoa Valley	Repealed	
SREP 14. Eastern Beaches	Repealed	
SREP 15. Terrey Hills	Repealed	
SREP 16. Walsh Bay	N/A	
SREP 17. Kurnell Peninsula	Repealed	
SREP 18. Public Transport Corridor	N/A	
SREP 19. Rouse Hill Development Area	N/A	
SREP 20. Hawkesbury Nepean River (No. 2 – 1997)	Yes	The Planning Proposal will not contradict or hinder application of this SREP.
SREP 21. Warringah Urban Release Area	Repealed	
SREP 22. Parramatta River	Repealed	
SREP 23. Sydney and Middle Harbours	Repealed	
SREP 24. Homebush Bay Area	N/A	
SREP 25. Orchard Hills	Repealed	
SREP 26. City West	N/A	
SREP 27. Wollondilly Regional Open Space	Repealed	
SREP 28. Parramatta	N/A	
SREP 29. Rhodes Peninsula	N/A	
SREP 30. St Marys	N/A	
SREP 31. Regional Parklands	Repealed	
SREP 33. Cooks Cove	N/A	
SREP 2005. Sydney Harbour Catchment	N/A	

Appendix D

Local Planning Directions (s117) Checklist

Ministerial Directions (s117)		
S117 Direction Title & Summary	Compliance	Comment
1. Employment and Resources		
1.1 Business and Industrial Zones	Justification required	<p>The studies carried out to support the progression of the planning proposal must consider this Direction and satisfy the Director-General that non-compliance with this Direction is justified.</p> <p>This direction seeks to encourage employment growth in suitable locations and protect employment lands. The Direction specifies that a planning proposal:</p> <ul style="list-style-type: none"> • Should retain the areas and locations of existing business and industrial zones. • Should not reduce the total potential floor space area for business and industrial zones. • Ensure that proposed new employment areas are in accordance with an approved strategy. <p>As outlined in the GLN Report, the DSC has a surplus supply of industrial floor space. The proposed rezoning would still result in an industrial floor space surplus of 55,863sqm. Accordingly, the rezoning would not detrimentally impact upon the availability of industrial zoned land in the DSC, as a surplus of industrial floor space would still exist.</p> <p>The expansion of the Dural Service Centre to accommodate additional retail floor space would not impact upon the future revitalisation of the Round Corner Town Centre as the existing renewal strategy is not reliant on population growth from the South Dural Precinct. Any future retail floor space would be in addition to existing unmet demand within the Hills Shire.</p> <p>As Round Corner is fully developed, the feasibility of amalgamating and redeveloping existing fragmented land holdings would be impacted by the availability of underdeveloped land within the locality. Should the South Dural Precinct be released, it would be appropriate to consider locations both within the precinct and the Dural Service Centre so that local retail and employment uses are appropriately</p>

		integrated. Accordingly, the Gateway determination should require an updated Economic and Employment Land Assessment that establishes demand for retail and employment floor space arising from the estimated future population of the <i>South Dural Planning Proposal</i> .
1.2 Rural Zones	N/A	
1.3 Mining, Petroleum Production and Extractive Industries	N/A	
1.4 Oyster Aquaculture	N/A	
1.5 Rural Lands	N/A	
2. Environment and Heritage		
2.1 Environmental Protection Zones	Yes	The proposed rezoning of the site would not apply to the portion of land zoned E3 Environmental Management. Accordingly, there would be no environmental impact.
2.2 Coastal Protection	N/A	
2.3 Heritage Conservation	N/A	
2.4 Recreation Vehicle Areas	N/A	
3. Housing Infrastructure and Urban Development		
3.1 Residential Zones	N/A	
3.2 Caravan Parks and Manufactured Home Estates	N/A	
3.3 Home Occupations	N/A	
3.4 Integrating Land Use and Transport	Yes	A significant portion of the traffic generated by the proposal will be classified as 'relocated trips' from other centres within the area such as Castle Hill and Cherrybrook. As retail services are being proposed closer to residential areas, local residents will no longer be required to travel long distances. This will therefore result in reduced traffic conditions for the broader area. The traffic generated on New Line Road and

		<p>Old Northern Road could potentially be reduced from 1,350 to 1,600 vehicles per day as a result of the 'relocated' trips.</p> <p>Should the South Dural Planning Proposal proceed, the proximity of the proposed local centre, could provide access to jobs and services and opportunities to reduce reliance on vehicle trips, being within the walking catchment.</p>
3.5 Development Near Licensed Aerodromes	N/A	
3.6 Shooting Ranges	N/A	
4. Hazard and Risk		
4.1 Acid Sulfate Soils	N/A	
4.2 Mine Subsidence and Unstable Land	N/A	<p>Direction applies to all councils that contain a mine subsidence district proclaimed pursuant to section 15 of the Mine Subsidence Compensation Act 1961 or that contain unstable land.</p> <p>Clarification was sought from the Department of Planning in late 2005 as to the meaning of 'unstable land'. A formal response has not been received. However, a Department representative advised by email 29 November 2005 that unstable land is land that is subject to land slip because of slope and soil/geological conditions.</p>
4.3 Flood Prone Land	Yes	<p>Property Nos. 276-278 New Line Road, Dural is subject to flood risk.</p> <p>Accordingly, it will be necessary for any future development application to be accompanied by a hydrologic assessment.</p>
4.4 Planning for Bushfire Protection	Yes	<p>The Planning Proposal applies to land which is mapped as bushfire prone land.</p> <p>In accordance with this Direction, the Commissioner of the NSW Rural Fire Service will be consulted following receipt of the Gateway Determination and prior to community consultation.</p>
5. Regional Planning		
5.1 Implementation of Regional Strategies	N/A	
5.2 Sydney Drinking Water Catchments	N/A	
5.3 Farmland of State and	N/A	

Regional Significance on the NSW Far North Coast		
5.4 Commercial and Retail Development along the Pacific Highway, North Coast	N/A	
5.5 Development in the vicinity of Ellalong, Paxton and Millfield (Cessnock LGA))	Revoked	
5.6 Sydney to Canberra Corridor	Revoked	
5.7 Central Coast	Revoked	
5.8 Sydney Second Airport: Badgerys Creek	N/A	
5.9 North West Rail Link Corridor Strategy	Yes	<p>The Cherrybrook Station Precinct forms part of the NWRL Corridor Strategy. The Precinct has a structure plan that comprises mixed use development which may include a full line supermarket. The retail functions and trade area for the Precinct have not yet been determined.</p> <p>This Planning Proposal has been progressed to service local retail demand should South Dural proceed. On this basis, should the proposal be supported, the trade area for the Planning Proposal is unlikely to impact upon the Cherrybrook Station Precinct.</p>
6. Local Plan Making		
6.1 Approval and Referral Requirements	N/A	
6.2 Reserving Land for Public Purposes	N/A	
6.3 Site Specific Provisions	N/A	
7. Metropolitan Planning		
7.1 Implementation of A Plan for Growing Sydney	Yes	The Planning Proposal does not contradict or hinder the achievement the planning principles, directions and priorities of the NSW Government's <i>A Plan for Growing Sydney</i> .

Appendix E

Council Report (PL20/16) and Resolution

9 PLANNING PROPOSAL - PROPERTY NOS. 268-278 NEW LINE ROAD, DURAL

EXECUTIVE SUMMARY

- Planning Proposal for property Nos. 268-278 New Line Road, Dural has been submitted by Restifa and Partners Pty Ltd on behalf of the land owners. The Planning Proposal seeks to rezone the subject properties from IN2 Light Industrial to B2 Local Centre, to support a retail development. The Planning Proposal was informally exhibited from 13 July 2015 for two full working weeks. Council received 12 submissions from 11 submitters.
- GLN Planning has undertaken an independent review of the Planning Proposal and recommends that Council not proceed with the Planning Proposal at this time, as the Proposal has not demonstrated an existing need for an additional supermarket. The need for, and location of, additional retail floorspace would be more appropriately considered in conjunction with the South Dural Planning Proposal.
- Notwithstanding the findings of the independent review, it is recommended that the Planning Proposal proceed to Gateway Determination on the grounds that a concurrent planning proposal provides further opportunity to consider the suitability of the subject site.

RECOMMENDATION

THAT:

1. Council forward the Planning Proposal, available for viewing on Council's website: hornsby.nsw.gov.au/dural-service-centre (TRIM Reference D06902688) to the DP&E seeking a conditional Gateway Determination that requires the proponent to submit prior to exhibition:
 - 1.1. An updated Economic and Employment Land Assessment that establishes demand for retail and employment floorspace arising from the estimated future population of the South Dural Planning Proposal;
 - 1.2. An updated traffic assessment that considers the future traffic movements arising from the South Dural Planning Proposal; and
 - 1.3. A Voluntary Planning Agreement that secures the provision of traffic facilities as offered by the proponent.
2. The General Manager be authorised to endorse the redrafting of the Planning Proposal into the required format under Council's cover for Gateway Determination.
3. Write to the proponent advising that Council's ongoing support for the Planning Proposal is conditional upon the progression of the South Dural Planning Proposal which requires the commitment of the NSW Government to fund its share of costs associated with the upgrade of the State Road Network.
4. Submitters be advised of Council's resolution.

PURPOSE

The purpose of this Report is to:

- Present a Planning Proposal for of property Nos. 268 – 270, and Nos. 272 – 274 New Line Road, Dural (copy attached) submitted by Restifa and Partners Pty Ltd, on behalf of the owners of the land, Abilas Holdings Pty Ltd and True Items Pty Ltd. The proponent also recommends inclusion of adjoining land within the Dural Service Centre (i.e. property Nos. 276-278 New Line Road) in the Proposal. This Report cites the subject property as Nos. 268-278;
- Summarise the findings of an independent review undertaken by GLN Planning; The independent review of the Planning Proposal can be viewed at: hornsby.nsw.gov.au/dural-service-centre (TRIM Reference D06902688); and
- Outline options to proceed or not based on the findings of the GLN Planning review having regard to the status of the South Dural Planning Proposal.

BACKGROUND

Since 2006, the area known as the Dural Service Centre (DSC) has been the subject of a number of investigations by Council to rezone land, permit additional land uses and/or modify the development standards that apply to the land. These investigations include the *Ku-Ring-Gai and Hornsby Subregional Employment Study* prepared by SGS Economic and Planning. With respect to the DSC, the Study made the following recommendations:

- *Broaden the range of permissible uses to include local level retail and professional services;*
- *Discourage uses that draw on the wider catchment and generate significant trips; and*
- *Apply the IN2 General Industrial Zone with a limited area of B2 Local Centre Zone to introduce some local centre uses.*

The recommendations have since informed the land use strategy and development standards for the DSC in the *Hornsby Local Environmental Plan 2013* (HLEP) and *Hornsby Development Control Plan 2013*.

Since the Plans were made in 2013, Council has received a Gateway Determination to undertake technical studies to determine the feasibility of the future urban release of the South Dural Precinct (directly opposite the DSC), based on a Planning Proposal submitted by the South Dural Residents and Ratepayers Association.

In February 2015, Restifa and Partners Pty Ltd sought Council's advice on a concept proposal for redevelopment of properties Nos. 268-270, and Nos. 272-274 New Line Road, Dural. The proposal outlined options to increase the range of commercial uses permitted on the site, including:

- An extension of the current Local Business B2 Local Centre zoning within the DSC to include property Nos. 276-278 New Line Road, Dural; or
- The insertion of 'retail premises' as a permissible use within the existing IN2 Light Industrial zoning by way of a Clause 2.5 and Schedule 1 amendment of the HLEP 2013.

The proponent was subsequently advised that should they wish to proceed with a planning proposal, the proposal should address the following:

- The permissibility should be controlled by land use zoning only. This is consistent with guidance from the Department of Planning and Environment (DP&E) which indicates that Schedule 1 amendments should only be used in exceptional circumstances;
- The economic implications should evaluate the previous reports prepared by SGS Economics and Planning and also address forecast growth outlined with the Hills Shire Council's Centres Direction, including the recent expansion of the Round Corner Town Centre to include property Nos.488-494 Old Northern Road; and
- The potential of existing B2 Local Centre zoned land to accommodate future floor space demand should be provided including evidence of discussion with Hills Bus concerning the future of its Depot at property Nos. 282-284 New Line Road, Dural.

On 25 June 2015, a Planning Proposal was submitted for Council's evaluation. The Proposal seeks to rezone properties Nos. 268-278 New Line Road, Dural from IN2 Light Industrial to B2 Local Centre to support a wider range of commercial uses, including a full size supermarket, specialty retail, offices and a medical centre, with the provision for 834 car parking spaces. No amendment is proposed to the existing building height (10.5m) and floor space ratio (0.7:1) that apply to the site.

The Proposal would be supported by new traffic facilities including a signalised intersection and widening of New Line Road to provide a four lane carriageway along the entire frontage of the site. The proponent has also offered a community centre or childcare facility as part of the Proposal that would be secured via a Voluntary Planning Agreement.

DISCUSSION

This Report presents the findings of the independent evaluation of the Planning Proposal and submissions received in response to the preliminary notification of the Proposal. The evaluation by GLN Planning is provided as Attachment 1 to this Report.

1. Independent Review

Consistent with the evaluation of recent proposals, GLN Planning was engaged by Council to undertake an independent review of the Proposal and coordinate specialist peer review of the submitted technical studies. SGS Economics and Planning and Cardno contributed to the economic and traffic components of the review. This approach enables the resources of the Strategic Planning Branch to be directed towards progression of the Strategic Planning Program adopted by Council.

The independent evaluation recommends that the Proposal should not proceed at this time, on the following grounds:

- The Dural Service Centre is an identified small village within Council's commercial centres hierarchy, and should be the preferred location for small and medium scale commercial/retail uses that serve the local community. The Centre's developable area should therefore reflect its role in the centres hierarchy, and should not result in development competing with other centres.
- Council's 2008 Employment Study and 2009 Dural Service Centre Study indicated that there is no underlying demand for additional floor area beyond that provided within the existing zonings of HLEP 2013.
- Based on the findings of a peer review of the proponent's economic assessment, there appears to be little justification to change the current planning settings to enable a supermarket development on the subject site.

- Given the availability of other potential sites including Round Corner, Dural, the need for and location of additional retail uses should be considered as part of the South Dural Planning Proposal. This would ensure that the additional demand for retail floor space is based on a development concept and yield assessment that has been publicly exhibited and peer reviewed by Council.
- The submitted traffic assessment does not provide sufficient detail to adequately test the assumptions and findings. Further details if submitted would likely overcome the issues raised in the peer review.

GLN Planning has also identified that the Proposal is inconsistent with Part 5 – Industrial of Council's Development Control Plan which provides for the site to be accessed via a service lane. Implementation of the service lane appears compromised by recently approved development. Should the Proposal proceed, an amendment to the HDCP would be required to update the access requirements for the locality and introduce site specific controls to ensure the orderly development of the site.

GLN also recommend that it would be inappropriate to leave the provision of traffic facilities proposed by the applicant to the development application stage. These facilities would be more appropriately secured via a Voluntary Planning Agreement in consultation with Roads and Maritime Services as a Gateway Condition.

In summary, whilst GLN concludes that insufficient evidence has been provided to support a full line supermarket based on the existing population of the trade area, demand would be generated by the South Dural Planning Proposal.

2. Consultation

The Planning Proposal was informally exhibited from 13 July 2015 for two full working weeks. The notification does not fulfil the requirements of the *Environmental Planning and Assessment Act (EP&A Act)* for public exhibition but rather sought feedback from the local community to assist Council in deciding whether to support progression of the Planning Proposal to Gateway Determination.

The exhibition included placement of the Planning Proposal on Council's website and at the Council Administration Centre and Hornsby Shire Library. The exhibition was advertised in the Hills News and Hornsby Advocate and letters were sent to property owners within and adjoining the site. A total of 12 submissions were received from 11 submitters. Ten submissions objected to the Proposal.

Issues raised in submissions from public authorities and the community, are outlined below:

2.1 Public Authority Submissions

a) The Hills Shire Council

Concern is raised in relation to the findings of the Economic Assessment report regarding the trade area and impact on the Round Corner Town Centre. The Hills Council considers that the trade area is too large and includes areas already serviced by other existing local retail centres.

Concern is also raised that the Proposal would be a rival retail centre, which would generate significant additional employment in an out of centre location, in direct competition with the Round Corner Town Centre. The submission cites the recommendations of the Ku-ring-gai and Hornsby Subregional Employment Study (2008), which identifies the Dural Service Centre to have a light industry function with some additional local service functions, and that other uses drawing on a wide catchment that would generate significant trips should be discouraged.

The submission raises concern that any retail expansion of the Dural Service Centre would also have an adverse impact on the economic success and future revitalisation of Round Corner, Dural. The town centre which provides two full line supermarkets and specialty stores, functions as a retail anchor for the locality, which has the potential to evolve into a more attractive and vibrant centre. The Hills Shire Council is investigating ways to manage traffic to improve its functionality and servicing role for the surrounding area.

Comment: As outlined within this report, the Proposal has not demonstrated that there is existing unmet demand for further land to be rezoned to accommodate a supermarket within the Dural Service Centre. However, should the South Dural Planning Proposal Proceed, there would be additional demand for retail floorspace.

The expansion of the Dural Service Centre to accommodate additional retail floor space would not impact upon the future revitalisation of the Round Corner Town Centre as the existing renewal strategy is not reliant on population growth from the South Dural Precinct. The Hill's Centres Direction, identifies demand for approximately 70 additional speciality shops within the North Sector, which includes the Round Corner Town Centre.

Therefore, should South Dural proceed, any future retail floorspace would be in addition to existing unmet demand within the Hills Shire. As Round Corner is fully developed, the feasibility of amalgamating and redeveloping existing fragmented land holdings would be impacted by the availability of underdeveloped land within the locality. Should the South Dural Precinct be released, it would be appropriate to consider locations both within the precinct and the Dural Service Centre so that local retail and employment uses are appropriately integrated.

b) Sydney Water

The submission advises that existing water and waste water connections are available for the site should the Proposal proceed.

Comment: The requirement to make satisfactory arrangements with Sydney Water would be a requirement of a future development application should the Proposal proceed.

c) NSW Roads and Maritime Services

Concern is raised that the proposed signalised T intersection on New Line Road would be inconsistent with Council's access control and service lane requirements for the Dural Service Centre. This access arrangement was implemented to limit access points onto New Line Road to maintain the efficiency of the arterial road. The RMS would require additional detail on the layout of the proposed intersection to determine whether it can be accommodated within the existing road reserve, or whether land acquisition would be required by third parties.

The RMS advises that the proposal to widen New Line Road along the frontage of the site is not included on the current government works program. Funding for the works would be subject to consideration of the project's benefits and costs relative to competing projects.

The RMS suggests that a future commercial centre should be located and serviced by local roads rather than direct access to an arterial road, which would physically separate the proposed supermarket and specialty stores from the South Dural catchment, if the urban release area proceeds. Notwithstanding, the Proposal would require upgrades to New Line Road which would require a financial contribution / agreement with the Council and RMS to be resolved prior to any rezoning.

Comment: GLN has identified that the ability to implement the Dural Service Lane appears compromised in relation to recent development approvals and recommends that Council amend the

HDCP to identify an alternate arrangement. With respect to local road access, the opportunity to locate a future centre within the South Dural Precinct would be considered during the Precinct Planning Process. Preliminary discussion with the proponent suggests that suitable sites for a new centre would be constrained by topography and native vegetation, and any future site would likely seek arterial road access to provide convenient access to local residents and passing trade.

In relation to the upgrade of New Line Road and the Government's works program, the priority of this work would be addressed as part of the South Dural Planning Proposal. As resolved by Council, at its meeting on 9 December 2015, ongoing support for the South Dural Planning Proposal is conditional upon securing the commitment of the NSW Government, to fund its share of costs associated with the upgrade of the State Road Network.

2.2 Community Submissions

In summary, community submissions raised the following concerns:

- Progression of the Proposal before the South Dural Precinct Plan is finalised would be premature;
- Sufficient B2 Local Centre zoned land is available in the Dural Service Centre;
- Impact of the Proposal upon the adjoining industrial unit development at property Nos. 276-278 New Line Road, Dural;
- Local traffic congestion, car parking, access issues during peak periods, and funding of improvements;
- Retail uses are already permitted and inconsistent with hierarchy of centres, which would result in adverse economic impacts upon existing centres with supermarket anchors;
- The Proposal does not provide adequate connections to create a well located retail area within the locality;
- The potential impact on the Environmental Management Zone on the eastern portion of the site; and
- Inaccurate description of bush fire prone land upon the site.

A submission was received from an owner of one of the units within Nos. 268-278 New Line Road, Dural which supports the proposal without specifying reasons.

Comment: The issues raised by the community in the preliminary notification period identify that there is concern about the potential local impacts of the Planning Proposal, including traffic generation, impact upon the natural environment, the viability of existing light industrial uses, and the availability of existing B2 Local Centre zoned land for the purpose of supermarkets. As determined by GLN's independent review, the Proposal has not established that unmet demand exists to support the rezoning of the subject site. Accordingly, the above community issues and impacts would be more appropriately considered and addressed in parallel with the South Dural Planning Proposal, as recommended by this Report.

2.3 Options to Determine the Planning Proposal

The Economic Assessment submitted by the Proponent assessed the demand for retail development based on the existing population only. As identified by GLN Planning, the future release of South Dural is likely to demand additional retail floorspace which could be considered within an updated Economic Assessment.

Therefore, considering that additional retail demand would be generated by the South Dural Precinct, Council has the following options:

Option 1: Not proceed with the Planning Proposal

Technical studies for the South Dural Precinct are currently under preparation by the South Dural Control Group and likely to be submitted for exhibition and review mid-year. Relevant studies include the preparation of an Economic Assessment that would identify future demand for additional retail and employment floorspace arising from the estimated future population of the Precinct.

Although the South Dural Planning Proposal may identify the need for additional retail floor space, there is no requirement that this plan make provision for its supply. For example, it could be argued that any unmet demand for additional retail floorspace could be absorbed within the Round Corner Town Centre or existing B2 zoned area of the Dural Service Centre consistent with the retail hierarchy of the local area.

Should Council wish to proceed with this option, an appropriate resolution would be:

1. *Council not proceed with the Dural Service Centre Planning Proposal attached to Group Manager's Report No. PL20/60 to expand the B2 Local Centre, for the following reasons:*
 - 1.1 *The Proposal has not demonstrated that there is existing unmet demand for further land to be rezoned to accommodate a supermarket within the Dural Service Centre;*
 - 1.2 *There are existing suitably zoned lands within the Dural Service Centre and Round Corner Town Centre that may be developed / redeveloped for supermarket purposes.*
2. *The proponent and submitters be advised of Council's resolution.*

Option 2: Progress the Planning Proposal to conditional Gateway Determination

Although it is appropriate that the South Dural Planning Proposal addresses the need for additional retail floorspace, the amount of floorspace and preferred location is yet to be identified. As the South Dural Planning Proposal is based on a defined study area, any proposal to rezone land external to the precinct would require a new resolution of Council and an updated Gateway Determination which may delay the process.

Therefore, preparation of a concurrent Planning Proposal provides further opportunity to consider the suitability of the subject site to accommodate retail demand arising from the future retail needs of the South Dural Precinct.

Should Council wish to proceed with this outcome, an appropriate resolution as recommended by this report would be:

1. *Council forward the Planning Proposal attached to Group Manager's Report No. PL20/16 to the Department of Planning and Environment seeking a conditional Gateway Determination that requires the proponent prior to public exhibition to submit:*
 - 1.1 *An updated Economic and Employment Land Assessment that establishes demand for retail and employment floorspace arising from the estimated future population of the South Dural Planning Proposal;*
 - 1.2 *An updated traffic assessment that considers the future traffic movements arising from the South Dural Planning Proposal; and*
 - 1.3 *A Voluntary Planning Agreement that secures the provision of traffic facilities as offered by the proponent.*

2. *The General Manager be authorised to endorse the redrafting of the attached Planning Proposal into the required format under Council's cover for Gateway Determination.*
3. *Write to the proponent advising that Council's ongoing support for the Planning Proposal is conditional upon securing the commitment of the NSW Government to funding its share of costs associated with the upgrade of the State Road Network in relation to the South Dural Planning Proposal.*
4. *Submitters be advised of Council's resolution.*

In summary, GLN's review of the Planning Proposal concludes that the report has not demonstrated that there is existing unmet demand for further land to be rezoned to accommodate a supermarket within the Dural Service Centre. However, demand for a supermarket and speciality retail would be generated should the South Dural Planning Proposal Proceed. Given the existing retail hierarchy of the locality, it could be argued that future retail floorspace be located within the Round Corner Town Centre or the northern frame of the Dural Service Centre, which is already zoned to support this use. However, these areas are already developed and require significant land amalgamation to provide the required land area for a retail centre.

Alternatively, it is appropriate that the future role of the Dural Service Centre be reviewed to ensure that economic growth associated with the potential future release of South Dural may be located within the Hornsby LGA. Accordingly, Option 2 to seek a condition Gateway Determination is recommended.

2.4 Formal Consultation

"A guide to preparing local environmental plans" has been prepared by the DP&E to assist councils in preparing planning proposals and LEPs. Should Council resolve to proceed with the Planning Proposal, and Gateway Authorisation is issued by the DP&E, consultation would be undertaken in accordance with the Gateway Determination requirements.

STATUTORY CONSIDERATIONS

The preparation of a Planning Proposal is the first step in the process of requesting changes to a planning instrument. Should Council resolve to proceed with the Proposal to Gateway Determination, the DP&E would confirm the technical studies required and relevant parts of the Planning Proposal would be updated, amended and embellished prior to exhibition.

Should Council resolve to support the Proposal, a Planning Proposal would need to be prepared under Council's cover that would include the following amendments to Council's HLEP 2013:

- Rezone the subject site from IN2 Industrial to B2 Local Centre;
- Retain the existing Height of Building and Floor Space Ratio Control; and
- Amend the Additional Permitted Use Map to align Area 5 with the amend IN2 Light Industrial and B2 Local Centre zone boundary.

As the attached Planning Proposal requires redrafting into Council's format, it is recommended that the General Manager be delegated authority to authorise the issuing of a planning proposal under Council's cover.

As part of the Gateway Authorisation process, Section 23 of the *EP&A Act* allows the Minister and the Director-General to delegate functions to a Council and/or an officer or employee of a Council. When submitting a planning proposal, Council is required to identify whether it wishes to Exercise Delegation (the Authorisation). Authorisation delegates the following plan making powers to Council:

- to make and determine not to make an LEP;
- to defer inclusion of certain matters; and
- to identify which matters must be considered and which stages of the plan making process must be carried out again.

At its meeting on 12 December 2012, Council resolved to formally accept the plan making delegations and delegate the plan making functions to the General Manager. Acknowledgement of Council's resolution was received from the DP&E on 3 March 2013.

On the grounds that the Planning Proposal is consistent with the types of draft LEPs to be routinely delegated by the DP&E, it is recommended that Council exercise the Authorisation in this instance.

BUDGET

There are no budgetary implications associated with this Report.

POLICY

There are no policy implications associated with this Report.

CONCLUSION

This Report presents an owner initiated Planning Proposal for property Nos. 268 – 278 New Line Road, Dural. The Planning Proposal seeks to rezone the subject properties from IN2 Light Industrial to B2 Local Centre to support a wider range of commercial uses, including a full size supermarket, specialty retail, offices and a medical centre and to undertake traffic upgrades to support the Proposal. Preliminary exhibition of the Proposal resulted in 12 submissions, of which 10 objected to the Proposal.

An independent review of the Planning Proposal by GLN Planning recommends that that Council not proceed with the Planning Proposal at this time, as the need for and location of additional retail floorspace would be more appropriately considered in conjunction with the South Dural Planning Proposal. As outlined within this report, the future location of a retail centre to meet the future needs of residents should not be limited to the study area of the South Dural Planning Proposal.

Accordingly, it is recommended that Council forward the Planning Proposal to the Department of Planning and Environment and seek a conditional Gateway Determination that prior to public exhibition, the proponent prepare an updated Economic and Traffic Assessment based on the future needs of the South Dural Precinct and submit a Voluntary Planning Agreement to secure the provision of traffic facilities required to support the Proposal.

RESPONSIBLE OFFICER

The officer responsible for the preparation of this Report is the Manager, Strategic Planning – Fletcher Rayner, who can be contacted on 9847 6744.

FLETCHER RAYNER
Manager - Strategic Planning
Planning Division

JAMES FARRINGTON
Group Manager
Planning Division

Attachments:

1. Link to Planning Proposal

[V](#)

[ie](#)

[w](#)

File Reference: PP/6/2015

Document Number: D06887734

further action in the circumstances was “Not an item/area which impacts the nature of my role at Parramatta City Council.”

RESOLVED ON THE MOTION OF COUNCILLOR TILBURY, seconded by COUNCILLOR GALLAGHER,

THAT:

1. Council not proceed with the Planning Proposal and Voluntary Planning Agreement Letter of Offer, (refer TRIM Document No. D06917467), for the following reasons:
 - 1.1 The proposed urban plaza is inconsistent with the adopted strategy for the Epping Town Centre;
 - 1.2 The bulk and scale of the development concept requires substantial review to address the preferred location of the dedication land and to optimise solar access to Forest Park;
 - 1.3 Additional traffic assessment is required to consider the cumulative impact of development; and
 - 1.4 The proposed public facilities and monetary contribution do not provide a public benefit commensurate with the proposed intensity of development.
2. The proponent be invited to resubmit the proposal subject to addressing the issues raised by Council and consideration of the development concept and DCP controls by Council’s Design Excellence Panel.
3. The proponent and submitters be advised of Council’s resolution.

FOR: COUNCILLORS ANISSE, BERMAN, BROWNE, COX, GALLAGHER, HUTCHENCE, RUSSELL AND TILBURY

AGAINST: NIL

9 PL20/16 Planning Proposal - Property Nos. 268-278 New Line Road, Dural

(PP/6/2015)

Note: Councillor Anisse declared a pecuniary interest in this Item under Clause 52 of Council’s Code of Meeting Practice (see Declarations of Interest in these Minutes). The nature of the interest was stated by Councillor Anisse on the Declaration of Interest form as “Family property located across the road.” Councillor Anisse was not present at, or in sight of, the meeting when the Item was being discussed or voted on.

Note: Councillor Berman declared a less than significant non-pecuniary interest in this Item under Clause 51A of Council’s Code of Meeting Practice (see Declarations of Interest in these Minutes). The nature of the interest was stated by Councillor Berman on the Declaration of Interest form as “An interested party is known to me.” and the explanation of why the interest does not require further action in the circumstances was “I felt leaving the Chambers for the item was sufficient.” Councillor Berman was not present at, or in sight of, the meeting when the Item was being discussed or voted

on.

Note: Councillor Browne declared a less than significant non-pecuniary interest in this Item under Clause 51A of Council's Code of Meeting Practice (see Declarations of Interest in these Minutes). The nature of the interest was stated by Councillor Browne on the Declaration of Interest form as "Persons associated with this application are members of the same organisation that I am a member." and the explanation of why the interest does not require further action in the circumstances was "Will not have an impact on the decision I am required to make."

Note: Councillor Russell declared a less than significant non-pecuniary interest in this Item under Clause 51A of Council's Code of Meeting Practice (see Declarations of Interest in these Minutes). The nature of the interest was stated by Councillor Russell on the Declaration of Interest form as "I am a member of an organisation to which one of the applicants also belongs." and the explanation of why the interest does not require further action in the circumstances was "He is known to me through the above organisation however whilst I have known this person for many years he has always understood that I will always and have always followed proper planning process."

Ms Judy Pope, on behalf of Dural and Round Corner Chamber of Commerce, addressed Council regarding this item.

Mrs Beverley Inshaw, of Galston, addressed Council regarding this item.

Mr John Inshaw, of Galston, addressed Council regarding this item.

Mr Gavin Duane, on behalf of the applicant, addressed Council regarding this item.

Mr David Ryan, on behalf of the applicant, addressed Council regarding this item.

Mr David Sentinella, on behalf of the Hornsby Ku-ring-gai Greens, addressed Council regarding this item.

RESOLVED ON THE MOTION OF COUNCILLOR TILBURY, seconded by COUNCILLOR BROWNE, THAT:

1. Council forward the Planning Proposal, (refer TRIM Document No. D06902688) to the Department of Planning and Environment seeking a conditional Gateway Determination that requires the proponent to submit prior to exhibition:
 - 1.1. An updated Economic and Employment Land Assessment that establishes demand for retail and employment floorspace arising from the estimated future population of the South Dural Planning Proposal;
 - 1.2. An updated traffic assessment that considers the future traffic movements arising from the South Dural Planning Proposal; and
 - 1.3. A Voluntary Planning Agreement that secures the provision of traffic facilities as offered by the proponent.
2. The General Manager be authorised to endorse the redrafting of the Planning Proposal into the required format under Council's cover for Gateway Determination.
3. Council write to the proponent advising that Council's ongoing support for the Planning Proposal is conditional upon the progression of the South Dural Planning Proposal which requires the commitment of the NSW Government to fund its share of costs associated with

the upgrade of the State Road Network.

4. Submitters be advised of Council's resolution.

FOR: COUNCILLORS BROWNE, COX, GALLAGHER, HUTCHENCE, RUSSELL AND
TILBURY

AGAINST: NIL

10 PL18/16 RFT27/2015 - Brooklyn Improvement Master Plan

(F2015/00382)

RESOLVED ON THE MOTION OF COUNCILLOR TILBURY, seconded by COUNCILLOR
GALLAGHER,

THAT:

1. Council not accept any tender and negotiate with Elton Consulting and McGregor Coxall to arrive at a lump sum tender price.
2. Council decline to invite fresh tenders or seek fresh applications from tenderers or persons expressing interest in the contract for the following reasons:
 - a) Council has tested the market for the project and further tendering or fresh applications are not likely to produce a better result.
 - b) Timing constraints do not unduly delay the project.
3. Unsuccessful tenderers be advised of Council's resolution.
4. Subject to the conclusion of successful negotiations, a further report be prepared for Council's consideration which includes a recommendation in respect of the acceptance of a tender for the preparation of the Brooklyn Improvement Master Plan.

FOR: COUNCILLORS ANISSE, BERMAN, BROWNE, COX, GALLAGHER, HUTCHENCE,
RUSSELL AND TILBURY

AGAINST: NIL

INFRASTRUCTURE AND RECREATION DIVISION

11 IR8/16 Request to Remove Tree - 132 Beecroft Road, Beecroft

(TA/574/2014)

RESOLVED ON THE MOTION OF COUNCILLOR COX, seconded by COUNCILLOR BROWNE,

THAT consideration of Deputy General Manager's Report No. IR8/16 – Request to Remove Tree –
132 Beecroft Road, Beecroft - be deferred until the 11 May 2016 General Meeting to allow the

Appendix F

GLN Planning Review Report

Review of Planning Proposal: Dural Service Centre 268-278 New Line Rd, Dural

Prepared for: Hornsby Shire Council

Date: March 2016

Project No 10417



Review of Planning Proposal: Dural Service Centre 268-278 New Line Rd, Dural

March 2016

Prepared for

Hornsby Shire Council

By



GLN Planning Pty Ltd
ABN 39 585 269 237



Review of Planning Proposal: Dural Service Centre, 268-278 New Line Road, Dural
Hornsby Shire Council

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Date of Final Issue: 1 April 2016
File Path: R:\Projects\10417 PP62015 _ Dural Service Centre Planning Proposal\Report\10417 Dural Service Centre PP.doc
Project Manager: Greg New
Client: Hornsby Shire Council
Project Number: 10417

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Document history and status

Version	Issued To	Qty	Date	Prepared by:	Reviewed by:
Draft	E Salvisberg	1-e	04/03/16	JS & GN	GN
Draft Ver 2	E Salvisberg	1-e	22/03/16	JS	JS
Final Draft	E Salvisberg	1-e	31/03/16	JS	GN
Final	E Salvisberg	1-e	01/04/16	JS	GN

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Appendices

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Appendix B	Review of updated EIA prepared by SGS Economics and Planning dated December 2015	
Appendix C	Peer Review Transport Assessment of Proposed Retail Development, 268 – 274 New Line Rd Dural prepared by Cardno dated 5 February 2016	
Appendix D	Planning Proposal prepared by City Plan Strategy and Development dated December 2015	

Executive Summary

Council has received a Planning Proposal to rezone land within Dural Service Centre for sites located at Nos. 268-274 New Line Road, Dural. The Planning Proposal recommends that adjoining land at Nos. 276-278 New Line Road be also included in the proposal. This Report cites the subject property as Nos. 268- 278 New Line Rd.

The Planning Proposal has been prepared by Restifa Pty Ltd on behalf of the owners of the land, Abilas Holdings Pty Ltd and True Items Pty Ltd.

The Planning Proposal would, if approved, result in the land being rezoned from IN2 Light Industrial Zone to B2 Local Centre under *Hornsby Local Environmental Plan 2013*, as a southern extension to the existing B2 zoned land in the Dural Service Centre.

A concept plan has been submitted with the proposal showing the future development of the land for supermarket, general retail, bulky goods retail and other purposes.

Informal notification of adjoining neighbours and notification on Council's website resulted in 12 written submissions being received. All but 2 of the submissions objected to the Planning Proposal.

An evaluation of the Planning Proposal against the submitted information and results of an independent peer review has raised the following issues:

- Based on the existing population of the catchment area, it is not clear that there is existing unmet demand for further land to be rezoned to accommodate a supermarket within the Dural Service Centre.
- There are existing suitably zoned lands within the Dural Service Centre that may be developed / redeveloped for supermarket purposes. Insufficient evidence has been submitted by the applicant that justifies providing additional B2 zoned land in the village centre of Dural Service Centre.
- Due to the nature of existing development, the proposal would in effect be a spot rezoning. The opportunity to integrate the development to a greater extent with the adjoining and nearby development may be enhanced by the progression of the South Dural Planning Proposal.
- While there may be some need for more land in this area in the future to be rezoned for general purposes in the future, this need has not yet been substantiated. Should the South Dural Planning Proposal proceed it is likely that the increased residential population resulting from that development will create greater demand for retail development including a supermarket in the medium to long term. Rezoning of land to permit business activities is likely to be needed to support this demand.

Accordingly, a further assessment of the need for additional B2 Local Centre zoned lands in conjunction with the consideration of the South Dural Planning Proposal would ensure that future retail floor area demands for the area were properly considered. This would be an appropriate planning response to inform the need, if any, to amend Council's Local Environmental Plan.

The consideration of this Planning Proposal has also raised issues and concerns as to the ability to realise and the likely effectiveness of the proposed service lane along New Line Road as required by Hornsby Development Control Plan 2013. It is recommended that Council review and potentially amend this HDCP requirement.

- **RECOMMENDATION**

1. That Council not proceed with the Planning Proposal at this time on the grounds that the need for and location of additional retail floorspace would be more appropriately considered in conjunction with the South Dural Planning Proposal.

1. Purpose

GLN Planning Pty Ltd has been engaged by Hornsby Shire Council (**Council**) to review a Planning Proposal involving land in the Dural Service Centre.

The Planning Proposal development on behalf of the owners of the sites, has been prepared by City Plan Strategy and Development.

The owners of the land are:

- Abilas Holdings Pty Ltd
- True Items Pty Ltd

The Planning Proposal is to amend the *Hornsby Local Environment Plan 2013 (HLEP)* to permit retail premises on the properties known as Nos. 268-278 New Line Road, Dural.

The purpose of this report is to document the findings of the review and to make recommendations to Council on the Planning Proposal.

2. Site and surrounds

The sites that are the subject of the Planning Proposal are as follows:

Street address:	Street address:
268 -270 New Line Road	272 – 274 New Line Road
Real property description:	Real property description:
Lot 268 DP 1102182	Lot 1 DP 218273

The proponent suggests that Nos. 276 – 278 New Line Road also be included within the Planning Proposal should it proceed, on the basis that the inclusion of that land would enable a logical extension of the existing B2 Local Centre zoned land. The real property description of the additional land is Lots 1 – 41, SP 75852.

The site is situated on the eastern side of New Line Road. The entire site including the additional lands are located at the northern end of an existing IN2 Light Industrial zone that comprises the Dural Service Centre. A small part of the eastern side of the site is zoned E3 Environmental Management. No amendments to the planning controls are sought to this portion of the site.

The three sites have a combined site area of 6.6ha and a 240 metre frontage to New Line Road. Nos. 268-270 is occupied by Gosford Quarries, Dural Pool Shop, Think Water and Dural Automotive. Nos. 272-274 New Line Road is occupied by Martin's Building and Landscape Supplies. Nos. 276-278 New Line Road has been developed for small industrial units and is strata titled.

The site is located in the semi-rural suburb of Dural. Parts of the local area are undergoing transition from semi-rural uses to low density urban residential purposes. Much of the surrounding land to the south of the subject site has been developed for low density residential development. This housing is located within the suburbs of Cherrybrook, Glenhaven and Rogans Hill.

The South Dural investigation area situated opposite, on the western side of New Line Road, and the construction of the Sydney Metro North West further to the south through Cherrybrook and Castle Hill, is likely to increase the attractiveness of the area for development within the wider area in the medium to long term.

Dural contains three retail / commercial centres: Round Corner Town Centre (within The Hills Shire), Dural Village and the Dural Service Centre. The site is located within the portion of the Dural Service Centre that allows both industrial and bulky goods retail uses, directly to the south of the existing B2 Local Centre zoned lands.

The Dural Service Centre includes a range of uses, including bulky goods retailing, various business parks, the Hills Bus depot and the Dural Golf Driving Range (directly to the south of No. 268 New Line Road). To the east of the Dural Service Centre is rural residential land off Paragon Drive. On the opposite side of New Line Road to the site is the Down Under Hotel and Sydney Hills Holiday Park.

The site is served with limited public transport being a bus service which only operates during the week. The site is located on an arterial road which experiences traffic congestion in peak periods.

An aerial photograph showing the location of the subject site, supplied by the applicant, is shown in **Figure 1**.

Figure 1 Site context



Source: City Plan Strategy and Development Pty Ltd

3. Proposal

The Planning Proposal seeks to rezone the subject site from IN2 Light Industrial to B2 Local Centre. The main purpose of the rezoning is to permit development for general retail uses such as supermarkets.

The changes would be effected through an amendment to the Land Zoning Map in the HLEP.

The Planning Proposal seeks amendments to the Land Zoning Map in the HLEP only.

The subject site is located within 'Area 5' under the HLEP which permits bulky goods retail development would be retained as an additional permitted use.

The current FSR and height control applying to the site is 0.7:1 and 10.5 metres, which would be retained.

Figure 2 below indicates the proposed planning instrument map amendments.

Figure 2 Proposed Land Zoning Map



Source: City Plan Strategy and Development Pty Ltd

The Planning Proposal is accompanied by the following supporting documentation:

- Planning Proposal, Dural Service Centre, prepared by City Plan Strategy and Development dated December 2015.
- Economic Impact Assessment (EIA) prepared by Location IQ, dated June 2015, amended December 2015.
- Traffic Assessment report prepared by Colston Budd & Kafes, dated May 2015 and further advice dated 9 December 2015.
- Indicative development concept plans prepared by Christensen O'Brien Architects.

The development concept submitted with the Planning Proposal shows a development on part of the site known as property Nos. 268-274 New Line Road. The development anticipates a centre that is anchored by a major full-line supermarket with good exposure to passing traffic along New Line Road, with a mix of retail uses including:

- A supermarket of 4,200 square metres
- Speciality floor space of 1,390 square metres
- Bulky goods floor space of 20,700 square metres
- Medical centre of 300 square metres
- Non-retail facilities of 3,900 square metres
- Self-storage facility of 4,800 square metres
- Bus parking and service of 1,750 square metres
- Total provision car parking of 3,900 square metres which will include 834 car parks.

It is proposed to widen the section of the road along the site's frontage, with a new signalised traffic intersection to the south of the site. The Traffic Assessment that supports the Proposal determines that the development could assist in mitigating traffic impacts of South Dural by retaining retail trips locally.

The EIA is based on the likely impacts from the traditional retail areas of 5,590 square metres including the supermarket and speciality shop uses, as the remaining uses are permissible under the current zoning. The assessment supports that there is additional demand for retail floor space in the Dural area that cannot be reasonably accommodated within the existing business zoned land in the Dural Service Centre.

During the course of the consideration of the Planning Proposal, the proponent was advised that the floor space of any subsequent development should the Planning Proposal proceed, would be required to comply with the applicable 0.7:1 maximum floor space ratio under the HLEP.

The specifics of the development proposal would be a matter for future consideration at development application stage. The key considerations for the Planning Proposal are:

- economic impacts of additional retail floor space, specifically upon existing centres with supermarket anchors;
- impact upon employment lands;
- traffic, parking and access; and
- connection with surrounding development and operation of the Dural Service Centre.

These considerations are discussed in the following sections of this report.

4. Planning context

This report considers the strategic context of the Planning Proposal in relation to State and local planning policies and the potential environmental impacts of the proposal. Details of the preliminary consultation with adjoining land owners and submissions received are also summarised.

4.1 State plans and policies

4.1.1 Metropolitan Plan for Sydney 2036

The NSW Government's *A Plan for Growing Sydney* aims to promote the liveability of Metropolitan Sydney by promoting, in part, a competitive economy with world-class services and transport.

Table 1 lists relevant goals and directions of the *Metropolitan Plan* and discusses how these relate to the Planning Proposal. As shown in the table, the *Metropolitan Plan* does not provide specific guidance on land use policy for this site, other than that it generally promotes economic development and jobs growth.

Table 1 Metropolitan Plan Goals and Directions

Metropolitan Plan goals and directions and actions	Relevance of this Planning Proposal
Goal 1 – Sydney’s Competitive Economy	
Direction 1.4 - Transform the productivity of Western Sydney through growth and investment Direction 1.6 - Expand the Global Economic Corridor	Dural Service Centre is not within an identified growth area. The Planning Proposal indicates that should the South Dural Planning Proposal proceed, additional growth and investment will occur.
Direction 1.7 of the Plan is to grow strategic centres to provide more jobs closer to home, with Action 1.7.1 aiming to invest in strategic centres across Sydney to grow jobs and housing and create vibrant hubs of activity. By providing the right regulatory framework around strategic centres with more investment and business activity, there will be an increase in productivity and will remove potential land use conflicts arising from residential intrusions into commercial cores.	Hornsby Town Centre is the only strategic centre identified in Hornsby LGA. Dural Service Centre is not a Strategic Centre
Action 1.7.3 aims to work with the Greater Sydney Commission to develop job targets for strategic centres. This will provide a benchmark for assessing the capacity of suitably zoned land to meet future needs. Specifically, the NSW Government will work with the Greater Sydney Commission to: <ul style="list-style-type: none"> Develop job targets for all strategic centres in consultation with local councils; 	The North District Plan will address housing and job targets for Hornsby LGA. The North District Plan has not yet been prepared. Dural Service Centre is not a Strategic Centre.

Metropolitan Plan goals and directions and actions	Relevance of this Planning Proposal
<ul style="list-style-type: none">• Monitor the delivery of jobs relative to the targets; and• Identify and remove barriers to jobs delivery at a local level in strategic centres.	

4.1.2 Subregional Planning

The *draft Northern Subregional Strategy 2009* was prepared to implement an earlier version of the *Metropolitan Strategy*. A new *sub-regional district plan* will be prepared as part of implementing *A Plan for Growing Sydney*.

The Greater Sydney Commission has recently been created as a dedicated new body which will drive the implementation of the *Metropolitan Plan* across Sydney's six subregions.

Subregional Plans will address:

- A vision for housing and employment growth in the subregion, consistent with *A Plan for Growing Sydney*.
- The distribution of housing and employment at the Local Government Area level.
- The goals, directions and actions contained within *A Plan for Growing Sydney*.
- The infrastructure required to support housing and employment growth within the subregion.

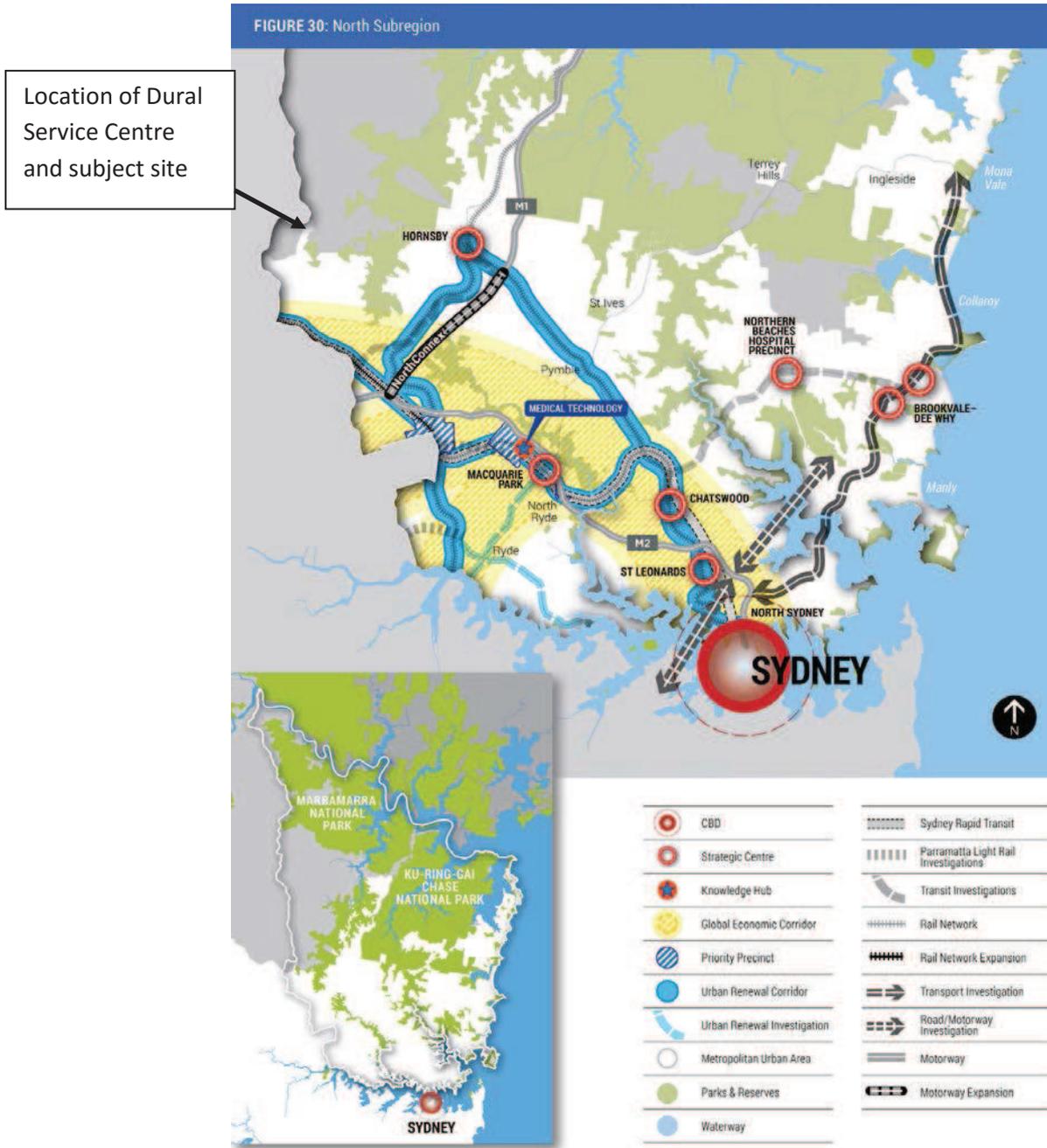
It is anticipated that the *North Subregional Plan* applicable to Hornsby will be released following the completion of the establishment of the Greater Sydney Commission.

A Plan for Growing Sydney identifies the priorities for the North Subregion as including:

- Identify and protect strategically important industrial-zoned land.
- Work with councils to identify suitable locations for housing and employment growth coordinated with infrastructure delivery (urban renewal) and train services, including around 'Priority Precincts', established and new centres, and along key public transport corridors including the North West Rail Link, the Western Line, the Cumberland Line, the Carlingford Line, the Bankstown Line and Sydney Rapid Transit.

Figure 3 below illustrates the priorities for the North Subregion within *A Plan for Growing Sydney*, including showing Hornsby Town Centre as a 'Strategic Centre'. There are no priorities identified for the Dural Service Centre..

Figure 3 North Subregion Plan



Source: NSW Department of Planning and Environment

The applicant states that the objectives of the Planning Proposal are:

- To cater for the identified demand for retail and commercial floor space to an extent that will reduce 'escape expenditure' whilst not adversely impacting on other existing and planned business centres;
- To complement and augment to the existing uses within the Dural Service Centre and other existing retail uses in the neighbouring centres;
- To create a vibrant meeting place and community hub within the suburb of Dural by providing a mixture of uses and community facilities; and
- Promote healthy lifestyles and choices by providing a village atmosphere, where local residents will be encouraged to walk and cycle when obtaining their local goods and services.

4.1.3 Section 117 Directions

Section 117 of the *Environmental Planning and Assessment Act 1979* allows the Minister for Planning to give directions to Council regarding principles, aims, objectives or policies to be achieved or given effect to in the preparation of draft local environmental plans.

The directions that are most relevant to this proposal are listed below:

Direction 1.1 Business and Industrial Zones

The objectives of this Direction are to:

- encourage employment growth in suitable locations;
- protect employment land in business and industrial zones; and
- support the viability of identified strategic centres.

As a result of this direction, when assessing a Planning Proposal, Council is required to retain the areas and locations of existing business and industrial zones and to not reduce the total potential floor space area for employment uses and related public services in business zones.

The EIA prepared for the Planning Proposal addresses economic and employment impacts. A peer review of the EIA was carried out by SGS Economics and Planning. The peer review concluded that the Planning Proposal failed to demonstrate a current need for more retail facilities at the proposed location. More evidence and analysis would be required to prove that a new supermarket would not adversely impact on the trading levels of other supermarket anchors in the surrounding area.

The proposal does not comply with this direction as it will result in a reduction of industrial zoned land in favour of new business zoned land, however will continue to function as employment land.

Direction 3.4 Integrating Transport

The objectives of this direction are:

- improving access to housing, jobs and services by walking, cycling and public transport; and
- increasing the choice of available transport and reducing dependence on cars;

- reducing travel demand including the number of trips generated by development and the distances travelled, especially by car;
- supporting the efficient and viable operation of public transport services; and
- providing for the efficient movement of freight.

As a result of this direction, when assessing a Planning Proposal, Council is required to locate zones for urban purposes and include provisions that give effect to and are consistent with the aims, objectives and principles of Improving Transport Choice – Guidelines for planning and development (DUAP 2001), and The Right Place for Business and Services – Planning Policy (DUAP 2001).

The Planning Proposal is generally consistent with this direction.

Direction 4.4 Planning for Bushfire Protection

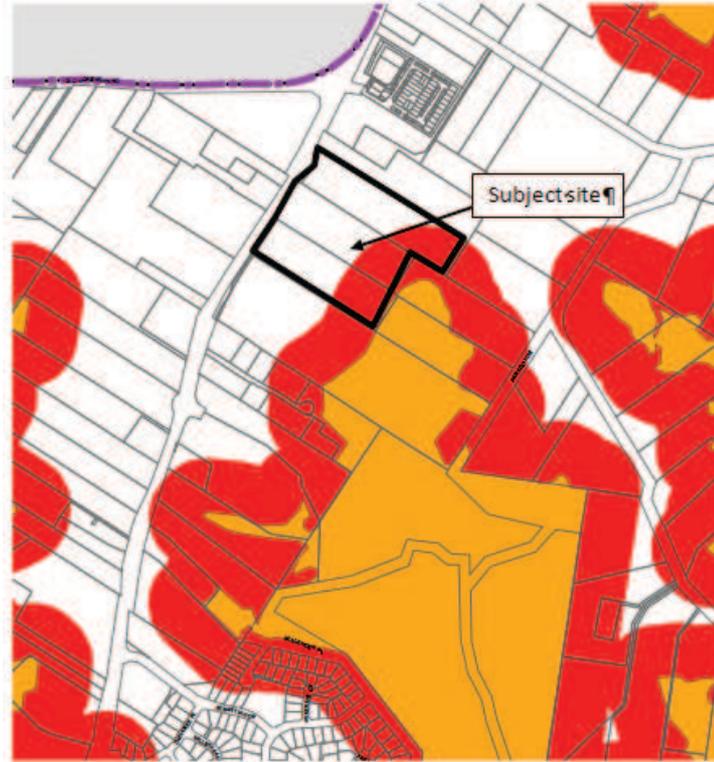
The objectives of this direction are:

- to protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas; and
- to encourage sound management of bush fire prone areas.

The site is identified as partially bush fire prone on Council's Bush Fire Prone Land Map (see **Figure 4**). A planning proposal may be inconsistent with the terms of this direction only if Council can satisfy the Director-General of the Department of Planning that it has obtained written advice from the Commissioner of the NSW Rural Fire Service, to the effect that, notwithstanding the non-compliance, the NSW Rural Fire Service does not object to the progression of the planning proposal.

The Planning Proposal indicates that the site is already zoned for a similar land use type and does not anticipate any additional adverse impacts. This is a matter that could be addressed following a favourable Gateway Determination.

Figure 4 Extract of Bushfire Prone Land Map



Source: Hornsby Council Bush Fire Prone Land Maps

Direction 7.1 Implementation of the Metropolitan Plan for Sydney 2036

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 Plan for Sydney 2036*.

Although this is the former metropolitan plan that was replaced by *A Plan for Growing Sydney*, it can be assumed that the Planning Proposal should be consistent with the latest Metropolitan Plan.

The consistency of the Planning Proposal with the *A Plan for Growing Sydney* is discussed in sections 4.1.1 and 4.1.2 of this report. The Planning Proposal is considered to be generally consistent with the direction

4.2 Local plans and policies

4.2.1 Planning history

The Dural Service Centre was established in 1987, by way of amendment to the *Hornsby Shire Planning Scheme Ordinance (HPSO)*. Amendment No. 58 permitted the development of industries and commercial premises which were of a predominantly rural character, with some allowances for some land uses listed in an accompanying schedule. Amendment No. 94 to the HPSO, gazetted on 3 March 1992, permitted shops which were ancillary to, or used in conjunction with, other development permissible in the Business E zone, or which served the daily convenience needs of the workforce in the zone.

The *Hornsby Shire Local Environmental Plan 1994 (HSLEP)* rezoned the Dural Service Centre from Special Business (e) (Service Centre) to Business E (Service Centre) with permissible uses including bulky goods retailing establishments, light industries, materials recycling facilities, service shops and warehouses or distribution centres.

In response to a 1996 decision in the Land and Environment Court, Council introduced an amendment to reduce ambiguity in permitted uses and adverse impacts upon the role and function of other business centres in the surrounding area. HSLEP Amendment No. 3 to the HSLEP involved the insertion of a definition of 'service shops' to replace provisions which allowed uses ancillary to, or used in conjunction with, other permissible development. The draft HSLEP also proposed that 'business premises' be deleted as a permissible use from the zoning control table.

Subsequent amendments to the planning controls were sought by the Dural Service Centre Business Group in 2007, and a submission to the LEP Review Panel was submitted to the Department of Planning but did not progress due to objections raised by the then Department of Planning. These objections related to the proposed rezoning being:

- inconsistent with the *Metropolitan Strategy* in that it would provide out of centre office development;
- inconsistent with Council's adopted Employment Strategy from the *Employment Lands Review 1998*;
- inconsistent with s117 Directions;
- likely to compromise the role of the nearby Round Corner village centre;
- an ad hoc approach to changing the nature of employment land at this location;
- likely to compromise the original intent of the zone and deliver a poor zoning outcome for the area; and
- premature as the future role of this land was yet to be resolved with the Subregional planning strategies being drafted at the time.

The Department of Planning indicated that any review of permissible uses for the Dural Service Centre should be undertaken as part of the *Ku-ring-gai and Hornsby Subregional Employment Study*, rather than as a stand-alone LEP.

Since 1994, Council's planning strategies for employment lands have been based on comprehensive studies. The most recent study undertaken was the *Ku-ring-gai and Hornsby Subregional Employment Study* (the '**Employment Study**') in 2008. It aimed to ensure local employment lands strategies facilitate opportunities for the provision of an additional 13,500 jobs within the Subregion by 2031 (as required by the *Metropolitan Strategy* at the time).

The Employment Study included key observations and recommendations in respect of each of the employment zones within the Subregion. The Study confirmed the hierarchy of centres established in the then *Metropolitan Strategy* and the draft North Subregional Strategy and provides strategic direction for the future role and function of Hornsby's employment lands.

The key issues and recommendations of the Employment Study were as follows:

- a) Reinforce the role of the Hornsby Town Centre as the major town centre in the Subregion by preserving a commercial core and identifying adjacent business development areas to facilitate future growth in the Centre;
- b) Strengthen the role of Epping as a Town Centre by increasing higher order office and retail activities;

- c) Strengthen the local service role of Villages, Small Villages and Neighbourhood Centres through a reduction in higher order retail and employment uses (for example bulky goods in a neighbourhood retail strip); and
- d) Protect existing strategic industrial centres and promote the centres as a competitive place for industrial activity.

The Employment Study found that within some centres there was a supply shortfall of floor space, but that the shortfall was relatively small. The Employment Study indicated that the Dural Service Centre was a precinct in which there was excess supply after accommodating forecast demand growth (2031). This forecast did not consider the urban release of South Dural and would require reconsideration should employment land be rezoned to support local retailing needs.

A further study of the Dural Service Centre was undertaken in 2009 to consider the operation of Dural Service Centre and consider the need for additional retail / commercial floor space and impacts upon Round Corner. In addition, alternate land uses were considered.

The *Dural Service Centre Retail and Commercial Study* (the '**Retail and Commercial Study**') undertaken in 2009 sought to determine the level of supportable retail and commercial floor space at Dural Service Centre. Investigations were undertaken of the 'critical level' at which further retail and commercial development at Dural Service Centre would have a significant impact on retail trading at the Round Corner Village Centre.

Consideration was also given to the appropriate level of commercial floor space by analysis of a number of comparable centres.

The Retail and Commercial Study concluded that Dural Service Centre could accommodate 2,251 square metres of additional retail floor space, without having a significant impact upon Round Corner. Additional B2 zoned lands were included within the HLEP. These lands, situated immediately north of the subject site, include land developed for a strata-subdivided industrial unit complex and a site that has been used for many years as a bus depot. This additional B2 zoned land has not yet been developed for general retail purposes. The Study further identified that Dural Service Centre has a low share of commercial activity which is sufficient to support the population of the surrounding area.

4.2.2 Local housing strategy

The *Hornsby Shire Housing Strategy 2011*, combined with existing future housing capacity, provided opportunities for 4,280 dwellings. The adopted strategies provide an opportunity for a total of 8,180 dwellings within Hornsby Shire, which are expected to be completed over the next 20 years. These opportunities largely relate to land situated well beyond the subject site (principally in Hornsby Strategic Centre and Epping Town Centre).

Council is currently investigating potential rezonings in the South Dural area and in Cherrybrook as part of the North West Rail Link Station Precinct. **Table 2** below shows the potential number of dwellings which may be achieved in these locations.

Table 2 Future potential strategies

Adopted strategy	Approximate number of dwellings
South Dural	3,000
Cherrybrook Station Precinct	3,200
TOTAL	6,200

The development of the South Dural and Cherrybrook Station Precincts would increase the demand for retail floor space. The South Dural rezoning has a Gateway Determination but there remains much work to be done to resolve State infrastructure issues. No Planning Proposal has yet been prepared for the Cherrybrook Station Precinct.

The above indicates that there may be increased demand for retail uses in the local area, but that demand relates to proposals that are either in the early planning stages or are not yet fully formed.

4.2.3 Hornsby Local Environmental Plan 2013

The site is zoned part IN2 Light Industrial and part E3 Environmental Management under the HLEP. The applicant proposes to alter the land use zoning of the IN2 portion of the site to B2 Local Centre.

The objectives for development in the IN2 zone are as follows:

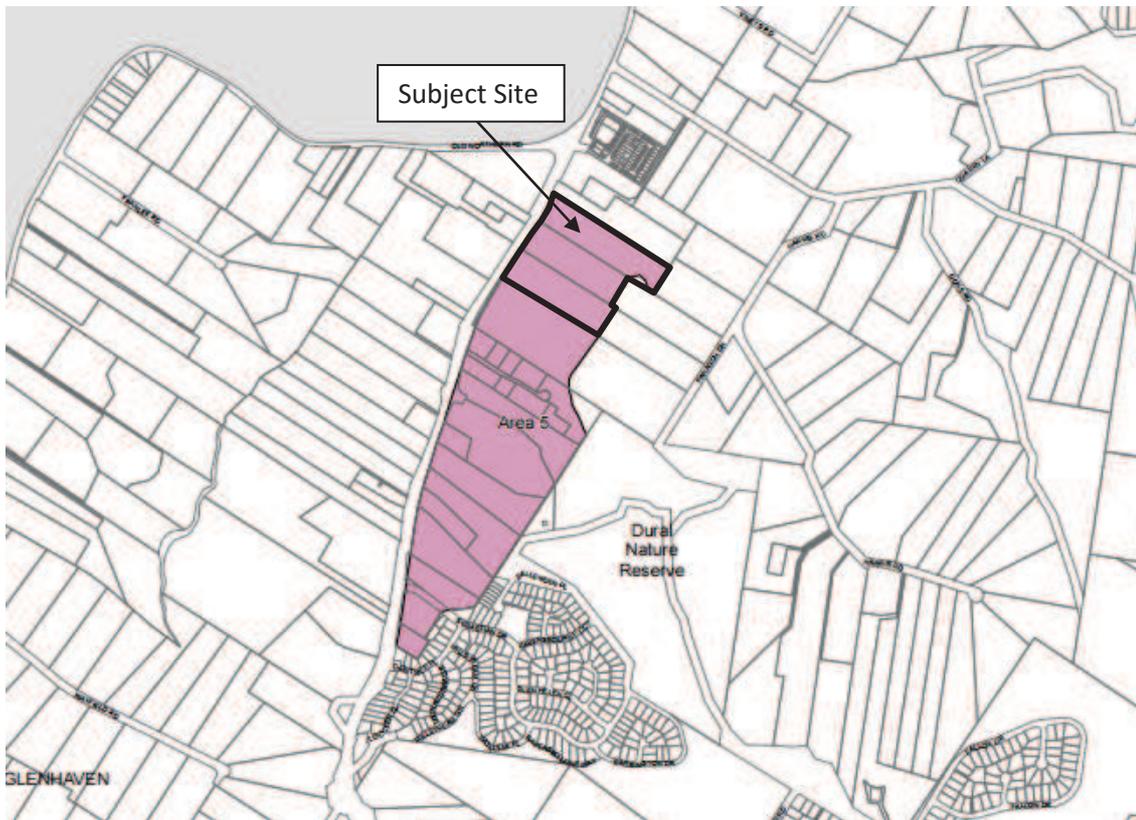
- To provide a wide range of light industrial, warehouse and related land uses.
- To encourage employment opportunities and to support the viability of centres.
- To minimise any adverse effect of industry on other land uses.
- To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area.
- To support and protect industrial land for industrial uses.

Planning within the Dural Service Centre has been informed by various planning strategies including *Ku-ring-gai and Hornsby Subregional Employment Study (2008)* and the *Dural Service Centre Retail and Commercial Study (2009)*.

Development Standards

The HLEP specifies a maximum height of 10.5 metres for development on the subject land. An 8.5 metre building height limit applies to the current B2 zoned land to the north. The proponent acknowledges that a variety of height controls apply to the other B2 zoned lands under HLEP and that consideration of the height controls within Dural Service Centre warrant review. The variable height controls are the likely result of adaptation of historical controls; Dural Service Centre initially being limited to 2 storey development and industrial and bulky goods premises requiring additional maximum height to accommodate greater floor to ceiling heights. The site is located within HLEP 'Area 5', which permits bulky goods retailing in addition to the permissible IN2 Light Industrial uses.

Figure 5 –Area 5 HLEP



The Planning Proposal as submitted does not seek to vary the application of HLEP 'Area 5'. Bulky goods retailing is permissible within the B2 Local Centre zone, in accordance with standard template LEP provisions. Accordingly, should Council resolve to support the Planning Proposal to Gateway Determination, it would be necessary to remove 'Area 5' from the Additional Permitted Uses Map for the site.

The B2 and IN2 zoned land with Dural Service Centre is also subject to a maximum FSR control of 0.7:1. No changes are sought to the FSR control.

To address the inconsistent application of the height of buildings, it would be appropriate that Council consider amending the building height of the existing B2 zoned land to acknowledge the same permitted uses and opportunity for development in a future housekeeping amendment.

Existing Use Rights

Application of a B2 zone to Nos. 276 – 278 New Line Rd, which has been developed for strata-titled light industrial units, would create existing use rights, until such time that the property is developed in a manner consistent with the zoning. On site car parking for this development has been provided on the basis of it being an industrial development (not a retail development) – with a parking rate of approximately 1 per 50m² of floor area.

The proponent has indicated that the likely retail take-up within Nos. 276-278 New Line Road would be limited to units at the front of the development and the provided traffic analysis has been made based on this assumption.

The adjoining property known as 280 New Line Road was developed for Industrial Units in 2005 and subsequently rezoned by Council from Business E (Service Centre) to B2 Local Centre in

2013. Since this time, few properties have changed use from industrial to commercial and parking provision appears satisfactory. Should property Nos.276-278 be rezoned as part of the proposal, any change of use would require a development application instead of a complying development certificate which is currently the case. A change of use from industrial to commercial / retail would result in under provision of car parking which has the potential to generate land use conflict within the complex. Given that 280 New Line Road has operated for the last 3 years without incident or complaint, it is anticipated that this impact would be minor and manageable.

Whilst in principle it is appropriate that any southern extension of the B2 zoned land at Dural Service Centre should include No.s 276 – 278 New Line Road, the impacts of a change in zoning require further consideration of issues such a parking demand, retail impact and opportunity for connectivity between sites.

4.2.4 Hornsby Development Control Plan 2013

Under the current zoning, development of the site would be assessed having regard to Part 1 General, and Part 5 Industrial of the *Hornsby Development Control Plan 2013 (HDCCP)*. The relevant controls would include consideration of scale, setback, landscaping, open space, sunlight, vehicle access and parking, traffic management, and design matters.

Should the subject site be rezoned Part 4 Business of the HDCCP would be applicable. Specific controls apply to development in the Dural Service Centre in relation to the setbacks and vehicular access. The HDCCP would require amendment to apply setbacks to the subject site. The Planning Proposal has not addressed the applicable HDCCP provisions and need for amendments.

The HDCCP requires vehicular access to the Dural Service Centre developments to be provided from New Line Road via a service lane fronting that road. This requirement is a HDCCP provision created more than 20 years ago. To date, no part of the service lane has been provided. The Planning Proposal has not addressed the service lane and proposes an alternative access solution of a signalised intersection and road widening.

The nature of the land holdings within Dural Service Centre and historic development approvals have prevented the realisation of the service lane. As a result of these factors, Council officers advised during the consideration of the Planning Proposal that the service lane is no longer an appropriate traffic management solution in Dural Service Centre. It is suggested that Council review and potentially amend the HDCCP's access requirements for the Dural Service Centre to reflect the latest access strategy.

Should Council support progression of the Planning Proposal to Gateway Determination, it would be appropriate that the preparation of site specific development controls be considered as a Gateway condition.

5. Environmental evaluation

5.1 Centre hierarchy

The function and role Dural Service Centre and other centres in the vicinity, specifically Round Corner has been the subject of previous reports and advice from the Department. Since the establishment of the Dural Service Centre and until the introduction of HLEP and the standard template, the changes to the effective planning controls had been to narrow the range of permitted retail uses. The Employment Study recommended that Dural Service Centre be zoned with a combination of IN2 Light Industrial and B2 Local Centre, reflecting current uses and adding scope to introduce some additional local service uses.

The 2009 Dural Service Centre Study indicated that the draft North and North West Subregional Strategies identify Round Corner as the nearest Village Centre to the Dural Service Centre and noting it had been agreed that the Dural Service Centre could accommodate a range of small scale retail and commercial uses to service the needs of the immediate local area where it is demonstrated they would not impact on the role and function of Round Corner.

5.2 Economic viability

This Planning Proposal seeks to locate a supermarket on the site and is largely predicated on the following assertions made by the applicant:

- *The Hornsby and Ku-ring-gai Subregional Employment Study* prepared by SGS in 2008 identified the changing role of the Dural Service Centre and need for additional general retail land. A limited amount of general retail zoned land was recommended by the Study and was subsequently incorporated into the HLEP (in the form of the current B2 zoned land to the north of the subject site).

The proponent considers this Study to be sound in principle, but given that it is now over seven years old, it is outdated in terms of the quantum of general retail development necessary to meet the identified changing circumstances of the area and the role of the centre in that context. The EIA submitted with the Planning Proposal discusses these matters, and is referred to in the following sections.

GLN Planning engaged SGS Economics and Planning consultants to undertake a peer review of the EIA. A copy of SGS's peer review is attached to this report. SGS identified a number of shortcomings in the EIA's economic modelling assumptions that create significant doubts about the need to rezone more land for general retail purposes in Dural Service Centre.

5.2.1 Trade Area

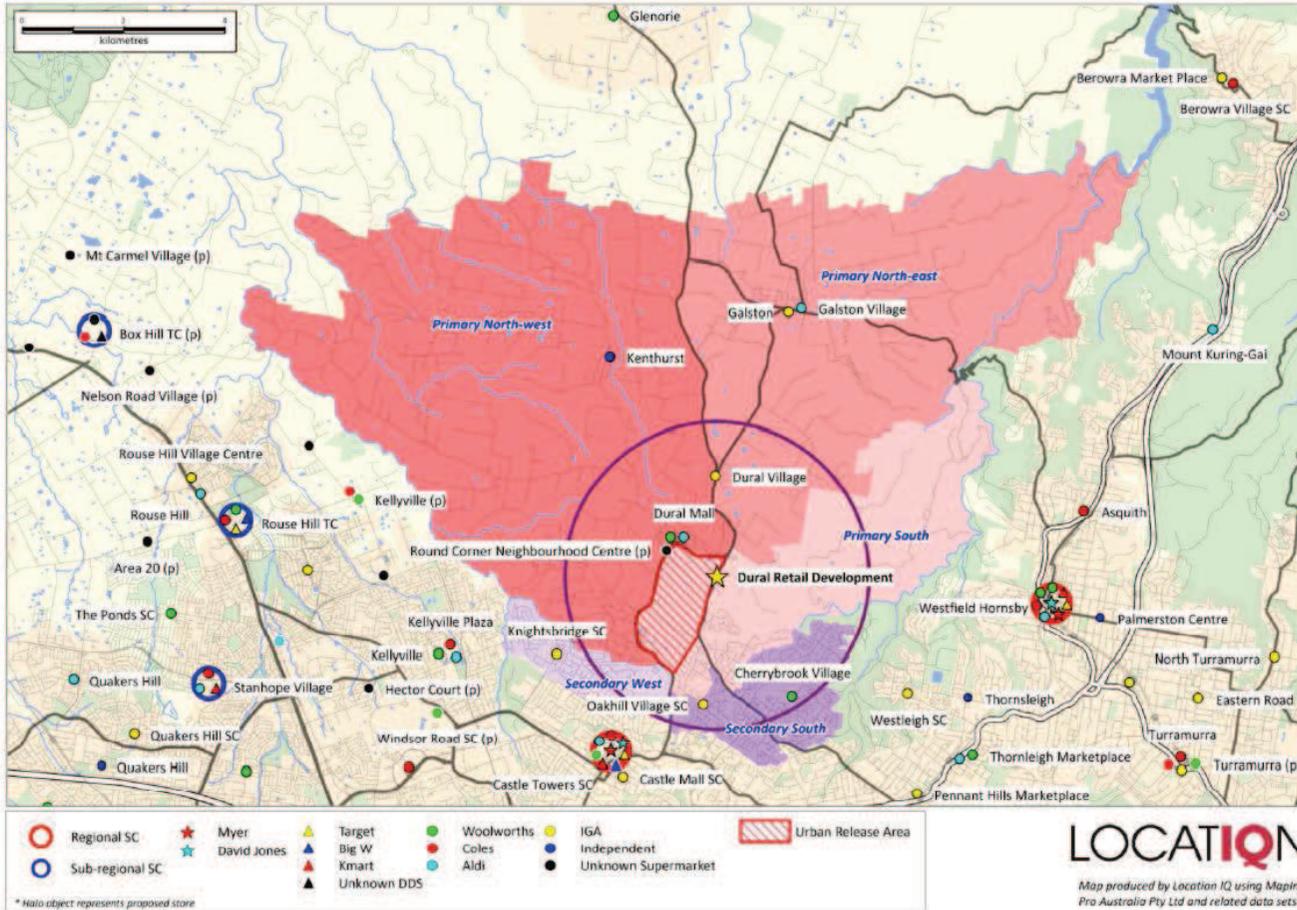
The EIA indicates that the proposed development would result in a centre anchored by a major full-line supermarket and concentrates on the likely impacts from the traditional retail area of 5,590m² as the other uses contemplated are permissible under the existing zoning with the principal focus of the EIA on the supermarket component.

The EIA has defined the trade areas (refer **Figure 6**) that are likely to be served by the proposed development. In defining these trade areas, the proponent considered the following:

- The scale and composition of the proposed development
- The scale, composition and proximity of retail facilities throughout the region
- Regional and local accessibility
- Physical barriers including Cattai Creek and the surrounding national park

Figure 6 – Extract of Main Trade Area as identified in EIA.

MAP 2.1 – DURAL MAIN TRADE AREA



Source: Location IQ EIA p 11

SGS concluded that the trade area identified was more conducive of a bulky goods cluster than a supermarket. Further noting that much of the primary north east and north west trade areas can be serviced by Round Corner and that a new supermarket anchored centre would replicate the role of Round Corner as a centre.

The rates of population growth have been identified as being in the order of 0.2% to 0.4%pa and that as a middle to high income area relative to the Sydney Metropolitan Area, higher levels of expenditure can be anticipated. SGS note however that the determination of the trade area population is likely to be 6,000 persons as opposed to 20,000 persons identified.

5.2.2 Competitive Environment

The EIA identifies three types of centres in the area, being regional, sub-regional and supermarket based centres. It is contended that regional and subregional centres are not convenient locations for weekly grocery shopping in the main trade area, but does identify that Round Corner Dural operates as a conveniently located local centre within 1km of the subject site.

5.2.3 Assessment of Potential for Retail Facilities

The EIA justifies the need for a full line supermarket on the basis of the population of the Main Trade Area. The EIA states in reference to all supermarkets in the trade area that 12.7% of sales are attracted from beyond the defined main trade area, yet then indicates that the proposed supermarket would be expected to attract 33% of its trade from beyond the trade area identified. A lower retail turnover density is estimated for the proposed supermarket than other centres in the main trade area. These assumptions have been used in the EIA to estimate the likely impact of the proposed development upon other centres.

SGS concluded that a reduction of the proportion of trade drawn from within the main trade area would reduce the impacts upon existing centres and there is no support in the EIA for the significantly higher injection rate for the proposed development. Further, the reduced retail turnover density compared with other centres has the effect of diluting the anticipated impact of the proposed development. SGS consider that the impact assessment in the EIA is inaccurate.

5.2.4 Employment and Consumer Impacts

The EIA indicates employment at 25 square metres per job for the proposed supermarket and does not provide any assessment of the impact of turnover losses in other centres.

SGS concludes that the supermarket employment densities are more likely to be in the order of 30 – 40 square metres per jobs and the EIA fails to demonstrate why centres that lose trade will not lose a proportionate number of jobs.

5.2.5 Needs Analysis

The EIA justifies the needs for a supermarket on an assumption a full line supermarket can be supported by 8,000 – 9,000 persons. The population of the main trade area is estimated at 47,000 and could support 5 – 6 supermarkets where only 2 currently exist.

SGS concludes the main trade area is not a contained region as there are two regional centres servicing this trade area which should be factored in. SGS consider that the trade area is serviced by approximately 8 – 9 supermarkets.

The EIA identifies the trend to convenience retailing. SGS do not concur that a full line supermarket supports convenience retailing and would have a more significant role in the retail economy.

Alternative sites other than the South Dural Planning Proposal have been considered in the EIA including the land to the north of the subject site, land within Round Corner and the future Cherrybrook Railway Station. Each alternative site is considered in the EIA to be inappropriate for a supermarket development for reasons of:

- Fragmented ownership patterns;
- Land constraints which would necessitate more expensive construction;
- Likely demand for a discount department store; and
- Locations beyond the primary trade area.

SGS maintain that there is insufficient information available to evaluate the location constraints, however indicate that a well-managed retail centres hierarchy is dependent upon growing centres in line with demand. The EIA acknowledged that it would not be possible to accommodate new retail floor space within Round Corner. SGS do not agree that a discount department store would be prioritised over a new supermarket within Dural Village.

5.2.6 Summary of EIA Peer Review

According to SGS, the EIA significantly overestimated the supermarket's trade area and employment generation of the proposal, and underestimated the retail turnover and turnover impacts on nearby centres.

Specifically, SGS concluded that the EIA fails to adequately justify the Planning Proposal as:

- The retail trading area appears to be too large: The analysis fails to satisfactorily justify the catchment and distinguish between the catchments for the supermarket and bulky goods trading components of the proposed centre.
- Inconsistencies in turnover calculations: Of particular issue is the uneven consideration of injections from beyond the defined trade area.
- Issues with impact on centres: There is still a lack of clarity around trade diversion impacts on nearby centres – particularly in terms of impacts on other supermarkets. The inclusion of non-approved centres into the equation is also an issue.
- Needs and employment effects: The report makes an unrealistic assessment of need based on the exclusion of major centres which are likely to serve large proportions of the population in the main trade area.

The EIA also states that the Planning Proposal is not reliant on the South Dural Planning Proposal proceeding. SGS however found that the EIA report does not adequately demonstrate that there is a current unmet demand for more retail facilities, specifically supermarkets, in the Dural Service Centre. More evidence and analysis would be required to prove that a new supermarket would not adversely impact on the trading levels of other supermarket anchors – principally those situated at Dural Village Centre. SGS agrees with the EIA that the extra population associated with the South Dural development, should the Planning Proposal for that development proceed, would generate the need for at least one supermarket. These are matters that could be further considered as part of or in parallel with the South Dural Planning Proposal.

Therefore, should Council support progression of the Planning Proposal to Gateway Determination, it would be appropriate that EIA be amended to reflect the retail demand for additional retailing prior to exhibition.

5.3 Traffic, access and parking

The Planning Proposal is accompanied by a Transport Assessment prepared by Colston Budd and Kafes.

The Transport Assessment identifies the site as being within the vicinity of the South Dural Planning Proposal. Road infrastructure upgrades would be required to service the South Dural Planning Proposal and that such works would be required to be undertaken at no cost to government but as yet agreement has not been reached on progression of the Planning Proposal.

GLN Planning engaged Cardno to undertake a peer review of the Transport assessment.

5.3.1 Road Network and Access

The Colston Budd and Kafes Traffic Assessment provided consideration of the key intersections impacting upon the proposal as being:

- New Line Road/Old Northern Road; and
- New Line Road/Bunnings Access.

Both of these intersections are roundabouts. The Traffic Assessment indicates that the impacts upon the peak hour traffic and intersections are capable of being accommodated. It is noted that minor intersections in the vicinity of the subject site operate at or near capacity.

Access to the site is proposed via New Line Rd via a new signalised intersection at the southern boundary and New Line Road would be upgraded to four lanes along the frontage of the site. The Traffic Assessment indicates access could be provided to South Dural Planning Proposal, however no specific details are proposed or assessed in the submission.

5.3.2 Traffic Effects

It is stated that the nature of the proposed development would enable a proportion of the traffic generated to be linked enabling a reduction in the overall traffic generation of the specific uses. Further, that some of the traffic generated will be relocated from other centres and there could be resultant improvements in intersections along New Line Rd and Old

Northern Rd. Indicating that the existing road network is capable of accommodating the traffic generated by the proposed development.

5.3.3 Summary of Transport Assessment Peer Review

The traffic and parking assessment has been deemed to be lacking in details so as to enable a robust and transparent assessment of the potential impacts of the Planning Proposal. Many of the issues raised are referencing and access to the background assumptions and modelling to support the conclusions reached in the Traffic Assessment. The Planning Proposal process provides opportunities to further examine and test the assumptions and results. There is sufficient assessment provided and further details could be required by the Gateway determination to ensure traffic impacts are appropriately addressed and considered.

The proposal provides for a new signalised intersection at the site, providing access to New Line Rd. Road widening is proposed to be undertaken for the full width of the site. The proponent has indicated that these works would be carried out at full cost by the applicant.

In response to a referral request, the RMS provided advice that in general the proposal is inconsistent with the practice of limiting access from arterial roads and the introduction of new intersections. The nature of the development site prevents any opportunities to create shared access points due to form of the adjoining development. For development of the site to proceed it would be necessary to permit a new intersection. To determine suitability of future access, it would be necessary to provide a robust and transparent traffic assessment. As discussed earlier, details to satisfy the RMS and Council as to likely traffic impacts could be a condition of Gateway Determination.

RMS has advised that all works would be required to be at the full cost of the applicant. The Planning Proposal indicates that direct improvements to local road infrastructure, including installing new traffic signals and widening of New Line Road adjacent to the site will be fully funded by the proponent via a deed of agreement with the RMS and Council. The means by which this agreement would be effected is not explored within the Planning Proposal documentation and would be required to be secured prior to making of an amending LEP.

Council's Traffic Engineer has reviewed the Traffic Assessment and peer review and generally agrees with the conclusions of the peer review and notes that neither submission references the service lane required by HDCP. Discussions with the applicant during the course of the Planning Proposal assessment revealed that the service lane has not been included as their advice is the service lane cannot be achieved.

The service lane is a requirement of the HDCP and it is discussed in Section 4.2.4. As stated previously, it is recommended that the service lane be further examined to determine if it can be achieved and whether it remains an appropriate traffic solution for Dural Service Centre.

5.4 Spot rezoning

The Planning Proposal seeks principally to amend the zoning that applies to property Nos. 268-274 New Line Road, although the planning analysis includes Nos. 276-278 New Line Road on the basis it is sensible to have a single consolidated B2 zoned area of land rather than two separate locations.

However, because of there being a significant amount of existing strata-titled light industrial development on the properties 276-278 and 280 New Line Road (already zoned B2 Local

Centre), it is unlikely that if the rezoning proceeded there would ever be a consolidated retail centre at Dural Service Centre. The new mixed use, supermarket and bulky goods development on the subject site, should it be developed, would have its own signalised intersection and would thus be a new retail centre functionally separate from the existing general retail uses.

Should this Planning Proposal proceed to Gateway Determination, it would be appropriate as a condition of Gateway to examine the merits of increasing the amount of suitably zoned land for general retail purposes as part of, or at the same time as the South Dural Planning Proposal. This is because:

- The subject site would operate as an isolated site and without a more detailed analysis, would be inequitable to consider the subject site for rezoning ahead of others.
- There would be significant extra demands for general retail floor space as a result of the South Dural development, whereas current unmet demand is low.
- There is at least 2.5 hectares of underdeveloped B2 zoned land currently available within Dural Service Centre which could provide for retail expansion to meet current unmet needs, if any. This development opportunity, which is the current bus depot site, would potentially enable connection with the existing B2 developed lands providing a more cohesive centre than would be realised under this Planning Proposal.
- There may be optimal solutions to cumulative development impacts (e.g. traffic, pedestrian access), if investigated as part of, or after South Dural.

5.4.1 Is the Planning Proposal necessary?

The proponent states that the Planning Proposal is necessary to realise the need for a supermarket development within the area, enabling the modest expansion of the currently constrained B2 Local Centre which provides greater potential to become a community hub, complementing Round Corner. (Planning Proposal p. 26)

The EIA was prepared that supports the redevelopment of the site anchored by a new full-line supermarket. A central premise of the Planning Proposal and the EIA is that there is a current significant unmet demand for supermarket floor space in the Dural area.

The peer review of the EIA carried out by SGS Economics and Planning found that the EIA's methodology whilst essentially sound was based on assumptions and resulted in conclusions that:

- Did not prove that there was any significant existing shortage of supermarket floor space, or that without South Dural development the trade area is likely to grow so much as to warrant a new supermarket in the area.
- Did not prove that a new supermarket would not significantly adversely impact on the trading levels of other supermarket anchors in the surrounding area.

In our view, a robust case for rezoning this land or other potential sites in the area would be more appropriately addressed by accounting for the scale and timing of the extra demands associated with the yet-to-be-determined South Dural Planning Proposal.

5.5 Loss of Employment Lands

Preliminary consideration of statistics and industry data has been undertaken to determine the likely change in employment floorspace for the Dural Service Centre, as a result of a commercial rezoning should the proposal proceed.

The Employment Study indicates that the Dural Service Centre has a surplus supply of industrial floorspace of 142,056sqm. Since the adoption of the HLEP in 2013, which rezoned a small portion of the DSC for commercial use, the surplus industrial floorspace now has an area of 94,660sqm.

Should the Dural Service Centre Planning Proposal proceed, the three subject sites nominated in the Proposal zoned IN2 Light Industrial (excluding the E3 Environmental Management zoned portion of the land), would result in a further 38,800sqm reduction of the industrial floorspace surplus. Therefore, the rezoning would still result in an industrial floorspace surplus of 55,863 sqm.

As a guide, Hill PDA's Box Hill Retail and Employment Assessment (2011) was applied to determine the required Gross Floor Area (GFA) per worker by industry type. As the GFA required per worker for an industrial use is larger than for a retail use, a commercial rezoning would generate more jobs than the industrial use.

Further, the Australian Bureau Statistics (2011) indicates that for Hornsby, 38% of residents live and work in the same Statistical Land Area. Therefore, should South Dural proceed, approximately 38% of residents of the urban release precinct would require locally contained jobs.

In summary, this high level test indicates that the rezoning would not detrimentally impact upon the availability of industrial zoned land in the Dural Service Centre, as a surplus of industrial floorspace would still exist. Further, a commercial rezoning could assist with providing employment opportunities for a local workforce, should the South Dural Planning Proposal proceed.

Note: This was an indicative test only. The data that has been sourced at a Statistical Land Area level is based on industry guide margins and is not specific to the individual sites. Accurate analysis would be more appropriately addressed in an Economic Impact Assessment at a Gateway Determination stage.

5.6 Voluntary Planning Agreement

The proponent has indicated a desire to incorporate public infrastructure within the development such as a community hall a child care centre, respite care facilities or similar via a Voluntary Planning Agreement (VPA). The proponent has indicated that the installation of new traffic signals and the upgrade of New Line Road would be undertaken at no cost to Council or RMS.

During the consideration of the Planning Proposal, the proponent was advised that Council would not be seeking community facilities in the location by way of a VPA. However, should the Planning Proposal proceed to Gateway Determination it would be necessary to ensure that funding of all necessary road infrastructure improvements was to be secured prior to any amendment to the HLEP being finalised.

The Planning Proposal does not indicate the manner in which the road works would be funded. The mechanism by which the road works are to be funded requires further consideration. Should the planning proposal proceed to Gateway Determination, a suitable condition to guarantee the provision of this work via a VPA or Deed would be required.. Funding of road infrastructure cannot be deferred to development application stage to provide certainty for both Council and RMS.

6. Consultation

6.1 Preliminary notification

The Planning Proposal was informally exhibited from Monday 13 July for two full working weeks via a notice on Council's website (under major plans on exhibition) and letters were sent to adjoining property owners. Copies of the Planning Proposal were made available for inspection at Council's Administration Building and Hornsby Library, and an advertisement about the exhibition appeared in the Hills News and Hornsby Advocates on 16 and 23 July, and 14 and 21 July 2015, respectively.

A total of 12 submissions from 11 submitters were received, including submissions from Hills Shire Council, Sydney Water and the RMS. All but 2 of the submissions objected to or raised serious concerns with the proposal.

6.2 Issues raised by public authorities

6.2.1 Hills Shire Council

The submission from The Hills Shire Council raised the following matters:

Trade Area is excessive in area

- The peer review of the EIA supports the contention that the main trade area is overestimated. The assessment of the main trade area is addressed in Section 5.2 above and within the SGS peer review.

Previous economic evidence

- It is agreed that the previous economic studies prepared by Council do not support the development of a full line supermarket within Dural Service Centre. However, the existence of a previous study should not preclude alternative findings over should suitable evidence be presented for consideration.

Impacts upon Round Corner Dural revitalisation

- The SGS peer review concludes that there is a lack of clarity around trade diversion impacts upon nearby centres. The EIA seeks to make a case for a new supermarket anchored Activity Centre on the basis there is a undersupply of retail floorspace and minimal loss of turnover in nearby centres. SGS conclude that EIA does not sustain these arguments, noting that the population in the trade area is well served by Round Corner but that future development of South Dural Planning Proposal may warrant a new local centre.

Stand alone nature of the proposed development

- The subject site is located within land that has been identified as the Dural Service Centre since 1987. Should the South Dural Precinct be released, it would be appropriate to consider locations both within the precinct and the Dural Service Centre so that local retail and employment uses are appropriately integrated.

6.2.2 NSW Roads and Maritime Service

Proposed Signalised T intersection inconsistent with service lane required by HDCP and precedent for other traffic generating developments

- The service lane provision is a policy issue that requires further consideration as to the likely effectiveness of the service lane in light of the approvals previously issued. Some developments will by their nature require signalised intersections. The peer review indicates that the basis upon which the traffic impacts have been assessed is reasonable, but that further examination of the underlying assumptions and modelling is required. Further traffic assessment can be undertaken following Gateway Determination.

Upgrading of New Line Road not in Government works program.

- The applicant has indicated that necessary upgrading works to road infrastructure would be undertaken at no expense to RMS. The mechanism by which this agreement would be effected has not been proposed and would require further consideration prior to progression of the Planning Proposal

Applicant must investigate if road infrastructure improvements can be accommodated in existing road reserve.

- This is a matter that can be further examined following Gateway Determination.

VPA required to be entered into to fund the required works.

- As discussed in Section 5.6, the provision of an appropriate mechanism to ensure funding of the required road infrastructure works would be required prior to any amendment to the HLEP being finalised. Such works to be undertaken at no cost to the RMS or Council.

Relationship of the development site to South Dural Planning Proposal and best practice for the location of local town centres.

- Should the South Dural Precinct be released, it would be appropriate to consider locations both within the precinct and the Dural Service Centre so that local retail and employment uses are appropriately integrated.

6.2.3 Sydney Water

Advice from Sydney Water indicates that both drinking water and waste water mains are available for connection. Any amplification for trunk assets that may be required will be provided at Section 73 application phase.

6.3 Issues raised in public submissions

The submissions raised the following matters.

Planning Proposal is premature

- The submitted EIA does not satisfactorily support the proposal. It is agreed that further consideration of additional B2 zoned land should be undertaken in conjunction with the progression of the South Dural Planning Proposal.

Sufficient B2 Local Centre zoned land is available

- The Planning Proposal indicates the possible development of the already zoned B2 land within Dural Service Centre and offsets the development of this land by way fragmented ownership, current uses and traffic implications. The proponent seeks to rely on the EIA to support additional lands being zoned for supermarket purposes. The peer review of the EIA does not support the conclusions of the proponent's EIA. The peer review undertaken by SGS and earlier studies prepared by Council indicates there is sufficient retail land available and further increases in zoned land are likely to impact upon the economic viability of existing centres.

Existing Light Industrial Complex

- It is agreed that the existing industrial unit development located at No.s 276 – 278 New Line Road would have the effect of isolating the proposed supermarket development from the existing B2 zoned and developed land to the north of the site. However, this impact occurs in all land where zoning changes are implemented including those of the HLEP more recently.

Local traffic and access and funding of improvements

- Concerns raised in relation to traffic and access are supported. The area experiences traffic congestion during peak periods. The peer review of the traffic assessment indicates that further assessment is required to determine likely traffic measures to be required.

Retail uses are permitted

- This objection relates to the potential impact on existing B2 zoned lands. The objection notes that the South Dural Planning Proposal and the necessary planning and road infrastructure improvements remain unresolved noting there is no need to progress the planning proposal to facilitate a supermarket prior to the progression of the the South Dural Planning Proposal. The need for and timing of the progression of the planning proposal is addressed within this assessment.

Inconsistent with the hierarchy of centres

- The peer review of the EIA indicates that the proposal is likely to impact upon existing centres and is addressed in Section 5.2 above.

Inadequate connection to create a well located retail area

- The site is isolated from the existing B2 zoned land by the existing industrial unit building at Nos. 276 – 278 New Line Rd and other development on New Line Road. Consideration of the need for more B2 zoned land in conjunction with the South Dural Planning Proposal would enable further consideration of the connections with other development in the locality.

Poor Retail Selection

- The objection relates to impacts upon existing centres, specifically Round Corner. The EIA and likely impact upon existing centres is addressed within Section 5.2 above.

Impact on Environmental Management Zone

- No changes are proposed to the environmental management zoned land at the rear of the site. The location and scale of development in terms of built form would be similar in impacts under either the IN2 or B2 zoning. The controls of HLEP and HDCP in conjunction with the development assessment regime of the *Environmental Planning and Assessment Act* are capable of ensuring appropriate protection.

A more holistic approach should be taken to zoning in the area

- The assessment of the Planning Proposal indicates that further consideration and progression of the Planning Proposal should be undertaken in conjunction with the South Dural Planning Proposal.

Excessive Development Proposed

- It is noted that the proposed development concept would exceed FSR controls. The extent of future development would be subject of a development application which would evaluate compliance with the effective FSR controls of the HLEP.

Assessment of Existing Use Rights created

- The Planning Proposal submitted provides limited discussion of the creation of existing use rights. It is however noted that changes in effective planning controls often result in the creation of existing use rights as has occurred within other sites in the portions of the B2 Zoned land within Dural Service Centre introduced in the HLEP. It is not anticipated that impacts will arise that cannot be adequately considered and addressed in the assessment of a development application.

Inaccurate description of Bush Fire Prone Land

- It is noted that the Planning Proposal indicates a different impact of bush fire prone land upon the site and adjoining lands. This is a result of earlier maps being referenced. Any impacts of bush fire prone land could be addressed in post Gateway considerations and any future development applications.

Inadequate Road Infrastructure

- The Planning Proposal identifies road infrastructure improvements attributable to the proposed development that would be required to be undertaken at the applicant's expense.

Access

- The Traffic Assessment indicates a signalised T intersection would be provided to the site. Access to and from the subject site would be improved as a result of the proposal being developed. Traffic impacts would be required to be further considered following Gateway Determination.

Traffic and parking

- The Traffic Assessment indicates that the impacts of the proposal are capable of being accommodated by the proposed works. The peer review generally supports the assessment, but notes that the assessment is lacking in detail to enable a robust assessment. It is concluded this could be a post Gateway Determination requirement.

- The proposal is located on an arterial road where traffic congestion already exists within the surrounding road network. This would necessitate widening of New Line Road and the introduction of additional traffic signals to facilitate entry and exit from the site.

Should be undertaken in conjunction with the South Dural Planning Proposal

- This assessment recommends that Council not proceed with the Planning Proposal at this time, as the Proposal has not demonstrated an existing need for an additional supermarket. The need for, and location of, additional retail floorspace would be more appropriately considered in conjunction with the South Dural Planning Proposal.

In support

- The owner of one unit within Nos. 276-278 New Line Road, Dural supports the proposal without specifying reasons.

6.4 Summary

The issues raised in the preliminary exhibition indicate that there is some concern about the potential local impacts of the Planning Proposal, and that a broader analysis of the future planning role of the Dural Service Centre and Round Corner would be needed in order for the Council to make an informed decision about the merits of the proposal.

It would be appropriate that these issues are considered concurrently with the South Dural Planning Proposal so that an optimal solution may be considered.

7. Statutory considerations

In the event that Council wishes to proceed with the Planning Proposal, the following statutory requirements would be triggered:

The Gateway Determination would confirm the technical studies and community consultation required to support the proposal. As additional investigation and consultation is undertaken, relevant parts of the Planning Proposal would be updated and amended.

The *Environmental Planning and Assessment Act 1979* allows the Minister and the Secretary to delegate functions to a council and/or an officer or employee of a council. When submitting a Planning Proposal, Council is required to identify whether it wishes to exercise this delegation.

8. Conclusion

The Planning Proposal to rezone the site B2 Local Centre was informally exhibited from Monday 13 July 2015 for two full working weeks.

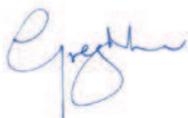
A total of 12 submissions were received from 11 submitters, including submissions from Hills Shire Council, Sydney Water and the RMS. All but 2 of the submissions objected to or raised concerns with the proposal. Based on the assessment contained in this report, it is recommended that the Planning Proposal should not proceed independently of the South Dural Planning Proposal, at this time for the following reasons:

- The Dural Service Centre is an identified small village within Council's commercial centres hierarchy, and should be the preferred location for small and medium scale commercial/retail uses that serve the local community. The Centre's developable area should therefore reflect its role in the centres hierarchy, and should not result in development competing with other centres.
- Council's 2008 Employment Study and 2009 Dural Service Centre Study indicated that there is no underlying demand for additional floor area beyond that provided within the existing zonings of HLEP 2013.
- Based on the findings of a peer review of the proponent's economic assessment, there appears to be little justification to change the current planning settings to enable a supermarket development on the subject site.
- Given the availability of other potential sites, including Round Corner, Dural the need for and location of additional retail uses should be considered as part of the South Dural Planning Proposal. This would ensure that the additional demand for retail floor space is based on a development concept and yield assessment that has been publicly exhibited and peer reviewed by Council.
- The submitted traffic assessment does not provide sufficient detail to adequately test the assumptions and findings. Further details if submitted would likely overcome the issues raised in the peer review.

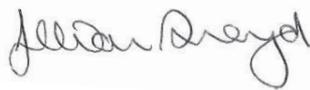
Should this process conclude that the subject site is the most appropriate location for additional retail floorspace, further detail would be required in relation to:

- A voluntary planning agreement to secure the provision of traffic facilities required to support the development; and
- Drafting of amendments to the Hornsby Development Control Plan to provide site specific controls to ensure the orderly development of the site.

Therefore, it would not be appropriate to proceed with the Planning Proposal at this time. It would be more appropriate that assessment of the need for additional B2 Local Centre zoned lands occurs in conjunction with the consideration of the South Dural Planning Proposal. This would ensure that future retail floor area demands for the area are properly considered with opportunity to appropriately address economic and traffic impact.



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APPENDIX A

New Line Road - Dural

Peer Review of Economic Impact Assessment Draft Report



GLN Planning
September 2015

Independent insight.



This report has been prepared for GLN Planning.

SGS Economics and Planning has taken all due care in the preparation of this report. However, SGS and its associated consultants are not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of any representation, statement, opinion or advice referred to herein.

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1 INTRODUCTION

1.1 The proposal

The site for the proposed retail development in Dural is located on 268-276 New Line Road, situated 200 metres to the south of the intersection with Old Northern Road. Old Northern Road and New Line Road are major arterial roads throughout the surrounding area. The site is within Dural Service Centre and currently accommodates a building and landscape supplies business.

In May 2015, developers *Restifa and Partners* lodged plans and supporting expert evidence to redevelop the site into a supermarket anchored retail precinct.

1.2 Scope of the study

SGS Economics and Planning have been commissioned by GLN Planning to undertake an independent peer review of an Economic Impact Assessment prepared by Location IQ consultants in May 2015.

Specifically, SGS has been requested to review:

- The methodology, and supporting information, including modelling and underlying assumptions
- Retail competition in the region
- Identified impacts of the proposed development
- Community need of the proposed development

This report is structured in such a way that chapter headings reference those contained within the report. Sub-headings also correspond to the Location IQ report's sub-headings or substantial grouped information within them.

Each chapter section contains the following:

- A brief summary of the key points identified in the corresponding section of the strategy
- An indication of support or otherwise for the strategy's findings, structured to address its methodology, assumptions and calculations. These are contained within the green boxes.

2 SITE LOCATION AND PROPOSED DEVELOPMENT

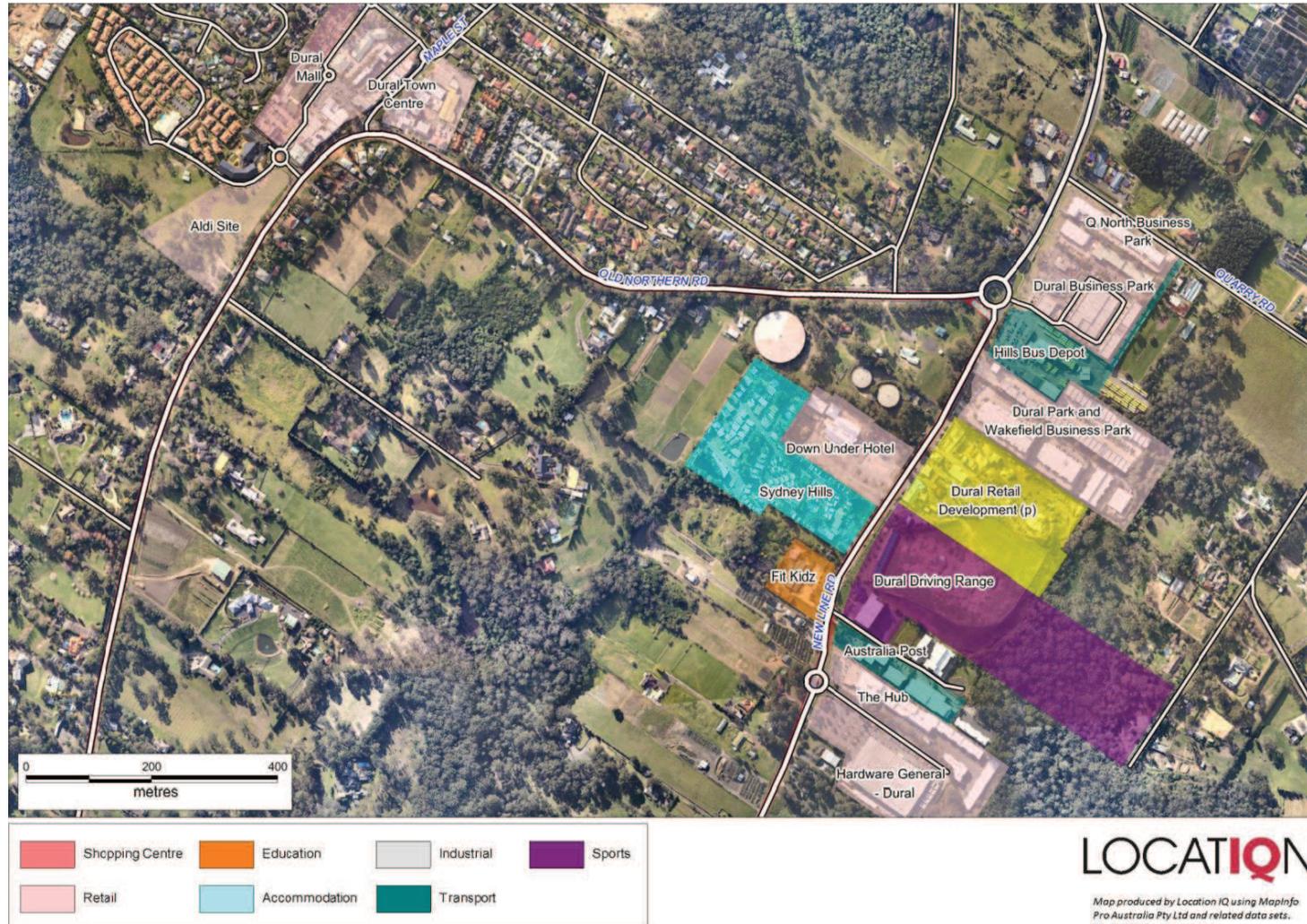
2.1 Regional and local context

Dural is an outer north-western suburb of Sydney. It is located approximately 30 minutes' drive away from the Sydney Central Business District and acts as an interface between the metropolitan area to the south and peri-urban settlements to its north and west.

Dural is also in close proximity to the North West Growth Centre which is anticipated to accommodate over 300,000 new residents over the next 20 years. The EIA report notes that this growth centre is approximately five kilometres west of the subject site.

The subject site itself is located within a low density business precinct which accommodates a mix of light industrial, office and bulky retail. The figure overleaf shows the proposed development highlighted in yellow in the surrounding local context.

FIGURE 1 DURAL LOCAL CONTEXT



Source: Location IQ, 2015.

2.2 Proposed development

The proposed development is located on a site at 270-272 New Line Road, Dural. The development will contain a mix of retail uses including:

- A supermarket of 4,200sqm
- Speciality floorspace of 1,390sqm
- Bulky goods floorspace of 20,700sqm
- Medical centre of 300sqm
- Non-retail facilities of 3,900sqm
- Self-storage facility of 4,800sqm
- Bus parking and service of 1,750sqm and,
- Total provision car parking of 3,900sqm which will include 834 car parks

The EIA Report notes that the bulky goods floorspace is permitted under the present zoning, so the report is focused on other retail facilities instead – with the principal focus on the supermarket component.

SGS comment:

The outline provided by Location IQ is reasonable and sound. The proposed development is outlined clearly.

3 TRADE AREA ANALYSIS

This section of the EIA defines the trade area for the proposed development site. Key demographics of the population within the trade area are outlined in this section.

3.1 Market assessment

Trade area definition

Location IQ has defined the trade areas that are likely to be served by the proposed Dural retail development. In defining these trade areas, Location IQ considered the following:

- The scale and composition of the proposed development
- The scale, composition and proximity of retail facilities throughout the region
- Regional and local accessibility
- Physical barriers including Cattai Creek and the surrounding national park

Figure 2 maps the defined Main Trade Area (MTA) which consists of the Primary and Secondary Trade Areas. This MTA would appear to indicate that the majority of trade would be sourced from residents within a 4km radius to the south (of the proposed development site) and a 10km radius to the north. .

SGS Comment:

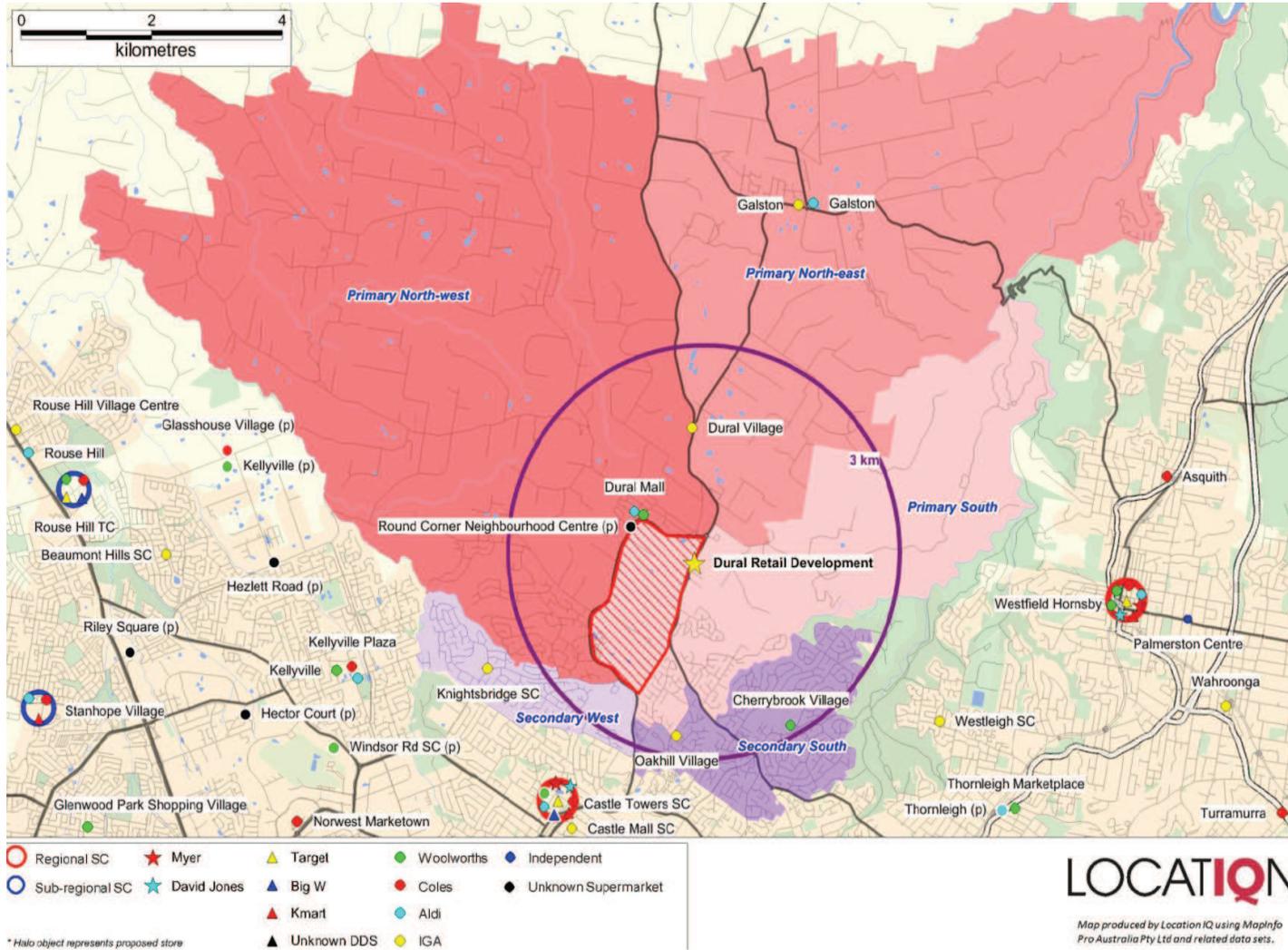
The report does not specify the manner in which the trade areas are determined. It would appear that professional judgement has been used, though no rationale is provided. Retail simulation models are generally able to provide the market shares of trade-areas without imposing a priori assumptions. Nonetheless, there are some concerns regarding the defined trade areas shown in the map.

The overall approach is highly questionable given that the bulky retail component and the supermarket will have distinctly different trade areas. Large bulky goods centres (and this one is certainly 'large' at 20,000sqm) are known to have a significantly wider reach than supermarkets. Hence, large bulky goods clusters are more widely spaced in the urban environment than are supermarkets. Primary research undertaken by SGS in the past has also conclusively demonstrated that there is also no evidence of any relationship between supermarket and bulky goods retail shopping, with supermarket shopping a weekly event, whilst most people would purchase bulky goods on a semi-annual basis. The trade area presented here would appear to more closely resemble that of a bulky goods cluster than a supermarket. Given the presence of supermarket anchored centres in Dural Mall, and (to a lesser extent) Galston and Dural Village, it would appear unrealistic for the Primary Trade Area (PTA) to extend beyond those centres.

In reality, a significant proportion of the Primary North-east and Primary North-west Trade Areas can be serviced by Dural Mall. We would contend that much of the Primary North-west and Primary North-east Trade Areas should instead be categorised as Secondary Trade Areas. Note that this also raises the question of why a new supermarket anchored centre is required if it will simply replicate the role which Dural Mall currently plays. Indeed, Council should in the first instance prioritise the development and growth of existing nodes within its Activity Centres hierarchy.

Ultimately, a supermarket at Dural would have a trade area smaller than the defined Primary Trade Area, given the proximity of surrounding supermarket centres. The PTA would appear to be a more reasonable description of bulky retail spending. We also raise the question of why a new supermarket anchored centre is required in this location if it will simply replicate the role which Dural Mall currently plays. Indeed, Council should in the first instance prioritise the development and growth of existing nodes within its Activity Centres hierarchy.

FIGURE 2 TRADE AREAS OF RETAIL DEVELOPMENT AT DURAL



* Halo object represents proposed store
Source: Location IQ, 2015.

Main Trade Area Population & Socioeconomic profile

Location IQ has prepared population forecasts for the defined trade area. This is summarised in Table 1.

TABLE 1 MAIN TRADE AREA POPULATION

Trade Area Sector	Estimated Resident Population		Forecast Population			
	2006	2011	2014	2016	2021	2026
Primary Sectors						
• North-east	5,420	5,490	5,520	5,540	5,590	5,640
• South	5,880	6,050	6,200	6,300	6,450	6,600
• North-west	7,500	7,910	8,060	8,160	8,260	8,360
Total Primary	18,800	19,450	19,780	20,000	20,300	20,600
Secondary Sectors						
• South	15,880	15,950	15,980	16,000	16,050	16,100
• West	11,010	11,180	11,240	11,280	11,380	11,480
Total Secondary	26,890	27,130	27,220	27,280	27,430	27,580
Main Trade Area	45,690	46,580	47,000	47,280	47,730	48,180
		Average Annual Change (No.)				
		2006-2011	2011-2014	2014-2016	2016-2021	2021-2026
Primary Sectors						
• North-east		14	10	10	10	10
• South		34	50	50	30	30
• North-west		82	50	50	20	20
Total Primary		130	110	110	60	60
Secondary Sectors						
• South		14	10	10	10	10
• West		34	20	20	20	20
Total Secondary		48	30	30	30	30
Main Trade Area		178	140	140	90	90
		Average Annual Change (%)				
		2006-2011	2011-2014	2014-2016	2016-2021	2021-2026
Total Primary		0.7%	0.6%	0.6%	0.3%	0.3%
Total Secondary		0.2%	0.1%	0.1%	0.1%	0.1%
Main Trade Area		0.4%	0.3%	0.3%	0.2%	0.2%
<i>Australian Average</i>		<i>1.5%</i>	<i>1.5%</i>	<i>1.4%</i>	<i>1.3%</i>	<i>1.2%</i>
<small>All figures as at June All figures are based on 2011 SA1 boundary definition with the exception of 2006 which is based on 2006 CCD boundary definition. 2006 and 2011 ERP is calculated using 2011 enumeration factor. Sources : ABS; forecast .id</small>						

Source: Location IQ, 2015

The population forecasts have been compiled using the following sources:

- 2006 and 2011 Census of Population and Housing (ABS)
- New dwelling approvals (NDAs) in the region from 2006/7-2013/14
- Population forecasts prepared by .id consulting.

The proposed development of the South Dural Urban Release Area will accommodate a substantial amount of residents, but is not considered in this EIA.

SGS Comment:

For the whole defined MTA, the rate of forecast population growth is 0.2% to 0.4% p.a.

We are generally in agreement with these numbers, including the adopted growth rates. We are also in agreement with the demographic numbers (Table 2), which indicate that this is a middle to high income area relative to the rest of the Sydney Metropolitan area, and should therefore generate somewhat higher levels of expenditure.

However, it must be noted that a significant proportion of the Primary Sector population (North-east, North-west) should not actually be included in the Primary Trade Area. Only the Primary-south Trade Area can reasonably be considered as an area that would be served by the proposed centre. This would reduce the PTA population from around 20,000 persons to around 6,000 persons. As discussed earlier, the actual supermarket catchment is likely to be much smaller than the area defined in the study.

TABLE 2 MAIN TRADE AREA SOCIO-ECONOMIC PROFILE: 2011

Characteristics	Primary Sectors			Secondary Sectors		Main TA	Syd Metro Average	Aust Average
	North-east	South	North-west	South	West			
Income Levels								
Average Per Capita Income	\$41,589	\$43,981	\$40,980	\$43,562	\$45,633	\$43,440	\$36,941	\$34,201
Per Capita Income Variation	12.6%	19.1%	10.9%	17.9%	23.5%	17.6%	n.a.	n.a.
Average Household Income	\$125,146	\$141,778	\$122,232	\$143,561	\$145,043	\$137,552	\$99,586	\$87,928
Household Income Variation	25.7%	42.4%	22.7%	44.2%	45.6%	38.1%	n.a.	n.a.
Average Household Size	3.0	3.2	3.0	3.3	3.2	3.2	2.7	2.6
Age Distribution (% of Pop'n)								
Aged 0-14	19.4%	19.4%	19.0%	18.8%	19.2%	19.1%	19.2%	19.3%
Aged 15-19	8.0%	10.5%	7.6%	9.8%	8.8%	9.1%	6.3%	6.5%
Aged 20-29	9.8%	10.9%	10.5%	12.4%	11.7%	11.4%	14.7%	13.8%
Aged 30-39	9.5%	8.7%	9.5%	9.0%	9.4%	9.2%	15.3%	13.8%
Aged 40-49	14.3%	18.8%	13.9%	17.2%	15.3%	16.0%	14.2%	14.2%
Aged 50-59	14.3%	15.7%	13.8%	16.8%	17.4%	16.0%	12.3%	12.8%
Aged 60+	24.8%	16.0%	25.5%	16.0%	18.3%	19.2%	18.0%	19.6%
Average Age	40.4	37.1	40.8	37.1	38.0	38.3	37.2	37.9
Housing Status (% of H'holds)								
Owner/Purchaser	86.7%	87.5%	85.0%	89.7%	91.3%	88.6%	67.4%	69.3%
Renter	13.3%	12.5%	15.0%	10.3%	8.7%	11.4%	32.6%	30.7%
Birthplace (% of Pop'n)								
Australian Born	78.9%	62.4%	78.8%	54.8%	72.7%	67.0%	63.7%	73.9%
Overseas Born	21.1%	37.6%	21.2%	45.2%	27.3%	33.0%	36.3%	26.1%
• Asia	2.8%	16.9%	2.9%	23.8%	7.5%	12.9%	13.7%	7.6%
• Europe	10.4%	9.1%	10.8%	7.6%	9.9%	9.2%	9.1%	9.4%
• Other	7.8%	11.6%	7.6%	13.8%	9.9%	10.8%	13.6%	9.1%
Family Type (% of Pop'n)								
Couple with dep't children	52.9%	61.4%	52.1%	61.5%	59.6%	58.4%	48.2%	45.3%
Couple with non-dep't child.	11.9%	11.2%	13.1%	13.2%	12.4%	12.6%	9.1%	7.7%
Couple without children	19.9%	14.9%	20.1%	14.1%	18.2%	16.9%	20.1%	23.0%
Single with dep't child.	5.5%	5.8%	5.7%	5.2%	4.1%	5.1%	8.5%	9.2%
Single with non-dep't child.	3.5%	2.6%	2.5%	2.9%	2.3%	2.7%	3.9%	3.5%
Other family	0.4%	0.7%	0.7%	0.5%	0.6%	0.6%	1.2%	1.1%
Lone person	6.0%	3.5%	5.8%	2.7%	2.8%	3.7%	9.0%	10.2%

Sources : ABS Census of Population and Housing 2011



Main Trade Area Retail Spending

The EIA report's assessment of retail expenditure in the MTA is summarised in Table 3 below.

TABLE 3 MTA RETAIL EXPENDITURE BY COMMODITY GROUP

Y/E June	Food & Liquor	Food Catering	Apparel	H'hold Goods	Leisure	General Retail	Retail Services
2014	279.8	98.5	85.7	132.4	34.4	56.7	20.2
2015	282.1	99.8	86.8	134.1	34.9	57.5	20.4
2016	284.3	101.1	88.0	135.9	35.3	58.2	20.7
2017	286.4	102.3	89.1	137.6	35.8	59.0	21.0
2018	289.8	104.0	90.5	139.7	36.3	59.9	21.3
2019	293.3	105.6	91.9	142.0	36.9	60.8	21.6
2020	296.8	107.3	93.4	144.2	37.5	61.8	22.0
2021	300.3	109.0	94.9	146.5	38.1	62.8	22.3
2022	303.9	110.7	96.4	148.9	38.7	63.8	22.7
2023	307.5	112.5	97.9	151.2	39.3	64.8	23.0
2024	311.2	114.3	99.5	153.6	39.9	65.9	23.4
2025	314.9	116.1	101.0	156.1	40.6	66.9	23.8
2026	318.7	118.0	102.7	158.6	41.2	68.0	24.2
Expenditure Growth							
2014-2017	6.6	2.6	2.2	3.5	0.9	1.5	0.5
2017-2021	13.9	6.7	5.8	9.0	2.3	3.9	1.4
2021-2026	18.3	8.9	7.8	12.0	3.1	5.2	1.8
2014-2026	38.9	19.5	16.9	26.2	6.8	11.2	4.0
Average Annual Growth Rate							
2014-2017	0.8%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
2017-2021	1.2%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
2021-2026	1.2%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
2014-2026	1.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%

*Constant 2013/14 dollars & including GST
Source: MarketInfo

LOCATION

Location IQ has derived these estimates using MarketInfo; a micro-simulation model developed by MDA Market Data Systems Pty Ltd – which is industry standard for current expenditure estimates. However, the forecasts would be due to Location IQ.

SGS Comment:

The only concern with the figures presented are the fact that whilst population is only growing by 0.2% to 0.4% per annum, expenditure is growing by up to 1.6% in some years – up to 4 times as fast. The EIA Report should provide justification for why the per capita expenditure (and therefore total expenditure) would be growing at such significant rates.

4 COMPETITIVE ENVIRONMENT

Location IQ examines the competitive centres within the region. There are three types of centres defined in the region; regional, sub-regional and supermarket based shopping centres. This is presented in Table 4 below. Location IQ finds there is only one relevant competitive centre to the proposed development, found to be only 1 km away from the proposed site. The regional and sub-regional centres are still considered major retail destinations for the residents in the MTA, however the EIA report contends that those are not convenient destinations for weekly grocery shopping for residents within the MTA.

SGS Comment:

We agree with Location IQ's contention that weekly shopping in the regional and sub-regional centres would not be particularly convenient for the MTA population, and the basic premise of a retail hierarchy is to ensure that people who happen to reside away from those larger centres are still afforded convenient and reasonable access to local/neighbourhood level services. However, as acknowledged by the Location IQ study, such a local centre essentially already exists and is more than adequately anchored by a full-line supermarket as well as a mid-sized supermarket.

TABLE 4 COMPETITIVE CENTRES IN THE REGION

Centre	Shopfront GLA (sq.m)	Anchor Tenants	Dist. From Site (km)
Regional Shopping Centres			
<u>Castle Hill CBA</u>	<u>138,000</u>		<u>5.6</u>
• Castle Towers SC	113,300	Myer (21,295), David Jones (16,070), Kmart (7,437), Target (7,276), Coles (4,366), Aldi (1,350)	
• Castle Mall SC	9,700	IGA (1,820)	
• Remainder	15,000		
Westfield Hornsby	100,000	Myer (12,422), David Jones (14,642), Kmart (8,000), Target (7,598), Coles (4,080), Woolworths (4,353) Aldi (1,357), Thomas Dux (1,000)	14.9
Sub-regional Shopping Centres			
Stanhope Village	17,000	Kmart (5,060), Coles (3,629), Aldi (1,350)	13.1
<u>Rouse Hill</u>	<u>74,600</u>		<u>14.2</u>
• Rouse Hill Town Centre	68,900	Big W (8,044), Target (6,815), Woolworths (4,527), Coles (4,116)	
• Rouse Hill Village Centre	2,700	IGA (1,582)	
• Remainder	3,000	Aldi (1,600)	
Supermarket Based Shopping Centres			
<u>Dural</u>	<u>13,700</u>		<u>1.0</u>
• Dural Mall	7,700	Woolworths (3,873), Aldi (1,300)	
• Dural Village	700	IGA (400)	
• Remainder	6,000		
Oakhill Village	1,600	IGA (700)	3.0
Cherrybrook Village	9,500	Woolworths (3,923)	4.5
Cali Bros Galston Village	2,700	IGA (100)	
Knightbridge SC	2,100	IGA (1,400)	6.0
<u>Thornleigh</u>	<u>10,600</u>		<u>9.6</u>
• Thornleigh Marketplace	6,900	Woolworths (3,898)	
• Westleigh SC	3,700	IGA (1,574)	
Norwest Marketown	11,300	Coles (4,051)	9.6
<u>Kellyville</u>	<u>13,700</u>		<u>9.9</u>
• Kellyville Plaza	7,400	Coles (3,836)	
• Remainder	6,300	Woolworths (4,551), Aldi (1,700)	

Source : Australian Shopping Centre Council Database

LOCATIONIQ

5 ASSESSMENT OF POTENTIAL FOR RETAIL FACILITIES

This section of the EIA identifies the timing and demand for the proposed retail development. The impact on the trade of other centres is also examined in this section.

5.1 Supermarket Potential

The demand for supermarket retail is analysed in this section of the EIA. Location IQ justifies there is support for another full-line supermarket anchored centre in the area on the basis that the population of the MTA is of a sufficient level. The following tasks were undertaken to assess the potential sales for a supermarkets in and around the MTA:

- Calculation of the total food and grocery spending by the population in the MTA to 2026
- Assessment of the share of retail expenditure which all supermarkets are likely to achieve to 2026
- Determination of the likely sales the MTA supermarkets can expect to generate

The forecast revenue is based on comparable analyses of locations throughout Australia. The EIA report finds that the spending on food and grocery items is expected to grow to \$274.1 million by 2026. The EIA Report asserts that on average in Australia, supermarkets attract approximately 75% of food and grocery expenditure. It expects that this is slightly slower in the MTA due to an undersupply of supermarkets, and that it would increase in the future.

SGS Comment:

We partially agree with this contention to the extent that 75% nation-wide is the accepted industry standard and that this area would currently spend less. However we believe this has more to do with the demographic than credited in the study. Usually middle to higher income areas would see a greater proportion of food and grocery expenditure directed towards non-supermarket traders. This fundamental characteristic of the area will not change with the presence of more supermarkets.

Table 5 overleaf presents the summary of Location IQ's supermarket sales potential analysis.

SGS Comment:

Notwithstanding (a) the over-extended Primary Trade Area and (b) an unjustified increase in the proportion of food and grocery spending captured by supermarkets, most of the calculations appear to be broadly reasonable.

TABLE 5 SUPERMARKET SALES POTENTIAL ESTIMATE

	Financial Year			
	2014	2017	2021	2026
Total Food & Grocery (F&G) Spending				
Total Primary	101.0	104.1	109.6	116.9
Total Secondary	139.7	142.3	148.7	157.2
Main Trade Area	240.7	246.4	258.4	274.1
F&G Spending to Supermarkets				
Total Primary (@ 72.5% incr. to 75% in 16/17)	73.2	78.1	82.2	87.7
Total Secondary (@ 72.5% incr. to 73.5% in 16/17)	101.3	104.6	109.3	115.5
Main Trade Area (@ 72.5% incr. to 74.1% in 16/17)	174.5	182.7	191.5	203.2
F&G Spending Retained by TA Smkts				
Primary Sectors				
• North-east (@ 82.5% incr. to 92.5% in 16/17)	16.9	20.0	21.0	22.2
• South (@ 82.5% incr. to 92.5% in 16/17)	19.0	22.9	24.2	26.1
• North-west (@ 82.5% incr. to 92.5% in 16/17)	24.5	29.4	30.9	32.8
Total Primary (@ 82.5% incr. to 92.5% in 16/17)	60.4	72.2	76.1	81.1
Secondary Sectors				
• South (@ 75% incr. to 80% in 16/17)	43.9	48.3	50.4	53.1
• West (@ 42.5%)	18.2	18.8	19.7	20.9
Total Secondary (@ 61.3% incr. to 64.1% in 16/17)	62.1	67.1	70.1	74.0
Main Trade Area (@ 70.2% incr. to 76.3% in 16/17)	122.5	139.3	146.1	155.1
F&G Sales from Beyond TA (@ 12.7%)	17.9	20.4	21.4	22.7
Total F&G Sales for TA Smkts	140.4	159.7	167.5	177.8
Packaged Liquor Sales from Beyond TA (@ 7.5%)	11.4	12.9	13.6	14.4
Total FLG Smkt Sales	151.8	172.6	181.1	192.2
General Merchandise Sales (@ 6%)	9.7	11.0	11.6	12.3
Total TA Smkt Sales	161.5	183.6	192.6	204.5
Smkt Floorspace in TA (sq.m)**	12,096	16,796	16,796	17,296
Average Trading Level (\$/sq.m)	13,349	10,934	11,469	11,823
Distribution of TA Smkt Sales				
Dural Retail Development Smkt	0.0	35.8	36.5	36.7
Other TA Supermarkets**	161.5	147.9	156.2	167.8
Total TA Smkt Sales	161.5	183.6	192.6	204.5

*Constant 2013/14 dollars & including GST

**Existing supermarket in TA are Woolworths and Aldi at Dural Mall, Woolworths at Cherrybrook Village, IGA at Oakhill Village and IGA at Knightsbridge Shopping Centre as at September 2014

LOCATION

On page 30 of the EIA Report, in reference to all supermarkets in the trade area, it is stated that:

‘Additionally, an estimated 12.7% of total supermarket sales are likely to be attracted from beyond the defined main trade area.’

However the EIA Report then goes on to contend that the proposed Dural Supermarket can be expected to attract one third (or 33%) of its trade from beyond the trade area.

SGS Comment:

This would appear to be an inconsistency in logic which leads to significant errors in calculation of sales potential, retail turnover density and impact. By reducing the proportion of trade that the proposed supermarket draws from within the MTA, the impacts on surrounding/existing centres are also reduced. There is no reason why the injection-rate for the proposed development should be significantly higher than that for the rest of the MTA. If, in fact, the injection to the proposed development is as high as 33 percent, then the MTA definition is highly questionable.

5.2 Total Centre Sales Potential

The EIA report also assumes that the proposed site will achieve sales of around \$5,900 per square metre. Table 6 highlights the projected sales expected at the proposed Dural Centre. Total sales is expected to total \$43.4 million by 2017/18, with the proposed supermarket forecast to achieve \$35.8 million.

TABLE 6 PROJECTED DURAL CENTRE SALES: 2017/18

Tenant/ Category	GLA (sq.m)	Forecast Sales*	
		(\$'000)	(\$/sq.m)
Supermarket	4,200	35,786	8,520
Mini-major	0	0	0
Retail Specialties	1,290	7,641	5,923
Total Retail	5,490	43,427	7,910
Non-retail	100		
Total Centre	5,590		

*Constant dollars & Including GST

LOCATIONIQ

SGS Comment:

\$35 million is slightly lower than the level of trade that would be expected of a 4,200 sqm supermarket in a mid to high income area. It is highly questionable that the proposed 4,200sqm supermarket would only be able to achieve an Retail Turnover Density (RTD) of \$8,520 per sqm when the EIA Report also goes on to conclude that supermarkets in the surrounding areas will still trade at a much higher \$12,000 per sqm. This assumption appears to be significantly flawed, not consistent with adjacent centres, and not consistent with the profile of the MTA. The low RTD implies that the level of turnover at the new centre would be underestimated. It should also be noted that underestimating turnover generated by the proposed centre would in turn underestimate impacts on surrounding centres.

5.3 Centre Impacts

The Location IQ EIA report presents the following summary of trading impacts from the proposed centre development in Table 7.

TABLE 7 DURAL PROJECTED CENTRE IMPACTS 2014-17

	Unit	Estimated	Projected 2017		Impact 2017	
		2014	Pre Dev.	Post Dev.	\$M	%
<i>Dural Retail Development Site</i>	\$M	<i>n.a.</i>	<i>n.a.</i>	43.4	<i>n.a.</i>	<i>n.a.</i>
Regional Centres						
<i>Castle Hill CBA</i>	\$M	<u>1,384.5</u>	<u>1,431.5</u>	<u>1,442.1</u>	<u>10.6</u>	<u>0.7%</u>
• Castle Towers SC	\$M	673.0	695.1	705.6	10.4	1.5%
• Castle Mall SC	\$M	33.0	34.1	34.3	0.2	0.5%
• Remainder ¹	\$M	52.5	55.7	55.7	0.0	0.0%
Supermarket Based Shopping Centres						
<i>Round Corner District Centre</i>	\$M	<u>118.5</u>	<u>123.3</u>	<u>136.8</u>	<u>13.6</u>	<u>11.0%</u>
• Dural Mall	\$M	83.5	86.8	97.7	10.9	12.5%
• Remainder	\$M	35.0	36.4	39.1	2.7	7.5%
Dural Village	\$M	3.9	4.0	4.4	0.4	10.0%
Oakhill Village	\$M	10.7	11.0	11.8	0.8	7.5%
Cherrybrook Village ¹	\$M	121.0	127.0	137.8	10.8	8.5%
<i>Galston</i>	\$M	<u>27.8</u>	<u>28.6</u>	<u>31.1</u>	<u>2.5</u>	<u>8.9%</u>
• Cali Bros Galston Village	\$M	12.2	12.5	13.5	0.9	7.5%
• Aldi Galston	\$M	15.6	16.1	17.7	1.6	10.0%
Knightbridge SC	\$M	16.2	16.7	17.6	0.8	5.0%

*Constant 2013/14 dollars & including GST

¹ Proposed centres and expansions assumed to be trading for a full year by FY2017

LOCATIONIQ

The method used is:

- Estimate the sales levels for existing centres in the 2014 financial year
- Project sales for existing and proposed centres in the 2017 financial year (the development is expected to have its first trading year in 2017).
- Outline the changes in sales at each centre in 2017 as a result of the development

The proposed development is expected to generate \$43.4 million in revenue in 2017. Location IQ estimates the proposed development will have the largest impact on the retail sales on Round Corner which is expected to decline by 11%. However, Location IQ determines this is not a concern in terms of continued operation of retail in Round corner due to the following factors:

- A large portion of the impact is on the existing supermarket, but it is trading strongly and likely to be above market averages
- Total sales volume is expected to be higher, likely due to the new development and the refurbishment of Aldi
- Round Corner is still expected to exceed in foot traffic over the proposed development due to the 90 speciality stores located in Round corner opposed to 10 stores that will be occupying the new development.

Location IQ identifies the impacts on total trade on all other centres in the region is below 10%, which is considered insignificant. The proposed development is assessed to have no impact on the operation and viability of existing retail centres.

SGS Comment:

There are a number of concerns with this impact analysis. It should be acknowledged that without the assistance of transport modelling, estimation of retail impacts is a difficult and in-exact science which requires significant discretion in the form professional judgement.

Having said that, we raise the following issues:

- The impact on supermarkets in other centres should be clearly stated as distinct from impacts on the entire centre. Closure of a centre’s anchor (which for some centres is the supermarket) would then have ‘second round’ effects on the centre, and potentially lead to far greater cumulative impacts on the centre itself. This issue has not been sufficiently explored nor quantified.
- It is also not good practice to include non-approved retail developments into an impact analysis. An impact analysis should be principally focused on the impact of a subject centre on the existing retail hierarchy. Inclusion of potential centres which are yet to be accepted as part of the retail-system obstructs the fair assessment of impacts on the existing and relevant centres. Cumulative impacts of multiple centre developments are a separate issue if multiple retail developments have been approved.
- As discussed earlier, the level of turnover in the proposed supermarket-anchored centre also appears to have been underestimated. More realistic levels of turnover would result in greater impacts to other centres in the MTA.

On the basis of the identified issues, the impact assessment presented in the EIA Report is deemed inaccurate.

5.4 Employment and Consumer Impacts

Table 8 below summarises the employment yields of the supermarket anchored retail development.

TABLE 8 ESIMTATED PERMANENT EMPLOYMENT

Type of Use	Estimated Employment Per '000 sq.m	Dural Retail Development	
		Change in GLA (sq.m)	Employment (persons)
Supermarket	50	4,200	210
Mini-majors	20	0	0
Retail Specialty Shops	60	1,290	77
Total Centre¹		5,490	287
Net Increase²			259

1. Excludes non-retail components.

2. Net increase includes an allowance for reduced employment levels at impacted centres estimated at 10% of the total increase



SGS Comment:

The Location IQ report assumes that one job would require 19.1 sqm of retail floor space. This assumes highly dense employment at the proposed centre. Supermarket employment per 1,000 sqm of floorspace should be at most 40 sqm per job – and trending lower due to the automation of checkouts stations. Doubling the assumed ratio of floor space per job leads to 137 jobs at the centre. This is more than half that stated in the above table.

The other key issue with the employment impacts is that there is an overestimation of the net increase in (direct and indirect) employment within the MTA. If it is the case that there are reductions in turnover (and RTD) in existing centres of the MTA (due to the new development), it then follows that increases in employment at the proposed retail development must also be associated with commensurate (either proportional or less than proportional) reductions in employment at existing centres. In other words, the net employment impact within the MTA would be much lower than reported, since increases are offset by decreases.

The report needs to demonstrate why centres that lose trade to the new centre – whether these are located in Dural or elsewhere in New South Wales – will not lose a proportionate number of jobs for each \$1 million of lost sales. The 10% allowance for diverted employment in the report is a severe underestimate and is likely to be incorrect by orders of magnitude. In reality, almost all of these jobs could have been located within the existing centres hierarchy - in Dural Village and elsewhere - including in locations that are in closer proximity to residential areas.

The method used by Location IQ to determine indirect jobs is sound. However, the ABS Input-Output tables from 1996/97 are significantly outdated. The ABS Input-Output tables used appear to be based on national data. In other words, the Input-Output model used appears to be appropriate for investments of national significance. This implies that it is likely that the national multipliers are higher than the regional multipliers of Dural, which leads to higher than expected estimates of indirect employment.

6 NEEDS ANALYSIS

The needs analysis section of the EIA report draws upon some of the analysis in other sections of the report to provide a qualitative assessment of the proposed development.

6.1 Population and Supermarket Demand

The EIA justifies the need for an additional supermarket in the region based on the assumption a full-line supermarket is able to support 8,000-9,000 persons. On the basis the population of the MTA is around 47,000, a second full-line supermarket is viable.

SGS Comment:

Whilst we accept that professional judgement is necessary in studies such as these, the population ratios need some qualification, which has not been provided.

The most important consideration is whether the MTA can be used as a self-contained region for which the level of demand would reasonably equate to the level of supply. In this example, this is clearly not the case given the fact that there are two Regional Centres that service much of this MTA. The supermarkets in those Regional Centres should therefore be factored into such considerations. If that were the case (i.e. the MTA were adjusted), we would find that the region is serviced by approximately eight to nine supermarkets.

6.2 Consumer Trends

Location IQ identifies the key drivers of current consumer trends such as longer working hours and increasing number of women in the labour force influencing the need for more time-convenient retail.

SGS Comment:

Whilst these concepts are well known and accepted, convenience retail should not be confused with supermarket trade. Convenience retailing is typically well serviced by small supermarkets up to 1,000 sqm in convenient locations near places of work and public transport nodes. Hence we do not consider the increased need for convenience retailing as supporting evidence for a 4,200 sqm supermarket which would clearly play a far more significant role in the retail economy.

6.3 Location & Alternative Sites

Location IQ identifies and provides commentary on the three alternative locations for the supermarket development in this MTA. The three locations are:

1. Zoned Land to the North
2. Dural District Centre (Round Corner)
3. Cherrybrook Railway Station

SGS Comment:

We do not have sufficient information to evaluate the location-constraints (or limiting factors) identified in the EIA report. Nonetheless, it is important to note that a well-managed retail centres hierarchy is dependent upon sustained efforts to grow important centres in line with expected growth in demand. In management of a retail hierarchy, Council therefore reserves the right to firstly consider whether new floorspace can be accommodated within the centres hierarchy, including in the nearby Dural Village/Round Corner. In identifying Round Corner as a potential Sub-Regional Centre, the EIA report effectively acknowledges that it is indeed possible to accommodate new retail floorspace in the future.

We do not agree that Dural Village must necessarily prioritise a new Discount Department Store over a new supermarket. Discount Department Stores are generally not common in catchments with mid-high income demographics. They are also encountering significant trading difficulties due to the emergence of online retailing. Given these circumstances we do not believe the land owners at Dural Village would be able to attract a profitable DDS franchise in the face of competition from existing DDS stores in the more attractive Regional Centres.

6.4 South Dural Release Area

For the purpose of this assessment, the EIA report has not considered the potential impact of the proposed South Dural Release Area. It does however contend that the addition 2,940 residential dwellings in the MTA would further support the case for a new supermarket in Dural.

SGS Comment:

This argument appears to be logical at face value. However, effective forward planning of housing and retail development necessitates a more strategic approach.

It is likely that 2,940 dwellings will, in and of itself, yield over 7,000 residents (at 2.4 persons per dwelling). Which, according to the population ratio principle adopted in EIA report, would generate almost enough demand for a new supermarket. In order to minimise travel costs, and associated social and environmental externalities for those new residents, it is recommended that Council strongly considers the development of a new Activity Centre node in, or adjacent to this proposed residential development area. Such a node could then also service the MTA.

7 CONCLUSION

The Economic Impact Assessment prepared by Location IQ has been found to contain some analytical errors. The major issues are:

- **The trading area appears to be too large:** The analysis fails to distinguish between the catchments for the Supermarket and Bulky Goods trading components of the proposed centre
- **Inconsistencies in turnover calculations:** Of particular issue is the uneven consideration of injections from beyond the defined trade area
- **Issues with impact on centres:** There is a lack of clarity around trade diversion impacts on nearby centres – particularly in terms of impacts on other supermarkets. The inclusion of non-approved centres into the equation is also an issue.
- **Needs and employment effects:** The report makes an unrealistic assessment of need based on the exclusion of major centres which are likely to serve large proportions of the population in the MTA. The employment impacts due to the development are also grossly overestimated.

Ultimately, the Location IQ EIA is making a case for a new supermarket anchored Activity Centre on the grounds that (a) there is an existing undersupply of retail floorspace in the local region and that (b) there will be minimal loss of turnover in nearby competing centres.

Both arguments cannot be sustained, on the balance of evidence presented in the EIA. The population in the MTA is well serviced by a combination of local supermarket anchored centres such as Dural Village, and large Regional Centres just beyond the MTA of the proposed centre. The proposed residential development in South Dural is also likely to necessitate its own local centre. A new supermarket centre in this local area may well be best located in South Dural as a means of minimising travel and associated environmental externalities.

For these reasons it has been assessed that the EIA report fails to adequately demonstrate the need for more retail facilities at the proposed location. More evidence and analysis would be required to prove that a new supermarket would not adversely impact on the trading levels of other supermarket anchors – principally Dural Village Centre.

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APPENDIX B

New Line Road - Dural

Review of updated Economic Impact Assessment



GLN Planning
December 2015

Independent insight.



This report has been prepared for GLN Planning. SGS Economics and Planning has taken all due care in the preparation of this report. However, SGS and its associated consultants are not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of any representation, statement, opinion or advice referred to herein.

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1 INTRODUCTION

1.1 The proposal

The site for the proposed retail development in Dural is located on 268-276 New Line Road, situated 200 metres to the south of the intersection with Old Northern Road. Old Northern Road and New Line Road are major arterial roads throughout the surrounding area. The site is within Dural Service Centre and currently accommodates a building and landscape supplies business.

In May 2015, developers Restifa and Partners lodged plans and supporting expert evidence to redevelop the site into a supermarket anchored retail precinct.

1.2 Scope of the study

SGS Economics and Planning have been commissioned by GLN Planning to undertake an independent peer review of an Economic Impact Assessment prepared by Location IQ consultants in May 2015. Following the independent peer review, and a council meeting with Location IQ, Restifa and Partners and SGS, Location IQ were advised to amend the Economic Impact Assessment addressing the issues raised from the peer review. SGS have been commissioned by GLN Planning to undertake a review of the changes made.

This report will summarise the issues raised in the initial peer review, the amendments made by Location IQ, the sufficiency of the changes made and further comments from SGS. The following indicators have been used to summarise the sufficiency of actions taken by Location IQ.

Indicator	Definition
	Insufficient response to the issues raised due to little to no changes having been made in the analysis.
	A small change has been made to address issues raised but further action is still required.
	Sufficient action has been taken to address the issue.

2 REVIEW

Section	Original Issue	Location IQ action	Sufficiency of Action	SGS further comments
Trade Area Analysis (Pg. 7-8)	<p>SGS found the Trade Area identified in the EIA report more conducive of a bulky goods cluster than a supermarket.</p> <p>The Primary North-west and Primary North-east Trade Area were suggested to be redefined as secondary trade areas as the existing Dural Mall is well placed to service this population.</p>	<p>The Trade Area has not been redefined in the update. Location IQ support their current definition of the Main Trade Area on the basis of qualitative geographic constraints.</p> <p>Location IQ consider the further arguments to support the defined Trade Area:</p> <ul style="list-style-type: none"> – The residents living in part of the Primary North-west sector do not have direct access to Kellyville and Rouse Hill. It is assumed these residents are currently shopping at Round Corner and would be attracted to the new proposed development given a different supermarket. – The defined trade area is the catchment existing supermarkets would be drawing their business from. 		<p>SGS acknowledges the method of determining the defined Trade Area using professional judgement is sufficient.</p> <p>However, the evidence provided by Location IQ is based on qualitative a priori assumptions insufficient to the arguments they have presented. Using Shopping Trips data from the Bureau of Transport and Statistics, it shows the majority of the trips to Dural SA2 (Dural –Kenthurst – Wisemans Ferry) come from within this SA2. It suggests the defined Trade Area in this Economic Impact Assessment is likely to be overestimated. The original findings from the draft review still stand.</p>

Section	Original Issue	Location IQ action	Sufficiency of Action	SGS further comments
<p>Assessment of potential for retail facilities (Pg. 15)</p>	<p>SGS found the EIA estimated 12.7% of total supermarket sales are likely to be attracted from beyond the defined main trade area.</p> <p>However, Dural Supermarket can be expected to attract one third (or 33%) of its trade from beyond the trade area.</p>	<p>Location IQ has not made amendments to this issue.</p>		<p>By reducing the proportion of trade that the proposed supermarket draws from within the MTA, the impacts on surrounding/existing centres are also reduced. There is no reason why the injection-rate for the proposed development should be significantly higher than that for the rest of the MTA. If, in fact, the injection to the proposed development is as high as 33 percent, then the MTA definition is highly questionable. The original findings from the draft review still stand.</p>

Section	Original Issue	Location IQ action	Sufficiency of Action	SGS further comments
Assessment of potential for retail facilities (Pg. 17-19)	<p>SGS found the EIA estimated the proposed 4,200sqm supermarket would only achieve a Retail Turnover Density (RTD) of \$8,520 per sqm, despite supermarkets within the MTA to trade at a much higher rate of \$12,000 per sqm.</p> <p>This assumption appear to be significantly flawed, not consistent with adjacent centres, and not consistent with the profile of the MTA. The low RTD implies that the level of turnover at the new centre would be underestimated.</p>	<p>Location IQ has adjusted the estimate of RTD of the proposed supermarket to \$9,182 per sqm. Total sales is expected to total \$46.2 million by 2016/17.</p> <p>Location IQ states that the proposed store is still expected to trade at a lower RTD compared to the rest of the Dural area on the following points:</p> <ul style="list-style-type: none"> – Existing stores have developed customer loyalty and thus will retain a higher RTD – The range of retail facilities in the existing centres present a stronger declinational shop compared to the proposed facility. – The population within the Primary south sector is small in population compared to other locations such as Cherrybrook. Therefore the proposed supermarket is likely to have a lower RTD than Cherrybrook centre. <p>Location IQ includes a new table presenting the projected market shares by trade sector. It highlights that approximately 10% of total sales for the proposed centre will come from beyond the defined Trade Area.</p>		<p>SGS acknowledges there has been an adjustment of the RTD for the proposed supermarket which is higher than the previous estimated RTD.</p> <p>However, the adjusted RTD is still significantly lower than the existing centres within the MTA. SGS does not wholly agree with the argument that loyalty to existing centres will impact on the RTD of the new centre. There is very little evidence to support this argument. It may be a likely scenario if the centre is indeed competing with existing centres and not necessarily fulfilling a shortage in floorspace within the MTA. SGS recognises that the RTD estimated of around \$9,182 is reasonable for the first year of trading. However, it is expected as the centre establishes, the RTD of the new centre will reach the average trading levels of existing centres.</p> <p>The argument centred around the lack of diversity of retail mix impacting on RTD of the new centre is contradictory to the argument Location IQ has presented previously within the report. Location IQ state the new proposed centre is a more desirable destination for residents as it services the requirements of weekly and weeknight shopping as opposed to the larger destination centres with the mix of retail offer.</p> <p>The injection from beyond the trade Area is estimated to be 10%, which is inconsistent with the 12.7% previously outlined in the report. It is also unclear how the breakdown of expenditure shares for the trade areas has been determined.</p>

Section	Original Issue	Location IQ action	Sufficiency of Action	SGS further comments
Centre Impacts (Pg. 18)	<p>Closure of a centre’s anchor (which for some centres is the supermarket) would then have ‘second round’ effects on the centre, and potentially lead to far greater cumulative impacts on the centre itself. This issue has not been sufficiently explored nor quantified.</p> <p>An impact analysis should be principally focused on the impact of a subject centre on the existing retail hierarchy. Inclusion of potential centres (Cherrybrook Village) which are yet to be accepted as part of the retail-system obstructs the fair assessment of impacts on the existing and relevant centres.</p>	Location IQ adjusted the Dural centre impacts to the new RTD. The impact to Round Corner District Centre and Cherrybrook Village has increased marginally, whilst the impact on the remaining centres is the same.		Location IQ has not sufficiently addressed the issues that have been outlined in this section. The increase in impact on Cherrybrook Village (despite the fact it is still a proposed development) continues to dilute the impacts of the proposed development to other centres in the defined retail system. This is compounded by the low RTD assumption for the proposed development. The original findings from the draft review still stand.

Section	Original Issue	Location IQ action	Sufficiency of Action	SGS further comments
Employment impact (Pg. 18-19)	<p>SGS found the EIA assumes there is a floorspace to job ratio of 19.1 sqm per supermarket job. This assumes highly dense employment at the proposed centre.</p> <p>Supermarket employment per 1,000 sqm of floorspace should be a minimum of 40 sqm per job – and trending lower due to the automation of checkouts stations.</p> <p>The turnover losses to other centres imply there should be a proportional or less than proportional decreases in employment within these centres.</p>	<p>Location IQ have amended their assumptions on supermarket employment job densities to 25 sqm of floorspace per job. Location IQ has not addressed the impact of turnover loss to other centres.</p>		<p>SGS acknowledges the amendment in the floorspace to job ratio estimate for supermarkets to the minimum requirement as outlined in the initial peer review. Whilst this makes the minimum requirement, supermarket employment densities are more likely to sit around 30-40sqm/ job.</p> <p>A previous SGS study of floorspace identified a CBD average of 24sqm/ jobs across the Sydney CBD. Supermarket jobs are unlikely to be the same density as jobs in the CBS and are more likely to be in the range of 30-40sqm.</p> <p>Location IQ does not sufficiently address the issue of the economic losses proportionally associated with the loss of turnover in existing centres. The report needs to demonstrate why centres that lose trade to the new centre – whether these are located in Dural or elsewhere in New South Wales – will not lose a proportionate number of jobs for each \$1 million of lost sales. The 10% allowance for diverted employment in the report is a severe underestimate and is likely to be incorrect by orders of magnitude. The original findings from the draft review still stand.</p>

Source: Author, Year

3 CONCLUSION

Although the updated Location IQ report has addressed some of the issues raised in the SGS review, significant issues still stand. These are:

- **The trading area appears to be too large:** The analysis fails to satisfactorily justify the catchment and distinguish between the catchments for the Supermarket and Bulky Goods trading components of the proposed centre
- **Inconsistencies in turnover calculations:** Of particular issue is the uneven consideration of injections from beyond the defined trade area
- **Issues with impact on centres:** There is still a lack of clarity around trade diversion impacts on nearby centres – particularly in terms of impacts on other supermarkets. The inclusion of non-approved centres into the equation is also an issue.
- **Needs and employment effects:** The report makes an unrealistic assessment of need based on the exclusion of major centres which are likely to serve large proportions of the population in the MTA. The employment impacts due to the development remain overestimated.

Ultimately, the conclusions SGS made in the draft peer review still stand. The issues that have been highlighted in the draft review and reiterated within this review have not been adequately addressed. The EIA report still fails to demonstrate the need for more retail facilities at the proposed location. More evidence and analysis would be required to prove that a new supermarket would not adversely impact on the trading levels of other supermarket anchors – principally Dural Village Centre.

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APPENDIX C

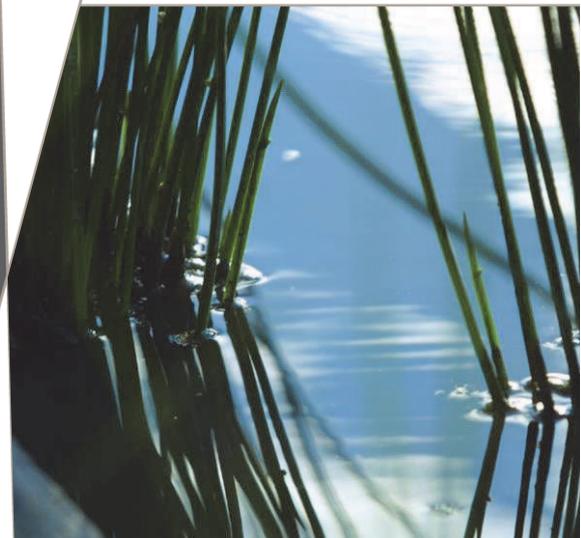
Peer Review

Transport Assessment of Proposed
Retail Development 268-274 New
Line Road Dural By Colston Budd
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80016015 Ver E

Prepared for GLN PLANNING
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5 February 2016



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Document Information

Project Name Transport Assessment of
 Proposed Retail
 Development 268-274
 New Line Road Dural By
 Colston Budd Rogers &
 Kafes Pty Ltd

File Reference 16-015 R002 Peer
 Review.docx

Job Reference 80016015 Ver E

Date 5 February 2016

Version E

Effective Date 05/02/16

Date Approved: 05/02/16

Document History

Version	Effective Date	Description of Revision	Prepared by:	Reviewed by:
A	11/09/15	Draft Report	AT	EC / AA
B	21/09/15	Draft Report	AT	AA
C	28/09/15	Draft Report	AT	TS
D	25/11/15	Final Report	AA	TS
E	01/03/16	Final Report (Additional Revision)	AA	TS

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Appendices

Appendix A – Colston Budd Transport Assessment (May 2015)

Appendix B – Colston Budd Review of Traffic Matters (9 Dec 2015)

Documentation Control

Version	Effective Date	Description of Revision	Remarks
A	11/09/15	Draft Report	Draft report submitted to client
B	21/09/15	Draft Report	Comments from client received and report amended accordingly.
C	28/09/15	Draft Report	Draft report submitted to client
D	25/11/15	Final Report	Final report submitted incorporating comments from Client, Colston Budd Rogers & Kafes and Council. Traffic assumptions and Typos amended.
E	15/01/16	Additional Revision Final Report	This submission: Cardno's response to Colston Budd Rogers & Kafes addendum following meeting with Council. Inclusion of the following sections: <ol style="list-style-type: none">1. Section 5.1 Response to Comments2. Section 5.2 Cardno's Peer Review – Response Tracking

1 Introduction

1.1 Overview

Cardno has been commissioned to undertake a peer review of the Transport Assessment (TA) prepared by former 'Colston Budd Hunt & Kafes', now referring to 'Colston Budd Rogers & Kafes Pty Ltd' for the proposed retail development at 268-274 New Line Road, Dural (the subject site). Cardno has reviewed the Transport Assessment to ensure it meets the typical objectives of a transport assessment, and provide the findings and recommendations for further study or clarification. The objectives of a transport assessment are to investigate the proposed development with regard to the following:

- > Effect on the capacity of the road system, in particular on intersections;
- > Effect on the amenity of the neighbourhood;
- > Safety and efficiency of access between the site and the adjacent road system;
- > Safety and efficiency of the internal road network, including service and parking areas;
- > Adequacy of parking; and
- > Accessibility to public transport and other transport modes.

1.2 Scope of Works

The objective of this report is to prepare a technical report presenting the findings from the peer review of the Transport Assessment by Colston Budd Rogers & Kafes, taking into account the proposed development and the natural constraints of the subject site.

The report covers the following scope of works in reference to the Transport Assessment:

- > Reviewing the project background;
- > Reviewing the traffic generation, distribution and impacts to the road network;
- > Reviewing the SIDRA modelling results;
- > Reviewing the alternative transport modes;
- > Reviewing mitigations and management measures;
- > Reviewing the critical assumptions; and
- > Assess the extent to which the Transport Assessment has met the typical objectives of a transport assessment and proposing further studies, if required.

1.3 Assumptions and Exclusions

The assessment has been undertaken with the following assumptions and exclusions:

- > Additional traffic surveys were not conducted;
- > Site visits were not conducted; and
- > The findings of the peer review assessment does not guarantee approval of the planning proposal.

1.4 Report Structure

The report is structured as follows:

- > **Section 2** reviews the project background and context of the Transport Assessment;
- > **Section 3** reviews the impact of proposed development upon the surrounding transport network of the Transport Assessment; and
- > **Section 4** outlines the conclusions and recommendations of this report.

1.5 Reference Documents

- > Transport Assessment (TA) of Proposed Retail Development 272-274 New Line Road Dural (Colston Budd Rogers & Kafes, May 2015) attached in **Appendix A**;
- > Transport Assessment Report – Address of Traffic Matters of Proposed Retail Development 272-274 New Line Road Dural (Colston Budd Rogers & Kafes, December 2015) attached in **Appendix B**;
- > For ease of reference, throughout this document:
 - "*Section no.*" (in italics) references the corresponding section being reviewed in the Transport Assessment;
 - "**Section no.**" (in bold) references the corresponding section from this document;
- > RMS Guide to Traffic Generating Developments (2002); and
- > Hornsby Shire Council Development Control Plan (2013)

2 Project Background

2.1 Site Location

The site location and project overview was investigated in *Section 2.2* of the Transport Assessment. The Transport Assessment outlines that the proposal is to extend the Local Business zone boundary of the Dural Service Centre to include the subject site located at 272-274 New Line Road, Dural, and therefore allow retail development on the subject site with provision for a full line supermarket. The surrounding land uses were discussed and their relative locations to the subject site identified.

Cardno Revision

Transport Assessment does not indicate the relation with the properties 268-270 and 276-278 on New Line Road. The proposed development of a total area approximately over 37,000m² within the lot 274-276 (the Lot 272-274 has an area of approximately 20,000m²). Report does not describe if the total proposed development area would be contained only in property 272-274. (Refer to Section 2.3 of this report)

Transport Assessment does not provide an accompanying figure that identifies and locates the subject site and the surrounding land uses that were discussed. The Transport Assessment therefore does not establish a strong context for the proposed development. It is recommended to provide details of the proposed developments, available land and relation with property lots. Refer to **Figure 2-1** below.

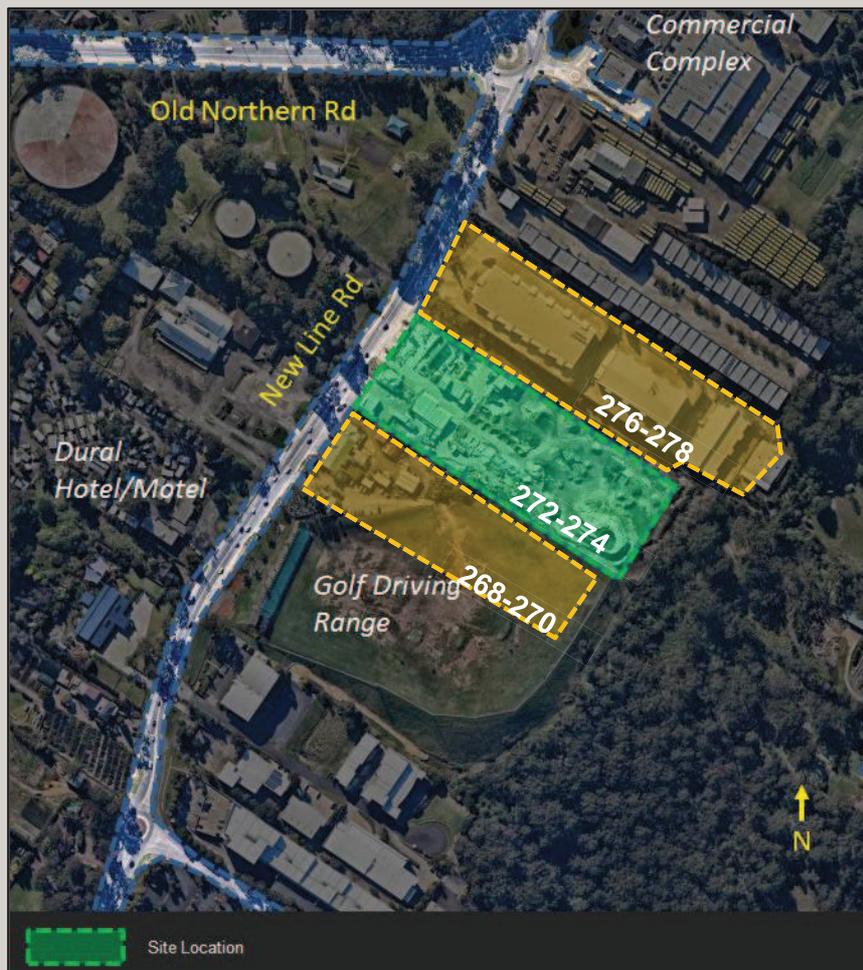


Figure 2-1 Site Location (Background: Aerial Picture from Nearmap)

2.2 Committed Works

The Transport Assessment has investigated the committed and potential works surrounding the subject site in *Section 2.3* of the Transport Assessment. A planning proposal to rezone South Dural for residential development has been considered that had not yet been approved. It is suggested that significant upgrading of the surrounding transport infrastructure will be required and at that stage, no agreement has been reached between the proponent and Transport for New South Wales (TfNSW) / Roads and Maritime Services (RMS) regarding these infrastructure improvements.

Cardno Revision

The Transport Assessment has considered the impact of committed and potential works to the subject site and the proposed development.

2.3 Proposed Development

The proposed purpose of development is detailed in *Section 2.5* of the Transport Assessment and includes the extension of the business zone to include the subject site would allow for retail development and this was assumed to be the following:

- > A full line supermarket (4,200m²);
- > Speciality shops (2,200m²);
- > Commercial (3,400m²);
- > Warehouse (4,800m²);
- > Bus parking and storage (1,750m²); and
- > Bulky goods (20,700m²).

A new traffic signal controlled intersection at the southern end of the subject site is proposed as part of the proposed development on New Line Road, and New Line Road would also be upgraded to four lanes along the frontage of the subject site.

Cardno Revision

The subject site of 272-274 New Line Road is approximately 20,000m² and the proposed land development for the subject is over 37,000m².

Reference to adjacent properties (268-270 and 276-278) is required.

2.4 Public Transport / Pedestrian

Alternative modes of transport were discussed in *Section 2.7 and 2.8* of the Transport Assessment. It is highlighted that Hills Bus operates a number of bus services along New Line Road past the subject site. The Transport Assessment identified that whilst there are bus stops located along New Line Road, accessibility is difficult because of the volume of traffic on New Line Road and the lack of pedestrian facilities.

Cardno Revision

The Transport Assessment has considered alternate transport modes and made a reasonable assumption that the new traffic signal controlled intersection proposed will provide for safe pedestrian access across New Line Road and therefore improve pedestrian accessibility to the bus stops.

2.5 Road Network

The surrounding road network was investigated in *Section 2.10* of the Transport Assessment. The Transport Assessment identifies that the subject site is located on the eastern side of New Line Road approximately 200 metres south of the New Line Road / Old Northern Road intersection. The key intersections assessed in the Transport Assessment are:

- > New Line Road / Old Northern Road (roundabout); and
- > New Line Road / Bunnings Access (roundabout).

Cardno Revision

Transport Assessment indicates that a new intersection is proposed to provide access to the site. Section 2.21 of the report states that heavy vehicles related to the retail activities would use a separate access/egress on the northern boundary of the site.

The access/egress intersection layout for heavy vehicles is not presented in the report.

Heavy vehicles turning movements and swept paths at the proposed access are not provided

Heavy vehicles volumes generated by the site development are not provided in the report.

Figure 2-2 illustrates the proposed site access and relation with the exiting intersections in the vicinity.

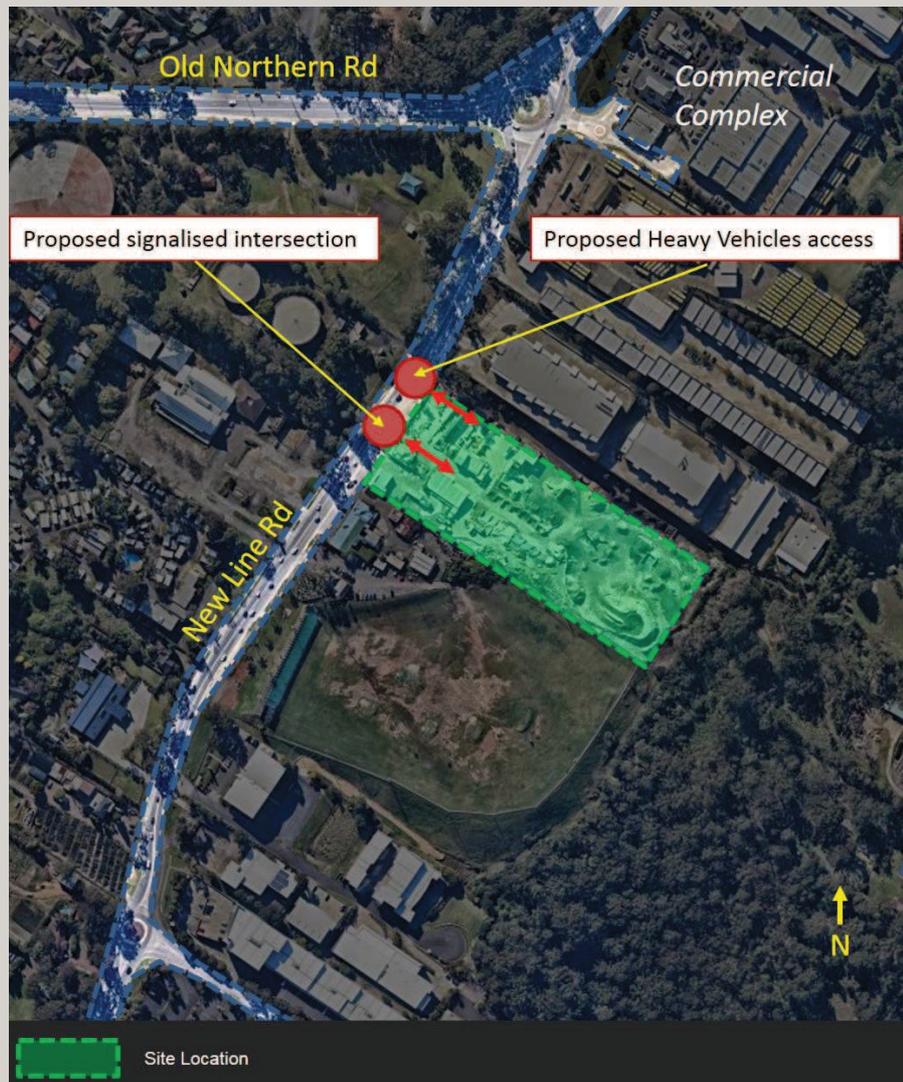


Figure 2-2 Surrounding Road Network

2.6 Intersection Assessment

2.6.1 Traffic Counts

The existing traffic conditions adjacent to the subject site were assessed in *Section 2.13* of the Transport Assessment. Traffic surveys were undertaken during a Wednesday morning and afternoon peak periods in March 2015 at the following intersections:

- > New Line Road / Old Northern Road (roundabout); and
- > New Line Road / Bunnings Access (roundabout).

Cardno Revision

The Transport Assessment should specify the time that correlates to the “morning and afternoon” peak periods in the assessment that correlates to the peak hour defined in the traffic surveys undertaken.

A warrant assessment has been undertaken to determine whether the proposed signalized intersection providing access to the site would meet the RMS warrants under the *RTA Traffic Signal Design Guide Section 2 – Warrants (2008)* i.e.:

For each of four one-hour periods of an average day:

- i) The major road flow exceeds 600 vehicles/hour in each direction; and
- ii) The minor road flow exceeds 200 vehicles/hour in one direction.

Section 2.23 of the Colston Budd report states that the warrants would be “readily satisfied”, however the primary detailed traffic survey data is not provided so this assertion cannot be verified. It is recommended that the traffic surveys be included as an appendix to the Traffic Assessment so that the warrant assessment can be verified. Further, the consultant should explain how they have calculated the estimate of “200 – 550 vehicles per hour (for at least four hours per day)” for the minor road traffic flows.

Table 2-1 summaries the traffic survey results from *Table 2.1* of the Colston Budd Rogers - Transport Assessment.

Table 2-1 Traffic Survey Data *Source: Table 2.1 of the Colston Budd Transport Assessment*

LOCATION	AM PEAK	PM PEAK
Old Northern Road - north of Service Centre Access	2,530	2,450
Old Northern Road - west of New Line Road	1,530	2,015
New Line Road - south of Old Northern Road	2,280	2,225
New Line Road - south of Bunnings Access	2,185	2,135
Service Centre Access - east of New Line Road	525	670
Bunnings Access - east of New Line Road	165	395

2.6.2 SIDRA Modelling

The assumptions made for the intersection assessment using SIDRA are outlined in *Section 2.17* of the Transport Assessment and states:

"It should be noted that for roundabouts, give way and stop signs, in some circumstances, simply examining the highest individual average delay can be misleading. The size of the movement with the highest average delay per vehicle should also be taken into account. Thus, for example, an intersection where all movements are operating at a level of service A, except one which is at level of service E, may not necessarily define the intersection level of service as E if that movement is very small. That is, longer delays to a small number of vehicles may not justify upgrading an intersection unless a safety issue was also involved."

Cardno Revision

Cardno's finding is that the assumptions noted in the above statements from the Transport Assessment are reasonable if the movement is determined to be relatively very small.

The surveyed intersections were assessed using SIDRA in *Section 2.18* of the Transport Assessment and the results were:

- > New Line Road / Old Northern Road (roundabout) operated with average delays per vehicle of less than 30 seconds for both AM and PM peak periods, representing a level of service (LoS) of B/C; and
- > New Line Road / Bunnings Access (roundabout) operated with average delays per vehicle of less than 20 seconds for both AM and PM peak periods, representing a LoS of B.

Section 2.19 states that '*...major intersection along New Line Road and Old Northern Road in the vicinity of the site operate at satisfactory levels of service in the peak periods with spare capacity. However, minor intersections operate at or near capacity*'.

Cardno recommends that the Transport Assessment present supporting information i.e. SIDRA version, model assumptions (including saturation flow), movement summary results and layout outputs so that the assessment methodology can be verified.

3 Impact of Proposed Development

3.1 Trip Generation

The trip generation assumptions of the proposed development are outlined in *Section 2.26* of the Transport Assessment and states:

"Based on RMS Guidelines, the proposed development would generate some 270 vehicles per hour (two-way) in the weekday morning peak hour and some 1,040 vehicles per hour (two way) in the weekday afternoon peak hour. Due to the size of the proposed development and the different uses (retail, commercial and bulky goods), there would be proportion of trips that would be linked between the various uses, resulting in an overall reduction in traffic generation (assumed to be some 10%). In addition a proportion of retail/bulky goods trips (some 20%) would be passing trade (that is traffic already on New Line Road). Retail trips comprise some 70% of trips in the morning and afternoon peak hours.

Cardno Revision

The RMS Guidelines are referenced in the Transport Assessment however the Transport Assessment does not clearly explain the calculation of 270 vehicles per hour in the AM peak and 1,040 vehicles per hour in the PM peak. The Transport Assessment has not made it clear if factors such as modal split have been taken into account. The assumption that a proportion of trips would be linked between the various uses is reasonable.

Cardno recommends that the trip generation should be presented more clearly consisting of the:

- > Various proposed land uses and their respective sizes as assumed earlier in *Section 2.5* of the Transport Assessment;
- > Referenced RMS Guideline estimating the AM and PM peak hour trip values (typically in veh/100m² format);
- > Adjustment factors (if any and with reasonable explanation); and
- > Respective estimated total peak hour trips generated from each land use.

As an example, the Cardno calculation of the PM weekday peak hour trip generation for the land use proposed earlier in the Transport Assessment are as follows (referring to the *RMS Guide to Traffic Generating Developments, 2002*):

Land Use	Size	Generation Rate	Weekday PM Peak Hour Trips	With retail discount
Supermarket	4,200m ²	155 veh trips per 1000m ²	651	456
Specialty Shops	2,200m ²	46 veh trips per 1000m ²	102	71
Commercial	3,400m ²	2 veh trips per 100m ²	68	68
Warehouse	4,800m ²	1 veh trips per 100m ²	48	48
Bulky Goods	20,700m ²	2.5 veh trips per 100m ²	518	363
		Total Peak Hour Trips	1387	1006

After applying the 30% discount to retail trips, based on the Colston Budd assumption discussed earlier, the total number of trips (two way) is estimated by Cardno to be 1006 vehicles/hour in the evening peak.

Therefore, the Colston Budd estimate of 1040 PM peak hour trips is considered to be slightly conservative and overall an acceptable estimate.

3.2 Trip Distribution

The Transport Assessment discusses the trip distribution impact to the wider road network in *Section 2.27 to 2.29* of the Transport Assessment. It is suggested that the proposed development would reduce trips to Castle Hill, Dural and Cherrybrook. While the proposed development will increase traffic on the roads adjacent to the site, traffic on the broader network would be reduced as trips are retained within the local area.

Cardno Revision

This trip assumption has referred to the '*retail study*' in quantifying the potential impact of the proposed development. It is recommended to provide details of the retail study to support the traffic assumptions.

3.3 Overall Traffic Assignment

The overall traffic assignment is summarised in *Table 2.2* of the Colston Budd Rogers – Transport Assessment and is reproduced below in **Table 3-1**. Existing traffic flows plus development from *Figures 2 and 3* of the Transport Assessment are reproduced below in **Figure 3-1** and **Figure 3-2**.

Cardno Revision

The Colston Budd Rogers Transport Assessment in *Section 2.27* has considered the following assumptions from a retail study related to redistribution of traffic and re-assignment of traffic patterns.

- > *Some 30% of the traffic generated by the retail component will be relocated trips from Castle Hill;*
- > *Some 25% of the traffic generated by the supermarket will be relocated trips from Cherrybrook;*
- > *Some 30% of the traffic generated by the retail component will be relocated trips from Dural; and*
- > *The balance (some 15%) of the traffic generated by the retails component will be relocated from a range of other centres in the region.*

It is recommended to provide detailed information of the assumptions presented in *Section 2.27* of the Transport Assessment including traffic volumes in the road network, design horizon year and projected year when those assumptions would likely to occur or change.

Section 2.29 of the Transport Assessment report indicates '*thus as a result of the proposed development traffic flows on New Line Road (south of Hasting Road) and Old Northern Road (west of New Line Road) could be reduced by some 1,300 to 1,600 vehicles per day (two way) with resultant improvements at intersections along these roads*'.

It is not possible to verify the above mentioned traffic assumption without assessing a traffic modelling in the area that could support the traffic figures presented.

Re-assigning of 1,300 to 1,600 vehicles from New Line Road and Old Northern Road would require further strategic modelling analysis of the local road network to identify potential new conflicts and confirm if the intersections along New Line Road and Old Northern Road would have significant improvements.

Additionally, it is not clear if the re-assignment of traffic has considered a design horizon year beyond the existing year conditions. Annual traffic growth, induced traffic and traffic growth from the development could adversely impact the above mentioned improvements on New Line road and Old Northern Road

It is recommended that the overall traffic assignment be clarified and detailed in order to understand and assess the impact of the proposed development at existing conditions and future design year.

Cardno Revision

Section 2.30 of the Transport Assessment report indicates that ‘...major intersections along New Line Road and Old Northern Road are operating at satisfactory levels of service in peak periods with some spare capacity. While the proposed development will increase traffic on roads adjacent to the site and some local improvements may be required, traffic on the broader road network would be reduce as trips are retained within the local area’.

It is not possible to verify the above mentioned traffic assumptions without assessing a traffic modelling in the area that could sustain the traffic figures.

The assumption that trips would be retained within the local area may require a confirmation of the origin and destination of trips based on a strategic modelling of the local area to capture travel patterns.

While the report states that the proposed development will increase traffic on roads adjacent to the site, it is not clear what local roads would be affected and what local improvements have been considered to mitigate the impacts of the development in the adjacent road network.

The Transport Assessment report has identified that major intersections would operate at satisfactory level of service and minor intersection are at or near capacity. This statement does not clarify in which year the major intersections would commence to deteriorate operational conditions and how the delays and performance of minor road intersections are mitigated.

Table 3-1 Existing + Development Weekday Two-Way (sum of both directions) Traffic Flows

LOCATION	MORNING		AFTERNOON	
	EXISTING	+ DEV	EXISTING	+ DEV
Old Northern Road				
– North of Service Centre Access	2,530	+20	2,450	+130
– West of New Line Road	1,530	-100	2,015	-260
New Line Road				
– South of Old Northern Road	2,280	+80	2,225	+350
– South of Bunnings Access	2,185	+80	2,135	+350
Service Centre Access				
– East of New Line Road	525	+0	670	+0
Bunnings Access				
– East of New Line Road	165	+0	395	+0

Source: Table 2.2 of the Colston Budd Rogers - Transport Assessment

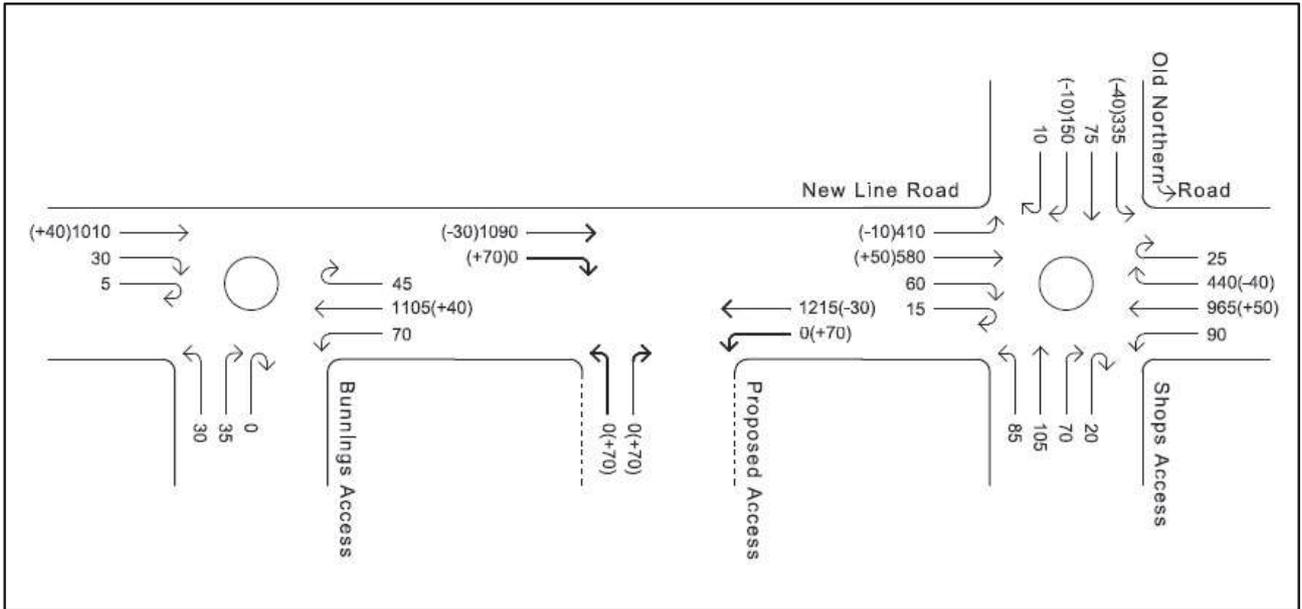


Figure 3-1 Weekday AM Trip Assignment

Source: Figure 2 of the Colston Budd Rogers - Transport Assessment

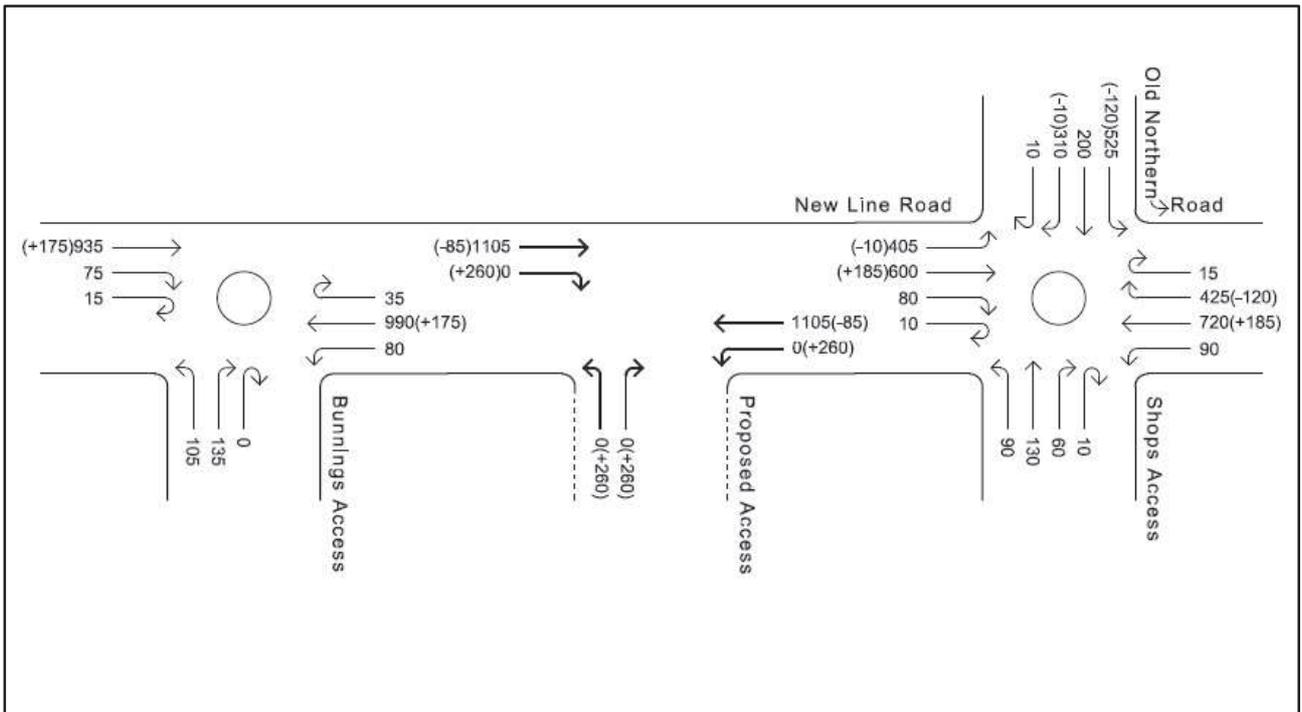


Figure 3-2 Weekday PM Trip Assignment

Source: Figure 3 of the Colston Budd Rogers - Transport Assessment

3.4 Road Network Impact

Section 2.33 of the Colston Budd Hunt Transport Assessment report describes the operational conditions of the road network with the development.

Cardno Revision

The results of the roundabout controlled intersection on New Line Road are not clear. AM peak and PM peak are not defined. Additionally it is not specified what approach of the roundabout would operate at the described level of service and delay.

The results of the signal controlled site access are not clear. AM peak and PM peak are not defined.

It is difficult to conclude the impacts of development scenarios to the road network on the Old Northern Road / New Line Road and the New Line Road / Bunnings Access intersections without presenting the SIDRA movement summary (outputs), layouts and related inputs

Cardno recommends that SIDRA modelling summary of results, volumes and layout of the intersections need to be included and that the movement results be discussed and presented. The signalised intersection and the widening of New Line Road proposed in *Section 2.5* of the Transport Assessment should also be included. Furthermore, a future year scenario with development should be considered.

3.5 Public Transport

Report indicates in Section 2.7 that the area is served by the Hills Bus Operator during weekdays. *'Most of the services only operate Monday to Friday. Bus stops are located along New Line Road; however, due to the volume of traffic on New Line Road and the lack of pedestrian facilities, access to bus stops can be difficult'*.

In the Summary Section 2.36 Transport Assessment report indicates that the project is accessible by the current public transport services and the proposed development will strengthen demand for these services.

Cardno Revision

Report does not address public transport accessibility during weekends. The Transport Assessment acknowledges that a potential demand for public transport would occur. It is not clear how the Transport Assessment proposes to address the insufficient public transport services particularly during the weekend periods.

Pedestrian connectivity and accessibility is mentioned in the proposed new signalised intersection. SIDRA layouts are not provided to identify the pedestrian connectivity and determine whether desire lines for pedestrians are met.

4 Cardno Overview

4.1 Overview

This report has been prepared to document the peer review of the Transport Assessment prepared by Colston Budd Rogers & Kafes for the proposed retail development at 272-274 New Line Road, Dural (the subject site). This peer review has assessed the extent to which the Transport Assessment has met the typical objectives of a transport assessment.

Cardno Peer Review has considered standard objectives of a transport assessment with regard to the following:

- > Effect on the capacity of the road system, in particular on intersections;
- > Effect on the amenity of the neighbourhood;
- > Safety and efficiency of access between the site and the adjacent road system;
- > Safety and efficiency of the internal road network, including service and parking areas;
- > Adequacy of parking; and
- > Accessibility to public transport and other transport modes.

4.2 Transport Assessment Peer Review

The Transport Assessment (TA) prepared by Colston Budd Rogers & Kafes was reviewed and Cardno's findings, recommendations and comments are summarised for the corresponding sections of the Transport Assessment Report in **Table 4-1** below.

Table 4-1 Summary of the Transport Assessment Peer Review

Content	Section no. from the TA	Findings	Recommendation / Comments
Site Location	2.2	Weak site context	Requires a figure that clearly displays the relative location of the subject site and the referenced surrounding land uses
Proposed Development	2.5	Likely error in size of proposed development	Clarification need on the intended size of "Bulky goods" component
Public Transport / Pedestrian	2.7 / 2.8	Transport Assessment describes Monday to Friday public transport conditions.	Details of frequency of services and how to address the weekend services may be required.
Road Network	2.10	Weak road network and intersection context	Requires a figure that clearly displays the road network surrounding the subject site and relative location of the intersections assessed
Intersection Assessment	2.13 / 2.17 / 2.23	<p>Unspecified time of day for traffic surveys.</p> <p>The RMS traffic signal warrant assessment cannot be verified without traffic flows.</p> <p>Details of the weekend traffic assumptions (Saturday peak hour period) are not presented.</p> <p>The Transport Assessment's assessment cannot be verified without SIDRA movement summary results and layout outputs.</p>	<p>Primary survey data should be included as an appendix to the Transport Assessment.</p> <p>Consider assessment for the weekend conditions (Saturday peak hourly period).</p> <p>Requires presentation of the SIDRA movement summary results and layout outputs.</p>
Trip Generation	2.26	Trip generation calculations and assumptions are not detailed in the report.	It may be required provision of a table consisting of the various proposed land uses and their respective sizes, referenced RMS Guideline estimating the peak hour trips value (typically in veh/100m ² format), adjustment factors (if any and with reasonable explanation) and respective

Content	Section no. from the TA	Findings	Recommendation / Comments
			estimated total peak hours generated from each land use
Overall Traffic Assignment	Table 2.2 / Figure 2 / Figure 3	Unclear as to why trips originating from Old Northern Road west approach at the Old Northern Road / New Line Road intersection turning towards the subject site would be reduced	Requires further clarification and detailed explanation of the overall trip assignment to understand and assess the impact of the proposed development. Consider undertaking or providing details of a strategic traffic modelling study conducted in the subject area capturing travel patterns and impacts in the local and wide network.
Road Network Impact (Operational Conditions)	N/A	With development scenarios need clarification. Future scenario conditions (horizon year) need to be developed	Requires intersection assessments (SIDRA modelling and discussion of results) with the development scenario including the proposed signalized intersection.
Parking Provision	N/A	Parking provisions are not described in the report	Requires assessment on parking provision.
Construction Staging	N/A	Construction staging and temporary traffic management and impacts are not described in the report	Report has stated that some minor intersections at operating at or near capacity. Traffic generated from the construction of the site development could potentially impact the performance of the adjacent road network. Details of the construction activities, traffic generation haulage hours and turning paths may be require in order to assess duration of the temporary impacts in the local road network. It is not clear if the road upgrades and local mitigations would be undertaken prior the construction of the development.

4.3 Conclusions

1. Transport Assessment indicates that a new intersection is proposed to provide access to the site. Heavy vehicles related to the retail activities would use a separate access/egress on the northern boundary of the site.
 - > The access/egress intersection layout for heavy vehicles is not presented.
 - > Heavy vehicles turning movements and swept paths at the proposed access are not provided
 - > Heavy vehicles volumes generated by the site development are not provided.
2. The primary detailed traffic survey data is not provided. It is recommended that the traffic surveys be included as an appendix to the Traffic Assessment so that the warrant assessment can be verified.
3. SIDRA intersection modelling was used in the Transport Assessment however; the SIDRA files or outputs from the software are not provided, therefore the direct operation, layouts and assumptions of the models were not verified
4. The traffic assumptions presented in Section 2.27 require detailed information including traffic volumes in the road network and projected year when those assumptions would likely to occur.

It is not possible to verify the assumptions presented in this section without a strategic traffic modelling or a sustained source of data providing details of the traffic patterns, traffic re-distribution and impacts on the local and wide road network.

 - > Re-assigning of 1,300 to 1,600 vehicles from New Line Road and Old Northern Road would require further strategic modelling analysis of the local road network to identify potential new conflicts and confirm if the intersections along New Line Road and Old Northern Road would have significant improvements.
 - > Additionally, it is not clear if the re-assignment of traffic has considered a design year beyond the existing year conditions. Annual traffic growth could adversely impact the above mentioned improvements on New Line road and Old Northern Road
 - > The assumption that trips would be retained within the local area may require a confirmation of the origin and destination of trips based on a strategic modelling of the local area to capture travel patterns.
 - > While the report states that the proposed development will increase traffic on roads adjacent to the site, it is not clear what local roads would be affected and what local improvements have been considered to mitigate the impacts of the development in the adjacent road network.
5. The Transport Assessment does not provide details of the assessment of the network conditions “with development” for future year scenarios (i.e. design horizon year – failing year of the intersections performance), and therefore has not comprehensively undertaken an investigation of the potential impact from the proposed development to the surrounding road network. (Horizon Year Conditions).
6. The Transport Assessment has not provided an assessment of parking provision for the site development.
7. It is advised that Colston Budd Rogers & Kafes address Cardno’s peer review recommendations and comments so as to present a more robust and transparent assessment of the proposed New Line Road development.

5 Further Review of Colston Budd Comments 9th December 2015

5.1 Review of Traffic Matters

Table 5-1 summarised the findings of the TA Report from the additional information provided by Colston Budd Rogers & Kafes TA Report (9 Dec 2015). Cardno has reviewed the responses in order to identify outstanding traffic matters pending address in the TA Report.

Table 5-1 Review of Traffic Matters – Response to Comments

Item	Colston Budd Rogers & Kafes Pty Ltd Responses (9 December 2015)	Cardno Response to Comments	Traffic Matters Status	Further Responses
1	As requested, we have reviewed the traffic matters raised in the review of the above planning proposal by Cardno dated 28 September 2015 (on behalf of Hornsby Council). Cardno were commissioned by Council to review our transport assessment of the planning proposal (Transport Assessment of Proposed Retail Development 272-274 New Line Road, Dural, May 2015). The matters raised by Cardno were discussed at our meeting with Council on 5 November 2015. Our review takes into account the discussions/agreements at this meeting.	N/A	N/A	N/A
2	While the Cardno review found that our report is generally sound, a number of matters were raised requiring additional information or clarification. These are summarised below along with our responses.	N/A	N/A	N/A
The site has not been clearly identified				
3	The subject site is 268-274 New Line Road, Dural (our transport report incorrectly identified the subject site as only 272-274 New Line Road). The proposed rezoning includes the subject site and adjoining Wakefield Business Park (276-278 New Line Road). These are shown on Figure 1.	<p>Figure 1 of the TA Report (May 2015) does not identify the subject sites.</p> <p>The Colston Budd Review of Traffic Matters (Dec 2015) indicates that Figure 1 shows the subject sites amended. Figure has not been updated. It is not clear if Dural Golf Driving Range and Wakefield Business Park form part of the subject site.</p> <p>Consider providing a more comprehensive figure to illustrate the subject area.</p>	Outstanding Requires Clarification	

Item	Colston Budd Rogers & Kafes Pty Ltd Responses (9 December 2015)	Cardno Response to Comments	Traffic Matters Status	Further Responses
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TA Report cover page was not updated. 'Transport Assessment of Proposed Retail Development 272-274 New Line Road Dural'.



Figure 1 from Colston Budd TA Report

Confirm the size of the proposed development

4	<p>As set out in Section 2.5 for purposes of assessing the traffic effects of the planning proposal, the following level of development was assumed on the subject site (268-274 New Line Road):</p> <ul style="list-style-type: none"> • A full line supermarket (4,200m²); • Specialty shops (2,200m²); • Commercial (3,400m²); • Warehouse (4,800m²); • Bus parking and storage (1,750m²); and • Bulky goods (20,700m²). 	Development area clarified.	Addressed	No further actions required
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Item	Colston Budd Rogers & Kafes Pty Ltd Responses (9 December 2015)	Cardno Response to Comments	Traffic Matters Status	Further Responses
5	<p>As discussed at the meeting on 5 November, no additional development was assumed on 276-278 New Line Road as this is a recently constructed business park (comprising multiple tenancies over a number of levels) that is strata titled.</p> <p>Hence major redevelopment of the site is unlikely. It was generally agreed at the meeting that there was limited scope for the existing tenancies to be converted to retail uses (due to size and location with limited exposure). The report by Location IQ confirmed this, with only some 600m² of area identified for possible retail use. This small amount of retail area would generate minimal additional traffic (some 20 to 30 vehicles per hour (two-way) in weekday afternoon peak hour with less in the weekday morning peak hour). Such a minor increase in traffic would not change the results of our previous traffic assessment.</p>	Development area clarified.	<p>Addressed</p> <p>No further actions required</p>	
Additional information on bus services				
6	Cardno has requested additional information on frequency of existing bus services and how access by buses will be provided on weekends (as there are currently no services operating on weekends).	Refer Item Below.	N/A	
7	<p>As noted in Section 2.7 of our report, Hills Bus operates a number of bus services along New Line Road past the site (including the Route 622 and 644 services, plus express services). These services connect Dural with surrounding areas and connect to Castle Hill, Cherrybrook, Lane Cove interchange and North Sydney. The frequency of existing bus services is summarised below:</p> <ul style="list-style-type: none"> • 622 service operates over 6 services a day Monday to Friday, between Dural and Milsons Point (inbound in the morning and outbound in the afternoon). The first service to Milsons Point departs Dural at 6.10am and the last departs at 7.50am. The first Milsons Point to Dural service departs at 3.35pm and last departs at 6.55pm; and • 644 service operates 7 services a day, Monday to Friday, between Dural McDonalds and Castle Towers, 	<p>Section 3.5 of the Cardno Peer Review (Nov 2015) indicates:</p> <p><i>Report does not address public transport accessibility during weekends. The Transport Assessment acknowledges that a potential demand for public transport would occur. It is not clear how the Transport Assessment proposes to address the insufficient public transport services particularly during the weekend periods'</i></p> <p>TA Report does not clarify if Bus Operators currently servicing the area have been contacted to inform of potential changes of demand and feasibility to operate weekend services.</p> <p>TA Report in Section 2.27 provides general assumptions for redistribution of traffic to and from Castle Hill, Cherrybrook and Dural. Colston Budd should explain how the new retail offer at New Line Road will affect public transport demand</p>	<p>Outstanding</p> <p>Requires Clarification</p>	

Item	Colston Budd Rogers & Kafes Pty Ltd Responses (9 December 2015)	Cardno Response to Comments	Traffic Matters Status	Further Responses
	Castle Hill. The first Dural to Castle Hill service departs Dural at 6.44am and the last departs at 3.55pm. The first Castle Hill to Dural service departs at 10.35am and last departs at 5.45pm.	and if necessary propose improvements or additions to existing bus routes.		
8	As noted above there are no bus services operating weekends past the site. As discussed at the meeting on 5 November, as increased development occurs in the area (such as the proposed development) demand for increased public transport services will increase and the local bus operator (whose depot is located just to the north of the site) would have an incentive to provide additional services (both on weekdays and weekends).	Refer to Item 7.	Refer to Item 7	
Road Network				
9	Cardno has requested a figure that more clearly displays the subject site, adjacent road network and location of intersections assessed. This is provided on Figure 1.	Refer to Item 3. Figure 1 in TA Report May 2015 has not been modified.	Outstanding Requires Clarification	
Intersection Assessment				
10	Cardno has raised the following matters with respect to the intersection assessment: a) Date and time of traffic surveys; b) Verification that RMS warrants are satisfied; c) No Saturday traffic assessment; and d) Presentation of SIDRA analysis.	Refer to Items 11, 12, 13 and 14.	N/A	
11	With respect to a), the traffic surveys were undertaken on Wednesday 25 March 2015, between 7.00am & 9.30am and 4.30pm & 6.30pm with peak hour flows provided in Figures 2 and 3 of our report.	The peak hour for the AM and PM peak periods (60 minutes interval) are not provided in Figures 2 and 3 of the TA Report. Colston Budd response to traffic matters (Dec 2015) does not indicate the AM and PM peak hour.	Outstanding Requires Clarification	
12	With respect to b) the RMS warrants require traffic flows over four hours on a typical day to exceed 600 vehicles per hour in each direction on the major road and 200 vehicles per hour in one direction on the minor road. In the period	Warrants for Signalised Intersections provided.	Addressed No further actions required	

Item	Colston Budd Rogers & Kafes Pty Ltd Responses (9 December 2015)	Cardno Response to Comments	Traffic Matters Status	Further Responses
	4.30pm to 6.30pm, with development traffic in place, traffic flows in each direction along New Line Road would exceed 1,200 vehicles per hour. In the preceding 2 hour period (2.30pm to 4.30pm) a review of a nearby RMS permanent count station found that traffic flows were at least 65% of the afternoon peak hour flows (at least some 800 vehicles per hour in each direction). Thus the first part of the RMS criteria is satisfied. In the same period, the volume of traffic departing the site was estimated to be some 520 vehicles per hour. Using the same adjustment as for the major road, traffic flows on the minor road would exceed some 330 vehicles per hour in one direction for four hours. Thus the second part of the RMS criteria is satisfied.			
13	With respect to c), the Saturday midday peak period was not assessed as following a meeting RMS, the weekday AM and PM peak periods were identified as the critical periods. If required, the Saturday midday peak period could be assessed as part the DA for a future development on the subject site.	Colston Budd has undertaken a meeting with RMS to clarify Saturday midday peak period requirement.	Addressed No further actions required	
14	With respect to d) as agreed at the meeting on 5 November, electronic copies of the SIDRA files will be provided to Cardno.	Cardno yet to receive electronic copies Sidra results from the TA Report (May 2015) indicate only average results of delay and Level of Service (LoS). Colston Budd should provide in the TA report a comprehensive summary from the SIDRA results including Degree of Saturation (DoS), Average Delay in seconds, Level of Service (LoS) and back of queue.	Outstanding Requires clarification	
Trip generation calculations to be provided				
15	Table 1 below sets out our estimate of trip generation of the proposed development used in our traffic assessment. The traffic generation rates set in Table 1 are from the RMS Guidelines and RMS TDT 2013/04. For the retail and bulky goods components, in the AM peak hour, 20% of the PM rates have been used.	Traffic generation provided	Addressed No further actions required	

Item	Colston Budd Rogers & Kafes Pty Ltd Responses (9 December 2015)	Cardno Response to Comments	Traffic Matters Status	Further Responses
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Component	Size	Rate		Trip Generation (vehicles per hour)	
		AM	PM	AM	PM
		Commercial	3400m ²	1.2/100m ²	1.2/100m ²
Specialty Shops	2200m ²	0.9/100m ²	4.6/100m ²	20	101
Supermarket	4200m ²	3.1/100m ²	15.5/100m ²	130	650
Bulky Goods	20700m ²	0.2/100m ²	1.0/100m ²	40	207
Warehouse	4800m ²	0.5/100m ²	0.5/100m ²	24	24
Bus Parking/Storage	1750m ²	1.0/100m ²	1.0/100m ²	17	17
Total				270	1040

Overall Traffic Assignment

16	Cardno requested clarification on how additional trips were assigned to the road network and in particular why traffic turning to/from Old Northern Road (west) and New Line Road had dropped	Refer Item 17.	N/A
17	As set out in Section 2.27, the development traffic was assigned to the road network based on the information provided in the retail study (Dural Economic Impact Statement, Location IQ, May 2015). With regard to why the traffic flows turning to/from Old Northern Road (west) and New Line Road had dropped, this was because some traffic from the south that currently travels to Round Corner shopping centre would divert to the new shopping centre on New Line Road. The decrease in diverted traffic was greater than the increase in traffic from the west, hence the minor decrease in traffic on these movements (10 vehicles per hour in each direction).	<p>The Economic Impact Statement has provided some general assumptions of possible traffic redistribution from the economic point of view.</p> <p>Cardno requests inclusion of a summary outlining the key traffic and access assumptions used in the Dural Economic Impact Statement, Location IQ, (May 2015) which are used to determine retail catchment areas.</p>	Outstanding Requires clarification

Road Network Impact

18	Sections 2.26 to 2.34 of our report set out the impact on the surrounding road network of the proposed development. Section 2.33 summarises the results of the SIDRA analysis with development traffic in place. In summary the surrounding road network could accommodate the traffic generated by the proposed development. Electronic copies of the SIDRA files will be provided to Cardno.	Refer to Item 14 and 25.	N/A
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Parking Provision

19	As agreed at the meeting on 5 November, at this stage, an assessment of parking provision is not required as part of the planning proposal. This matter will be addressed for the DA	Parking provision is not required as part of the planning proposal	Addressed No further actions required
20	In summary, we have addressed the traffic matters raised by Cardno with respect to the planning proposal. We trust the above provides the information you require. Finally, if you should have any queries, please do not hesitate to contact us.	Refer to Outstanding Items listed in this Table	N/A

5.2 Cardno's Peer Review Conclusions – Response Tracking

Table 5-2 tracks the Cardno Peer Review Conclusions and the Colston Budd response to each (9 Dec 2015).

Table 5-2 Cardno's Peer Review Conclusions – Response Tracking

Item	Cardno Peer Review Conclusion	Comments	Status	Further Remarks
i	<p>Transport Assessment indicates that a new intersection is proposed to provide access to the site. Heavy vehicles related to the retail activities would use a separate access/egress on the northern boundary of the site.</p> <ul style="list-style-type: none"> The access/egress intersection layout for heavy vehicles is not presented. Heavy vehicles turning movements and swept paths at the proposed access are not provided. Heavy vehicles volumes generated by the site development are not provided. 	<p>Swept path analysis has not been provided.</p> <p>Heavy vehicles access and egress servicing the commercial areas are not presented.</p> <p>Indicative number of large vehicles servicing the commercial areas has not been provided.</p>	<p>Outstanding</p> <p>Requires clarification.</p>	
ii	<p>The primary detailed traffic survey data is not provided. It is recommended that the traffic surveys be included as an appendix to the Traffic Assessment so that the warrant assessment can be verified.</p>	<p>Evidence of the traffic surveys commissioned on Wednesday 25 March 2015, between 7.00am & 9.30am and 4.30pm & 6.30pm has not been provided.</p>	<p>Outstanding</p> <p>Traffic data has not been provided.</p>	
iii	<p>SIDRA intersection modelling was used in the Transport Assessment, however the SIDRA files or outputs from the software are not provided, therefore the direct operation, layouts and assumptions of the models were not verified</p>	<p>TA Report (May 2015) and Responses to Traffic Matters (Dec 2015) provide only average delay and Level of Service.</p> <p>Refer to Item 14 of this Table.</p>	<p>Outstanding</p> <p>SIDRA files have not been provided.</p>	

Item	Cardno Peer Review Conclusion	Comments	Status	Further Remarks
iv	<p>The traffic assumptions presented in Section 2.27 require detailed information including traffic volumes in the road network and projected year when those assumptions would likely to occur.</p> <p>It is not possible to verify the assumptions presented in this section without a strategic traffic modelling or a sustained source of data providing details of the traffic patterns, traffic re-distribution and impacts on the local and strategic road network.</p> <ul style="list-style-type: none"> • Re-assigning of 1,300 to 1,600 vehicles from New Line Road and Old Northern Road would require further strategic modelling analysis of the local road network to identify potential new conflicts and confirm if the intersections along New Line Road and Old Northern Road would have significant improvements. • Additionally, it is not clear if the re-assignment of traffic has considered a design year beyond the existing year conditions. Annual traffic growth could adversely impact the above mentioned improvements on New Line road and Old Northern Road • The assumption that trips would be retained within the local area may require a confirmation of the origin and destination of trips based on a strategic modelling of the local area to capture travel patterns. <p>While the report states that the proposed development will increase traffic on roads adjacent to the site, it is not clear what local roads would be affected and what local improvements have been considered to mitigate the impacts of the development in the adjacent road network.</p>	<p>Item 17 provides a general explanation of the traffic redistribution analysis presented in the Dural Economic Impact Statement, Location IQ, May 2015. This information requires further assessment from the traffic point of view.</p> <ol style="list-style-type: none"> 1. As listed in Item 17, consider requesting confirmation of the traffic assumptions and source of the traffic analysis to the Dural Economic Impact Statement, Location IQ, May 2015. 2. There is no evidence of where the traffic on Old Northern Road and New Line Road has been relocated from and to. Consider providing detailed information of origin and destinations and potential routes that vehicles are most likely to use. If the traffic analysis has been undertaken by Location IQ for the Dural Economic Impact Statement consider requesting information that could sustain the traffic assumptions. 3. The TA report states that the proposed development will increase traffic on roads adjacent to the site. <ol style="list-style-type: none"> a. Local roads affected have not been identified b. Local improvements have been considered to mitigate the impacts of the development in the adjacent road network. c. Justification of internal trips has not been presented 	<p>Outstanding</p> <p>Requires clarification with Council to determine whether use of Council's strategic model is required to give more certainty to trip reassignment.</p>	

Item	Cardno Peer Review Conclusion	Comments	Status	Further Remarks
v	<p>The Transport Assessment does not provide details of the assessment of the network conditions “with development” for future year scenarios (i.e. design horizon year – failing year of the intersections performance), and therefore has not comprehensively undertaken an investigation of the potential impact from the proposed development to the surrounding road network. (Horizon Year Conditions).</p>	<p>While is assumed that the traffic analysis presented in the TA Report shows the existing traffic volumes and additional traffic generated from the development, it is still not clear if traffic analysis was considered for the opening year and horizon design year (if applicable).</p> <p>Report does not indicate when the subject area is most likely to be in operations. (Opening Year).</p> <p>Traffic volumes for existing conditions are from March 2015. If the opening year of the subject area is March 2017, there would be two years additional traffic from annual background growth that needs to be considered.</p> <p>Additionally, TA Report in Section 2.20 has indicated that some local roads are performing at or near capacity. These road conditions are most likely to continue deteriorating with the additional traffic generated and relocated traffic from the nearby centres. TA Report does not clarify whether traffic analysis was undertaken to identify the impacts on local roads at the opening year of the subject area and horizon design year (if applicable), i.e. 5 or 10 years after opening.</p> <p>Clarify if the road upgrades and local mitigations would be undertaken prior the construction of the development.</p>	<p>Outstanding</p> <p>Requires clarification.</p>	
vi	<p>The Transport Assessment has not provided an assessment of parking provision for the site development.</p>	<p>Refer to Item 19.</p>	<p>Addressed</p> <p>No further actions required</p>	

Item	Cardno Peer Review Conclusion	Comments	Status	Further Remarks
vii	It is advised that Colston Budd Rogers & Kafes address Cardno's peer review recommendations and comments so as to present a more robust and transparent assessment of the proposed New Line Road development.	Refer to Outstanding Items listed in this Table	N/A	

Transport Assessment
of Proposed Retail
Development 268-274
New Line Road Dural By
Colston Budd Rogers &
Kafes Pty Ltd

APPENDIX

A

Transport Assessment
Report - May 2015

TRANSPORT ASSESSMENT OF
PROPOSED RETAIL
DEVELOPMENT 272 -274
NEW LINE ROAD DURAL

MAY 2015

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I. INTRODUCTION

- I.1 Colston Budd Hunt and Kafes Pty Ltd has been commissioned by Abilias Holdings Pty Ltd and True Items Pty Ltd to undertake a transport assessment of a proposed retail development at 272-274 New Line Road, Dural (the subject site). It is proposed to extend the Local Business zone boundary of the Dural Service Centre to include the subject site. Extension of the Local Business zone boundary would allow retail development on the subject site and in particular provision of a full line supermarket.
- I.2 An economic/retail assessment by Location IQ has found that there is demand for additional retail floor space in the Dural area that cannot be reasonably accommodated within the existing business zoned land in the area. This inability to meet demand in the area results in additional vehicle trips on the surrounding road network.
- I.3 The findings of the transport assessment to allow retail development on the subject site are set out in Chapter 2.

2. TRANSPORT ASSESSMENT

2.1 The findings of our transport assessment are set down through the following sections:

- site location;
- proposed development;
- public transport;
- surrounding road network;
- access;
- traffic effects;
- RMS consultation; and
- summary.

Site Location

2.2 The site is located on the eastern side of New Line Road some 200 metres south of the intersection of Old Northern Road and New Line Road. The site is currently occupied by a range of uses including Martin's Building and Landscape Supplies, Gosford Quarries, Dural Pool Shop, Think Water and Dural Automotive. Surrounding land use is a commercial complex to the north, golf driving range to the south and a hotel on the opposite side of New Line Road. Dural Service Centre is located to the north (at the intersection of Old Northern Road and New Line Road) and a Bunnings is located to the south. The nearest major retail centres (with full line supermarkets) are located at Round Corner, Dural (some one kilometre to the west), Cherrybrook (some four kilometres to the south east) and Castle Hill (some five kilometres to the southwest).

2.3 A Planning Proposal to rezone South Dural (on the western side of New Line Road opposite the site) for residential development (some 8,000 to 10,000 people) has been submitted to Council but has not yet been approved. To accommodate the additional traffic from the proposed South Dural development, significant upgrading of surrounding transport infrastructure will be required including:

- duplication of Old Northern Road between Hasting Road and New Line Road;
- duplication of New Line Road between Old Northern Road and Hasting Road;
- upgrading of a number of intersections along New Line Road and Old Northern Road;
- provision of appropriate access points along New Line Road and Old Northern Road (generally at locations of existing intersection);
- improved pedestrian and cyclist facilities to link the new residential development with surrounding area/services; and
- provision of improved bus services to link the site with the surrounding area and new transport nodes at Cherrybrook and Castle Hill.

2.4 At this stage we understand that no agreement has been reached between the proponent and TfNSW/RMS regarding these infrastructure improvements. However, TfNSW/RMS has noted that it is generally the government's position that infrastructure required to support changes in land use should be at no cost to government.

Proposed Development

2.5 Extension of the business zone to include the subject site would allow for retail uses such as a full line supermarket and specialty shops together with existing uses of bulky goods/hardware. For the purposes of this transport assessment we have assumed the following development of the site:

- a full line supermarket (4,200m²);
- specialty shops (2,200m²);
- commercial (3,400m²);
- warehouse (4,800m²);
- bus parking and storage (1,750m²); and
- bulky goods (20,700m²).

2.6 Access is proposed from New Line Road via a new traffic signal controlled intersection at the southern end of the site with separate service vehicle ingress on the northern boundary side of the site. As part of the proposed development, New Line Road along the frontage of the site would be upgraded to four lanes. The new traffic signal controlled access could also provide access to the adjoining site to the south, the hotel located on the opposite side of New Line Road, or future access to the South Dural.

Public Transport

2.7 Hills Bus operates a number of bus services along New Line Road past the site (including the Route 622, 642 and 644 services, plus express services). These services connect Dural with surrounding areas and connect to Castle Hill, Cherrybrook, Lane Cove interchange and Sydney CBD. Most of the services only

operate Monday to Friday. Bus stops are located along New Line Road, however, due to the volume of traffic on New Line Road and the lack of pedestrian facilities, access to bus stops can be difficult.

2.8 As noted above the proposed development would provide a new set of traffic signals on New Line Road. As part of the new traffic signals, pedestrian crossings will be provided on New Line Road. These will provide for safe pedestrian access across New Line Road and hence improve the pedestrian environment in the area.

2.9 Thus the subject site is accessible by existing public transport services and the proposed development (through the provision of traffic signals on New Line Road) would improve access to bus stops on New Line Road. The proposed development would also provide new employment opportunities and retail facilities close to existing public transport services and hence strengthen demand for these services. The proposed development is therefore consistent with government aims and planning principles of:

- (a) improving accessibility to employment and services by walking, cycling, and public transport;
 - (b) improving the choice of transport and reducing dependence solely on cars for travel purposes;
 - (c) moderating growth in the demand for travel and the distances travelled, especially by car; and
 - (d) supporting the efficient and viable operation of public transport services.
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-

Road Network

- 2.10 The site is located on the eastern side of New Line Road some 200 metres south of the intersection with Old Northern Road. New Line Road is an arterial road running in a north-south direction connecting Dural with Pennant Hills Road Pennant Hills. It generally has one through lane in each direction between Old Northern Road and Hastings Road with two lane roundabouts at the intersections of Old Northern Road and the Bunnings access. Traffic signals are proposed (and funded) at the intersection with Sebastian Drive with construction to commence soon. As noted above there are limited pedestrian facilities along or across New Line Road.
- 2.11 Old Northern Road is an arterial road located north of the site. It connects Castle Hill with Kenthurst/Glenorie. It generally has one through lane in each direction with additional lanes at major intersections. Intersections along Old Northern Road are a mix of traffic signal control (intersection with Kenthurst Road), roundabout (intersection with New Line Road) and priority control (majority of intersections).
- 2.12 In order to further assess traffic conditions adjacent to the site, traffic counts were undertaken during Wednesday morning and afternoon peak periods in March 2015 at the following intersections:
- Old Northern Road/New Line Road (roundabout); and
 - New Line Road/Bunnings Access (roundabout).
- 2.13 The results are summarised in Table 2.1 and displayed in Figures 2 and 3.
-
-

Location	Morning	Afternoon
Old Northern Road - north of Service Centre Access - west of New Line Road	2530 1530	2450 2015
New Line Road - south of Old Northern Road - south of Bunnings Access	2280 2185	2225 2135
Service Centre Access - east of New Line Road	525	670
Bunnings Access - east of New Line Road	165	395

2.14 Examination of Table 2.1 reveals that:

- Old Northern Road carried some 1,500 to 2,450 vehicles per hour (two way) during the weekday morning and afternoon peak periods. Traffic flows were highest north of the service centre access;
- New Line Road carried some 2,100 to 2,300 vehicles per hour (two way) during the weekday morning and afternoon peak periods;
- The service centre access carried some 500 to 700 vehicles per hour (two way) during the weekday morning and afternoon peak periods; and
- The Bunnings access carried some 200 to 400 vehicles per hour (two way) during the weekday morning and afternoon peak periods.

2.15 Consistent with their role as arterial roads, New Line Road and Old Northern Road carry traffic flows in the order of 1,500 to 2,500 vehicles per hour (two way) in the vicinity of the site.

2.16 The capacity of the road network is generally determined by the capacity of its intersections to cater for peak period traffic flows. The surveyed intersections

have been analysed using the SIDRA program. SIDRA is designed to analyse traffic signal controlled intersections, roundabouts and priority intersections. The program produces a number of measures of intersection operations. The most useful measure provided is average delay per vehicle expressed in seconds per vehicle:

2.17 Based on average delay per vehicle, SIDRA estimates the following levels of service (LOS):-

- For traffic signals, the average delay per vehicle in seconds is calculated as delay/(all vehicles), for roundabouts the average delay per vehicle in seconds is selected for the movement with the highest average delay per vehicle, equivalent to the following LOS:-

0 to 14	=	"A"	Good
15 to 28	=	"B"	Good with minimal delays and spare capacity
29 to 42	=	"C"	Satisfactory with spare capacity
43 to 56	=	"D"	Satisfactory but operating near capacity
57 to 70	=	"E"	At capacity and incidents will cause excessive delays. Roundabouts require other control mode.
>70	=	"F"	Unsatisfactory and requires additional capacity

- For give way and stop signs, the average delay per vehicle in seconds is selected from the movement with the highest average delay per vehicle, equivalent to following LOS: -

0 to 14	=	"A"	Good
15 to 28	=	"B"	Acceptable delays and spare capacity

29 to 42	=	“C”	Satisfactory but accident study required
43 to 56	=	“D”	Near capacity and accident study required
57 to 70	=	“E”	At capacity and requires other control mode.
>70	=	"F"	Unsatisfactory and requires other control mode

2.1. It should be noted that for roundabouts, give way and stop signs, in some circumstances, simply examining the highest individual average delay can be misleading. The size of the movement with the highest average delay per vehicle should also be taken into account. Thus, for example, an intersection where all movements are operating at a level of service A, except one which is at level of service E, may not necessarily define the intersection level of service as E if that movement is very small. That is, longer delays to a small number of vehicles may not justify upgrading an intersection unless a safety issue was also involved.

2.18 The SIDRA analysis found that:

- the roundabout controlled intersection of the New Line Road, Old Northern Road and the service centre access operated with average delays per vehicle of less than 30 seconds for both peak periods. This represents level of service B/C, a satisfactory level of intersection operation; and
- the roundabout controlled intersection of the New Line Road and the Bunnings access operated with average delays per vehicle of less than 20 seconds for both peak periods. This represents level of service B, a satisfactory level of intersection operation with spare capacity.

2.19 These results are consistent with work undertaken as part of the South Dural Planning Proposal which found that:

- the roundabout controlled intersection of New Line Road/Old Northern Road operates at level of service B in the weekday morning and afternoon peak periods. This represents a satisfactory level of service with spare capacity;
- traffic signal controlled intersections along both roads (in the vicinity of the site) generally operate at satisfactory levels of service in the weekday morning and afternoon peak periods (level of service C/D); and
- priority controlled intersections generally operate at or near capacity in the weekday morning and afternoon peak periods and long delays can be experienced by traffic turning from side streets onto the major roads.

2.20 Thus major intersections along New Line Road and Old Northern Road in the vicinity of the site operate at satisfactory levels of service in the peak periods with spare capacity. However, minor intersections operate at or near capacity.

Access

2.21 Access is proposed from New Line Road via a new traffic signal controlled intersection at the southern end of the site with separate service vehicle ingress on the northern boundary side of the site. As part of the proposed development, New Line Road along the frontage of the site would be upgraded to four lanes. The new traffic signal controlled access could also provide access to the adjoining site to the south, the hotel located on the opposite side of New Line Road, or future access to the South Dural. While subject to detailed assessment, an initial concept of the proposed site access would be to provide a traffic signal controlled T-intersection providing:

- two through lanes in each direction along New Line Road;
-
-

- separate left and right turn lanes into the site from New Line Road;
- two exit lanes from the site access onto New Line Road; and
- pedestrian facilities on all approaches.

2.22 With regard to the proposed traffic signal controlled access on New Line Road an assessment has been undertaken to determine if the proposed signals satisfy RMS warrants for traffic signals. The warrants require traffic flows over four hours on a typical day to exceed:

- 600 vehicles per hour in each direction on the main road; and
- 200 vehicles per hour in one direction on the minor road.

2.23 Traffic flows through the proposed site access satisfy the warrant with traffic flows in each direction on New Line Road some 1,100 to 1,300 vehicles per hour (for at least four hours per day) and on the site access 200 to 550 vehicles per hour (for at least four hours per day). Thus the warrants for traffic signals would be readily satisfied.

2.24 An assessment of the operation of the traffic signal controlled access is provided below in the section on traffic effects.

2.25 In addition to providing appropriate access to the proposed development, the provision of traffic signals on New Line Road at the site access (with pedestrian facilities on all approaches) would provide for improved and safe pedestrian access across New Line Road in an area where there are limited opportunities for pedestrians to safely cross New Line Road.

Traffic Effects

- 2.26 Based on RMS Guidelines, the proposed development would generate some 270 vehicles per hour (two-way) in the weekday morning peak hour and some 1,040 vehicles per hour (two way) in the weekday afternoon peak hour. Due to the size of the proposed development and the different uses (retail, commercial and bulky goods), there would be proportion of trips that would be linked between the various uses, resulting in an overall reduction in traffic generation (assumed to be some 10%). In addition a proportion of retail/bulky goods trips (some 20%) would be passing trade (that is traffic already on New Line Road). Retail trips comprise some 70% of trips in the morning and afternoon peak hours.
- 2.27 Based on information provided in the retail study, it is estimated that:
- some 30% of the traffic generated by the retail component will be relocated trips from Castle Hill;
 - some 25% of the traffic generated by the supermarket will be relocated trips from Cherrybrook;
 - some 30% of the traffic generated by the retail component will be relocated trips from Dural; and
 - the balance (some 15%) of the traffic generated by the retail component will be relocated from a range of other centres in the region.
- 2.28 Using this information we have estimated the likely reduction in traffic generation to Castle Hill, Dural and Cherrybrook as these are the major areas that would be affected. As noted above, based on RMS Guidelines the retail component (taking into account linked trips and passing trade) would have a peak hour traffic generation of some 110 and 550 vehicles (two way) in the weekday morning and
-
-

afternoon peak hours. This equates to some 5,500 vehicles per day (two way). Thus traffic to Castle Hill would be reduced by some 1,600 vehicles per day (two way), Dural by some 1,600 vehicles per day (two way) and Cherrybrook by some 1,350 vehicles per day (two way).

- 2.29 Thus as a result of the proposed development traffic flows on New Line Road (south of Hastings Road) and Old Northern Road (west of New Line Road) could be reduced by some 1,350 to 1,600 vehicles per day (two way) with resultant improvements at intersections along these roads.
- 2.30 As noted above major intersections along New Line Road and Old Northern Road are operating at satisfactory levels of service in peak periods with some spare capacity. While the proposed development will increase traffic on roads adjacent to the site and some local improvements may be required, traffic on the broader road network would be reduced as trips are retained within the local area. Should the South Dural residential proposal proceed, the surrounding road will require major upgrades to accommodate the additional traffic. The proposed development could assist in mitigating some of the traffic impacts of South Dural by retaining retail trips locally.
- 2.31 An assessment of surveyed intersections along New Line Road plus the proposed traffic signal controlled site access on New Line Road has been undertaken using SIDRA with development traffic in place. The assessment takes into account the redistribution of traffic from other centres as a result of the proposed development (as set out above). The redistributed traffic flows are summarised in Table 2.2 and set out in Figures 2 and 3.
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Table 2.2: Existing + Development Weekday Two Way (sum of both directions) Traffic Flows				
Location	Morning		Afternoon	
	Existing	+ Dev	Existing	+ Dev
Old Northern Road				
- north of Service Centre Access	2530	+20	2450	+130
- west of New Line Road	1530	-100	2015	-260
New Line Road				
- south of Old Northern Road	2280	+80	2225	+350
- south of Bunnings Access	2185	+80	2135	+350
Service Centre Access				
- east of New Line Road	525	+0	670	+0
Bunnings Access				
- east of New Line Road	165	+0	395	+0

2.32 Examination of Table 2.2 reveals that:

- traffic flows on Old Northern Road would increase by some 30 to 130 vehicles per hour (two way) during the weekday morning and afternoon peak periods. West of New Line Road, traffic flows would decrease by some 100 to 260 vehicles per hour as traffic from the north that currently accesses Dural/Castle Hill is redistributed to the proposed development; and
- traffic flows on New Line Road (adjacent to the site) would increase by some 80 to 3500 vehicles per hour (two way) during the weekday morning and afternoon peak periods. Further south (south of Hastings Road) there would be a reduction as traffic from the south that currently accesses Cherrybrook/Castle Hill is redistributed to the proposed development.

2.33 The SIDRA analysis (of the surveyed intersections and the site access) found that with development traffic in place:

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- the roundabout controlled intersection of the New Line Road, Old Northern Road and the service centre access would continue to operate with average delays per vehicle of less than 30 seconds for both peak periods. This represents level of service B/C, a satisfactory level of intersection operation;
 - the roundabout controlled intersection of the New Line Road and the Bunnings access would continue to operate with average delays per vehicle of less than 20 seconds for both peak periods. This represents level of service B, a satisfactory level of intersection operation with spare capacity; and
 - the traffic signal controlled site access would operate with average delays per vehicle of less than 25 seconds for both peak periods. This represents level of service B, a good level of intersection operation with spare capacity.

2.34 Thus the surrounding road network could accommodate the traffic generated by the proposed development.

Consultation with RMS

2.35 As part of this transport assessment, consultation has been undertaken with Roads and Maritime Services (RMS). The consultation found that:

- RMS has identified that New Line Road will need to be upgraded to a four lane dual carriageway in the long term;
 - RMS currently has no funding or plans to upgrade New Line Road. Previous work undertaken by RMS has identified a number of issues along New Line Road, including capacity of the road, the need to upgrade critical intersections and the lack of safe pedestrian access across New Line Road;
-
-

- RMS has advised NSW Planning that further work is required to support the South Dural Planning Proposal;
- any road upgrades required as part of new development along New Line Road should be at no cost to RMS;
- provision of a signalised access on New Line Road to the subject site will need to satisfy RMS traffic signal warrants, supported by suitable traffic modelling and be located at the southern boundary of the site;
- any widening of New Line Road along the frontage of the site to be compatible with long term plans to upgrade New Line Road to four lanes and allow for twin right turns into the site and future South Dural development;
- RMS does not support a proliferation of traffic signals along New Line Road; and
- RMS raised no objections to the extension of the business zone boundary subject to any traffic impacts being appropriately mitigated at no cost to RMS.

Summary

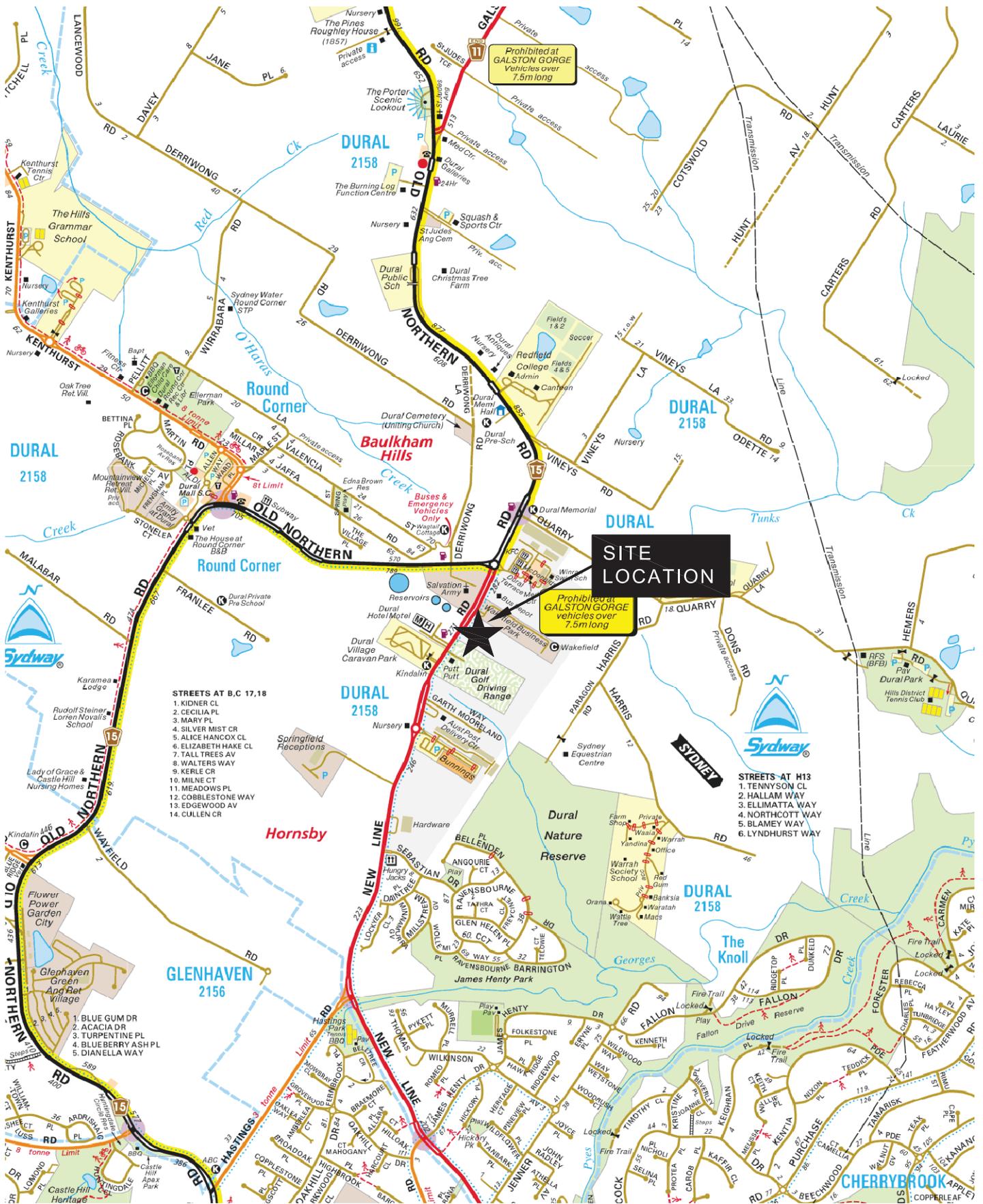
2.36 In summary the transport assessment of the proposed retail development at 272-274 New Line Road, Dural (the subject site) has found the following:

- it is proposed to extend the Local Business zone boundary of the Dural Service Centre to include the subject site, which would allow retail development on the subject site and in particular provision of a full line supermarket;
 - there is demand for additional retail floor space in the Dural area that cannot be reasonably be accommodated within the existing business zoned land. The
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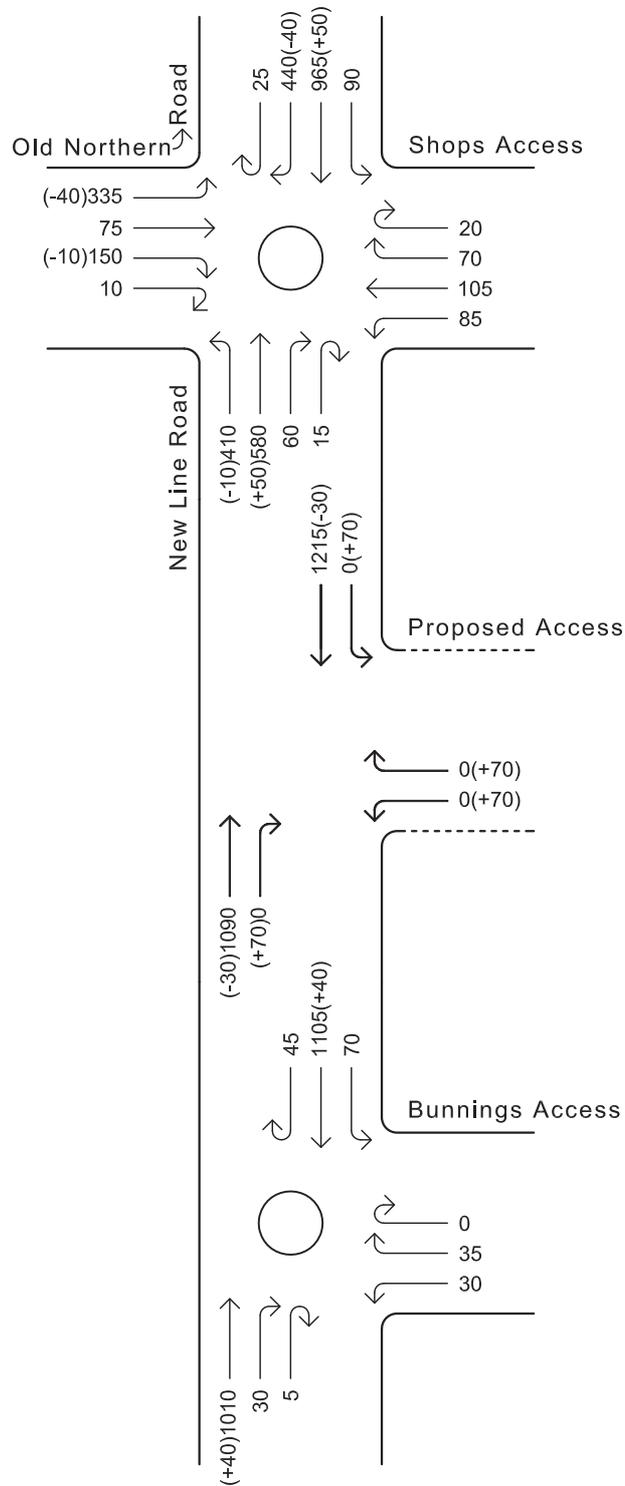
inability to meet demand in the area results in additional vehicle trips on the surrounding road network;

- the subject site is accessible by existing public transport services and the proposed development will strengthen demand for these services;
 - the provision of traffic signal access on New Line Road would improve pedestrian access across New Line Road (which is currently poor) and improve access to bus stops;
 - the proposed traffic signal access satisfies RMS warrants for traffic signals;
 - the site has good access to the arterial road network with major intersections in the vicinity of the site operating at satisfactory levels of service in peak periods;
 - a planning proposal for residential development in South Dural has been lodged with Council. Should it proceed significant upgrading of surrounding transport infrastructure will be required;
 - the proposed development could assist in mitigating some of the traffic impacts of South Dural by retaining retail trips locally;
 - as a result of the proposed development traffic flows on New Line Road and Old Northern Road (away from the site) could be reduced by some 1,350 to 1,600 vehicles per day (two way) with resultant improvements at intersections along these roads;
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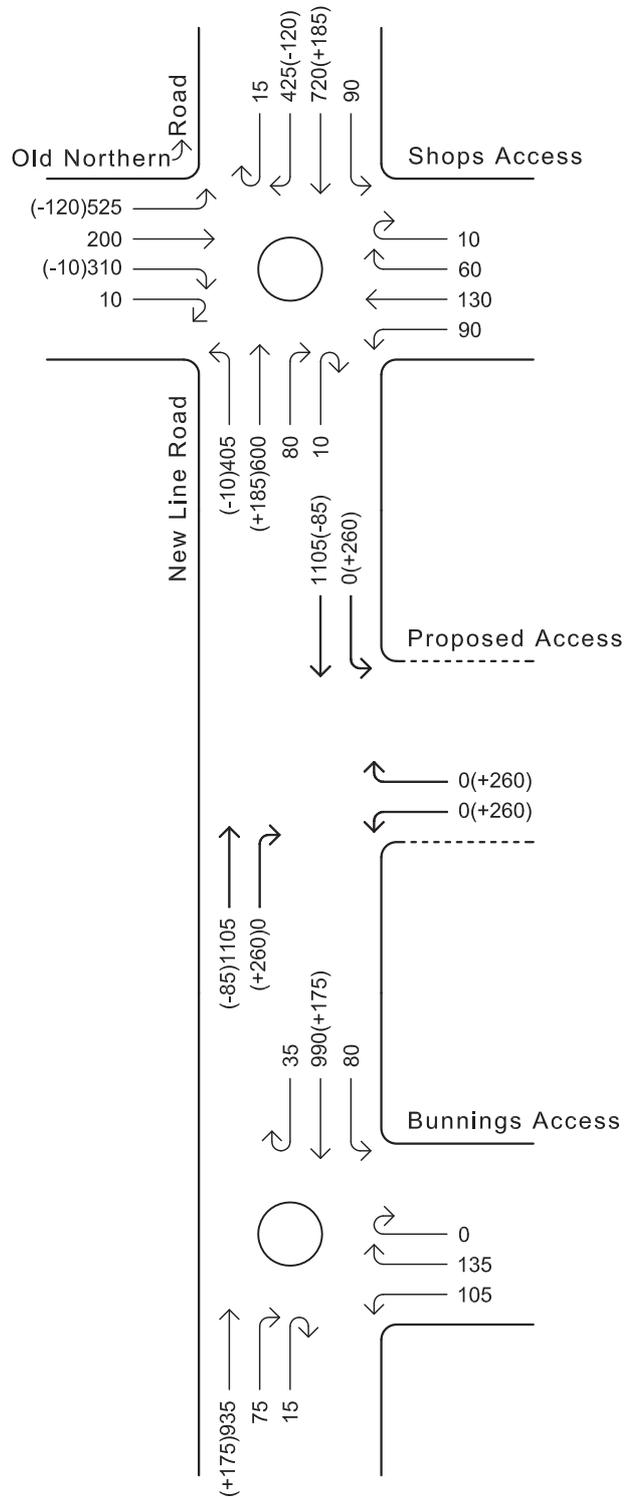
- the surrounding road network could accommodate the traffic generated by the proposed development with the proposed signalised site access operating at a good level of service (LOS B) with spare capacity;
- initial consultation with RMS has been undertaken and it has raised no objection to the extension of the business zone boundary subject to a number of matters being addressed.



Location Plan



Existing weekday morning peak hour traffic flows plus development traffic



Existing weekday afternoon peak hour traffic flows plus development traffic

Transport Assessment
of Proposed Retail
Development 268-274
New Line Road Dural By
Colston Budd Rogers &
Kafes Pty Ltd

APPENDIX

B

Transport Assessment
Report – Review of
Traffic Matters – 9 Dec
2015

Colston Budd Rogers & Kafes Pty Ltd

as Trustee for C & B Unit Trust
ABN 27 623 918 759

Our Ref: TR/9531/jj

9 December, 2015

Restifa & Partners Pty Ltd
Suite 202
100 Mount Street
NORTH SYDNEY NSW 2060

Transport Planning
Traffic Studies
Parking Studies

Attention: Sam Restifa
Email: sam@restifa.com.au

Dear Sir,

RE: PLANNING PROPOSAL FOR RETAIL DEVELOPMENT, DURAL
REVIEW OF TRAFFIC MATTERS

1. As requested, we have reviewed the traffic matters raised in the review of the above planning proposal by Cardno dated 28 September 2015 (on behalf of Hornsby Council). Cardno were commissioned by Council to review our transport assessment of the planning proposal (Transport Assessment of Proposed Retail Development 272-274 New Line Road, Dural, May 2015). The matters raised by Cardno were discussed at our meeting with Council on 5 November 2015. Our review takes into account the discussions/agreements at this meeting.
2. While the Cardno review found that our report is generally sound, a number of matters were raised requiring additional information or clarification. These are summarised below along with our responses.

The site has not been clearly identified

3. The subject site is 268-274 New Line Road, Dural (our transport report incorrectly identified the subject site as only 272-274 New Line Road). The proposed rezoning includes the subject site and adjoining Wakefield Business Park (276-278 New Line Road). These are shown on Figure 1.

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Confirm the size of the proposed development

4. As set out in Section 2.5 for purposes of assessing the traffic effects of the planning proposal, the following level of development was assumed on the subject site (268-274 New Line Road):
 - a full line supermarket (4,200m²);
 - specialty shops (2,200m²);
 - commercial (3,400m²);
 - warehouse (4,800m²);
 - bus parking and storage (1,750m²); and
 - bulky goods (20,700m²).
5. As discussed at the meeting on 5 November, no additional development was assumed on 276-278 New Line Road as this is a recently constructed business park (comprising multiple tenancies over a number of levels) that is strata titled. Hence major redevelopment of the site is unlikely. It was generally agreed at the meeting that there was limited scope for the existing tenancies to be converted to retail uses (due to size and location with limited exposure). The report by Location IQ confirmed this, with only some 600m² of area identified for possible retail use. This small amount of retail area would generate minimal additional traffic (some 20 to 30 vehicles per hour (two-way) in weekday afternoon peak hour with less in the weekday morning peak hour). Such a minor increase in traffic would not change the results of our previous traffic assessment.

Additional information on bus services

6. Cardno has requested additional information on frequency of existing bus services and how access by buses will be provided on weekends (as there are currently no services operating on weekends).
7. As noted in Section 2.7 of our report, Hills Bus operates a number of bus services along New Line Road past the site (including the Route 622 and 644 services, plus express services). These services connect Dural with surrounding areas and connect to Castle Hill, Cherrybrook, Lane Cove interchange and North Sydney. The frequency of existing bus services is summarised below:
 - 622 service operates over 6 services a day Monday to Friday, between Dural and Milsons Point (inbound in the morning and outbound in the afternoon). The first service to Milsons Point departs Dural at 6.10am and

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the last departs at 7.50am. The first Milsons Point to Dural service departs at 3.35pm and last departs at 6.55pm; and

- 644 service operates 7 services a day, Monday to Friday, between Dural McDonalds and Castle Towers, Castle Hill. The first Dural to Castle Hill service departs Dural at 6.44am and the last departs at 3.55pm. The first Castle Hill to Dural service departs at 10.35am and last departs at 5.45pm.
8. As noted above there are no bus services operating weekends past the site. As discussed at the meeting on 5 November, as increased development occurs in the area (such as the proposed development) demand for increased public transport services will increase and the local bus operator (whose depot is located just to the north of the site) would have an incentive to provide additional services (both on weekdays and weekends).

Road Network

9. Cardno has requested a figure that more clearly displays the subject site, adjacent road network and location of intersections assessed. This is provided on Figure 1.

Intersection Assessment

10. Cardno has raised the following matters with respect to the intersection assessment:
- a) date and time of traffic surveys;
 - b) verification that RMS warrants are satisfied;
 - c) no Saturday traffic assessment; and
 - d) presentation of SIDRA analysis.
11. With respect to a), the traffic surveys were undertaken on Wednesday 25 March 2015, between 7.00am & 9.30am and 4.30pm & 6.30pm with peak hour flows provided in Figures 2 and 3 of our report.
12. With respect to b) the RMS warrants require traffic flows over four hours on a typical day to exceed 600 vehicles per hour in each direction on the major road and 200 vehicles per hour in one direction on the minor road. In the period 4.30pm to 6.30pm, with development traffic in place, traffic flows in each direction along New Line Road would exceed 1,200 vehicles per hour. In the proceeding 2 hour period (2.30pm to 4.30pm) a review of a nearby RMS permanent count station found that traffic flows were at least 65% of the

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afternoon peak hour flows (at least some 800 vehicles per hour in each direction). Thus the first part of the RMS criteria is satisfied. In the same period, the volume of traffic departing the site was estimated to be some 520 vehicles per hour. Using the same adjustment as for the major road, traffic flows on the minor road would exceed some 330 vehicles per hour in one direction for four hours. Thus the second part of the RMS criteria is satisfied.

13. With respect to c), the Saturday midday peak period was not assessed as following a meeting RMS, the weekday AM and PM peak periods were identified as the critical periods. If required, the Saturday midday peak period could be assessed as part the DA for a future development on the subject site.
14. With respect to d) as agreed at the meeting on 5 November, electronic copies of the SIDRA files will be provided to Cardno.

Trip generation calculations to be provided

15. Table I below sets out our estimate of trip generation of the proposed development used in our traffic assessment. The traffic generation rates set in Table I are from the RMS Guidelines and RMS TDT 2013/04. For the retail and bulky goods components, in the AM peak hour, 20% of the PM rates have been used.

Table I: Component	Summary of Traffic Generation				
	Size	Rate		Trip Generation (vehicles per hour)	
		AM	PM	AM	PM
Commercial	3400m ²	1.2/100m ²	1.2/100m ²	41	41
Specialty Shops	2200m ²	0.9/100m ²	4.6/100m ²	20	101
Supermarket	4200m ²	3.1/100m ²	15.5/100m ²	130	650
Bulky Goods	20700m ²	0.2/100m ²	1.0/100m ²	40	207
Warehouse	4800m ²	0.5/100m ²	0.5/100m ²	24	24
Bus Parking/Storage	1750m ²	1.0/100m ²	1.0/100m ²	17	17
Total				270	1040

Overall Traffic Assignment

16. Cardno requested clarification on how additional trips were assigned to the road network and in particular why traffic turning to/from Old Northern Road (west) and New Line Road had dropped.
17. As set out in Section 2.27, the development traffic was assigned to the road network based on the information provided in the retail study (Dural Economic

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Impact Statement, Location IQ, May 2015). With regard to why the traffic flows turning to/from Old Northern Road (west) and New Line Road had dropped, this was because some traffic from the south that currently travels to Round Corner shopping centre would divert to the new shopping centre on New Line Road. The decrease in diverted traffic was greater than the increase in traffic from the west, hence the minor decrease in traffic on these movements (10 vehicles per hour in each direction).

Road Network Impact

18. Sections 2.26 to 2.34 of our report set out the impact on the surrounding road network of the proposed development. Section 2.33 summarises the results of the SIDRA analysis with development traffic in place. In summary the surrounding road network could accommodate the traffic generated by the proposed development. Electronic copies of the SIDRA files will be provided to Cardno.

Parking Provision

19. As agreed at the meeting on 5 November, at this stage, an assessment of parking provision is not required as part of the planning proposal. This matter will be addressed for the DA.
20. In summary, we have addressed the traffic matters raised by Cardno with respect to the planning proposal. We trust the above provides the information you require. Finally, if you should have any queries, please do not hesitate to contact us.

Yours faithfully,
COLSTON BUDD ROGERS & KAFES PTY LTD

A handwritten signature in black ink, appearing to read 'T. Rogers', with a stylized flourish at the end.

T. Rogers
Director

APPENDIX D



Planning Proposal Dural Service Centre

268-274 New Line Road,
Dural, NSW

Submitted to Hornsby Shire Council
On Behalf of Restifa and Partners

Report Revision History

This document is preliminary unless approved by a Director of City Plan Strategy & Development

Revision	Date Issued	Prepared by	Reviewed by	Verified by
01	20/05/15	Anthony Kazacos <i>Senior Project Planner</i>	David Ryan <i>Executive Director</i>	David Ryan <i>Executive Director</i>
02	26/05/15	Anthony Kazacos <i>Senior Project Planner</i>	David Ryan <i>Executive Director</i>	
03	27/05/15	Anthony Kazacos <i>Senior Project Planner</i>	David Ryan <i>Executive Director</i>	
04	22/06/15	David Ryan <i>Executive Director</i>	David Ryan <i>Executive Director</i>	
05	24/06/15	David Ryan <i>Executive Director</i>	David Ryan <i>Executive Director</i>	
06	07/12/15	David Ryan <i>Executive Director</i>	David Ryan <i>Executive Director</i>	
07	10/12/15	David Ryan <i>Executive Director</i>	David Ryan <i>Executive Director</i>	

CERTIFICATION

This report has been authorised by City Plan Strategy & Development, with input from a number of other expert consultants, on behalf of the Client. The accuracy of the information contained herein is to the best of our knowledge not false or misleading. The comments have been based upon information and facts that were correct at the time of writing this report.

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Appendix	Document	Prepared by
1	Traffic Assessment	Colston Budd Hunt & Kafes Pty Ltd
2	Economic Impact Assessment	Location IQ
3	Concept Plans	Christiansen O'Brien Architects

Tables	
1	Consultation with Council
2	Consistency with the Metro Strategy - 'A Plan for Growing Sydney'
3	Consistency with Draft Sub-regional strategy
4	Consistency with SEPPs
5	Consistency with Section 117 Ministerial Directions

Section A - Overview

1. Executive Summary

This Planning Proposal (PP) is being submitted by Restifa and Partners on behalf of land owners, Abilas Holdings Pty and True Items Pty Ltd.

This PP explains the intended effect of, and justification for, the proposed amendment to the Hornsby Local Environmental Plan 2013. The amendment is a site specific LEP for Nos. 268-274 New Line Road, Dural (the site), however we recommend that its provisions also be applied to No. 276-278 New Line Road, Dural. It has been prepared in accordance with Section 55 of the Environmental Planning and Assessment Act, 1979 (EP&A Act) and the relevant Department of Planning and Environment's Guidelines including "A Guide to Preparing Local Environmental Plans" and "A Guide to Preparing Planning Proposals".

This PP seeks to alter the existing **IN2 Light Industrial** zoning for the site to **B2 Local Centre** under Hornsby Local Environmental Plan 2013 (HLEP 2013). The two sites combined will involve a southern extension of the existing B2 zoned Dural Service Centre to the southern boundary of the subject site.

The site currently consists of a mixture of bulky goods and industrial buildings and uses. This PP will allow for the site to be further developed to accommodate a greater range of uses. The proposed zoning will allow for commercial uses such as offices, a medical centre and general retail.

The site is located in the suburb of Dural which is currently undergoing a transformation to accommodate more low density residential land uses. This is evident from the lodgement of the South Dural planning proposal. This proposal has the potential to increase the local population of this area by an additional 10,000 people in the medium to long term.

This PP however is not reliant on the South Dural proposal proceeding. As outlined in the economic report accompanying this PP and also Council's own Subregional Employment Strategy, there is a strong demand, specifically in this area, for additional local retail and commercial services to meet the day-to-day needs of the local residents of this growing community.

The proposed rezoning of the site will therefore provide the opportunity to resolve the current shortfall of local retail/supermarket opportunities for this area, regardless of the South Dural proposal.

Two major national supermarkets have expressed interest in locating on the site subject to PP approval, ensuring that this is not a speculative proposal, but one that can create real and immediate benefits for the local community.

Preliminary analysis of environmental, economic and social conditions related to the proposed rezoning has been undertaken, with specific attention to retail and traffic impacts. These have confirmed the capability and appropriateness of the proposal within its context.

The findings are that the proposed retail development will not pose any unreasonable adverse impacts on existing local centres. Rather it should give the local community a greater choice of complementary retail options within the different local centres.

Traffic analysis indicates that the PP should improve local road conditions. Additional retail supply should reduce the number and duration of private vehicle trips by local Dural residents to more distant regional shopping centres.

The proposal also incorporates direct improvements to local road infrastructure, including installing new traffic signals and increasing the capacity of this section of New Line Road. This should improve traffic and pedestrian safety along this busy road and will be fully funded by the proponent via a deed of agreement with the RMS and Council.

In addition to these public benefits associated with this PP, the proponent is also willing to commit to the provision of community infrastructure within any future development on the site. The Dural Service Centre currently comprises mainly single isolated development sites.

This PP is capable of providing a 'community hub' for the centre and locality. This 'hub' has the potential to provide public infrastructure such as a child care centre.

The Dural Service Centre has never fulfilled Council's original intentions for it to be a service centre for the northern rural lands within the Shire. This has been recognised in past strategic investigations undertaken by Council and some incremental changes to recognise a greater retail role to service the broader local community have been made. This PP seeks to bring these past investigations up the date in relation to the evolving underlying community demands in the area and to confirm the capability and suitability of the extended Dural Service Centre's to meet those demands and the social, economic and employment benefits that would be realised.

This PP addresses all relevant considerations under the Guidelines and demonstrates that the proposal is consistent with State, Regional and Local planning policies and also the relevant s117 Ministerial Directions.

It is concluded that it is appropriate for the PP to proceed to public exhibition.

2. The Site

2.1 Location and description

The subject site consists of two allotments as demonstrated in Figure 1, with the following legal descriptions:

- Lot 268 DP 1102182, known as 268-270 New Line Road; and
- Lot 1 DP 218273, known as 272-274 New Line Road.

The additional land to the north of the subject site which is considered appropriate for inclusion in this PP is SP 75852, known as 276-278 New Line Road.



Figure 1: Aerial of the subject sites (Source: Six Viewer)

The subject site has an approximate 240 metre frontage along New Line Road, which is the main street frontage and access point for the subject site. The site area of the combined 3 allotments is approximately 6.6 hectares.

2.2 Current LEP Controls

The current Hornsby LEP 2013 (HLEP) has the following relevant controls applicable to this site:

- Zoning: The subject site is zoned IN2 Light Industrial. The adjoining site, 276-278 New Line Road, is also primarily zoned IN2 and partly zoned E3 Environmental Management (refer to Figure 2); and
- Additional permitted uses - this area is within 'Area 5', therefore bulky goods premises are also permissible on the sites.

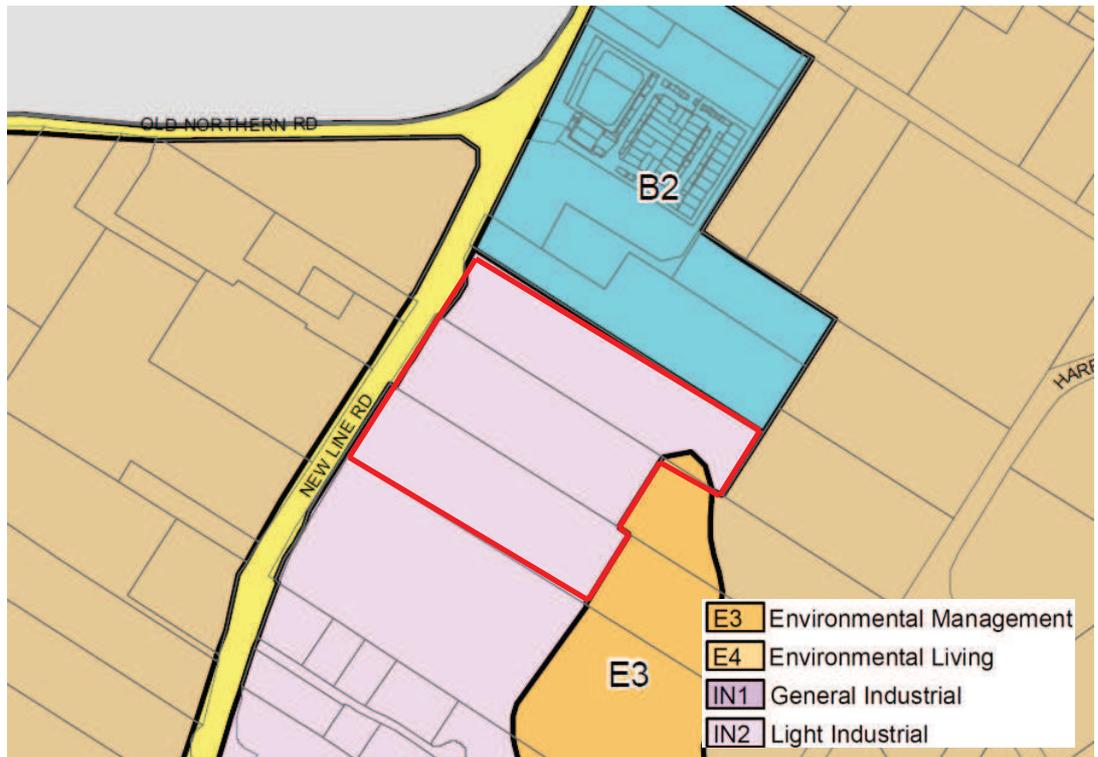


Figure 2: Current zoning of the sites (outlined in red) (Source: NSW Legislation)

2.3 Existing development

The photos below provide an illustrative overview of the existing development on the subject site and its relationship with the surrounding area.

No. 276-278 New Line Road has been recently developed for small industrial units and comprises of tenants such as a vet and a gymnasium (refer to **Photos 1 and 2**). No. 272-274 New Line Road is occupied by Martin's Building and Landscape Supplies (refer to **Photos 3 and 4**). No. 268-270 is occupied by Gosford Quarries, Dural Pool Shop, Think Water and Dural Automotive (refer to **Photos 5, 6 and 7**). Vegetation is located at the rear of the site, to the east (refer to **Photo 8**).



Photo 1: Front of 276-278 New Line Road, Dural



Photo 2: Eastern view of 276-278 New Line Road, Dural



Photo 3: Front of 272-274 New Line Road, Dural



Photo 4: 272-274 New Line Road, Dural - Looking North



Photo 5: 268-270 New Line Road



Photo 6: 268-270 New Line Road



Photo 7: 268-270 New Line Road



Photo 8: Rear of the site looking east

2.4 Adjacent and surrounding development

The site is located in the semi-rural suburb of Dural, which is partly within Hornsby Shire and The Hills Shire.

Parts of the local area are undergoing a transition from semi-rural to low density urban residential. Much of the surrounding land to the south of the subject site has been developed for low density residential development. This is located within the suburbs of Cherrybrook, Glenhaven and Rogans Hill.

The area is expected to transition more rapidly in the medium to long term, due not only to the potential South Dural PP but also the construction of the North West Rail Link which is due to open in 2019. Stations currently under construction, in proximity to the subject site, include Castle Hill, Cherrybrook and Showground stations.

Dural contains three business centres, Round Corner (within The Hills Shire), Dural Village and the Dural Service Centre.

The site is located within the industrial/bulky good retail portion of the Dural Service Centre, directly to the south of the existing Local Business Zone.

The Dural Service Centre includes a range of uses, including bulky goods retailing, various business parks, the Hills bus depot and the Dural Golf Driving Range (directly to the south of No. 268 New Line Road).

To the east of the Service Centre is rural residential land off Paragon Drive.

On the opposite side of New Line Road to the site is the Down Under Hotel and Sydney Hills Holiday Park.

The surrounding context is shown in the following images.



Photo 9: Dural Business Park



Photo 10: McDonalds, Dural Business Park



Photo 11: Hills Bus Depot



Photo 12: Down Under Hotel



Photo 13: Golf Driving Range looking south



Photo 14: New Line Road looking north west from subject site

2.5 South Dural Planning Proposal

Council has endorsed a proposal and a "Gateway" determination has been issued for a Planning Proposal (PP) to rezone approximately 240 hectares of land opposite the subject site between New Line Road and Old Northern Road.

Should this PP come to fruition it will significantly transform this part of Dural from semi-rural to a low density suburban community, as outlined in Figure 3. It will see the development of between 2,500-3,500 dwellings which will equate to an increase of approximately 8,000 - 10,000 in the local population.

Whilst it would appear that the South Dural PP has gained broad support and is likely to progress, this cannot be assumed until such time as it has completed the appropriate statutory processes. As such, our proposal for the extension of the Dural Service Centre Business Zone does not rely on the South Dural PP as justification or support.

Our position is that our proposal is justifiable and appropriate even if the South Dural PP does not proceed. However, if the South Dural PP does proceed, it would simply add further justification to the social, environmental and economic benefit case for our proposal. It would complement and supplement the South Dural PP.

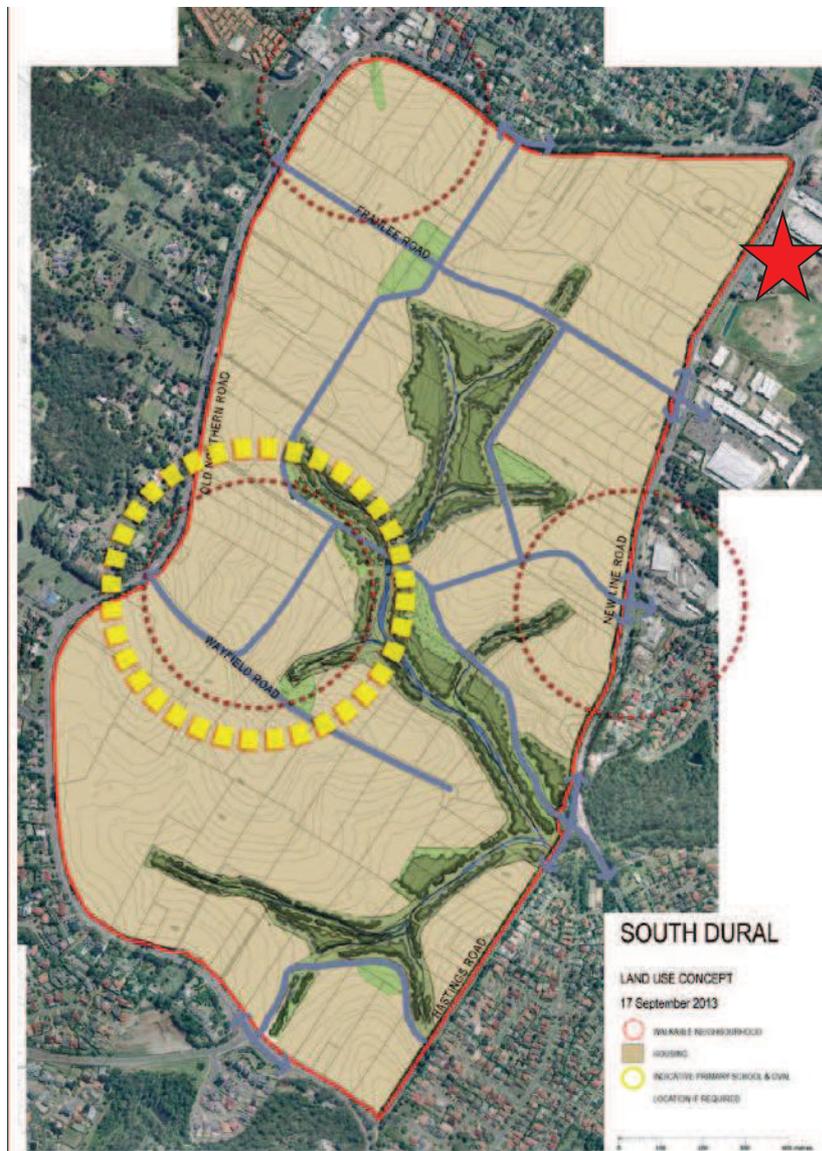


Figure 3: Indicative layout for South Dural, location of subject site highlighted with star (Source: PP submission by South Dural landowners).

3. Proposed Development Concept

The PP is to enable the redevelopment of the subject site for a mixed use development, involving a supermarket based shopping centre, bulky good retail premises (which does not require rezoning since it is already permissible on the site, but is included here to provide a better understanding of the envisaged total site development) and other potential uses such as medical centre, commercial space and the like. An indicative concept layout of such a development accompanies this PP at Appendix 3. It is noted that this is very much conceptual and does not represent a detailed development proposal, which would only be formulated if the PP proceeds.

In order to provide a logical zoning boundary, it has been recommended that the adjoining site, No. 276-278 New Line Road, (excluding the small portion of Zone E3 Environmental Management at the rear of that property) is included in the proposed B2 zone.

No. 276-278 was recently developed into an industrial estate "Wakefield Business Park." Whilst it is unlikely that this site will be redeveloped in the foreseeable future, the business zoning would allow the existing development to be utilised for a broader range of uses such as small commercial suites and offices.

There is very limited available floor space in Dural to locate small business such as local accountants, architects, surveyors and the like who may be attracted to these units. This should assist the economic use and viability of the subject and adjoining site.

However, the accompanying report by Location IQ (at Appendix 2) indicates that for various reasons, such as site conditions (slope, existing improvements, strata titling etc) and market conditions, there is likely to be negligible retail take-up on the site, with a "best case scenario, up to 500 – 600 sq.m of floorspace in building A" on that site.

4. Consultation

A preliminary meeting was held between the proponent's project team and Council in late 2014. This was followed by the submission of a preliminary paper outlining the proposal and the key issues associated with it. A response to this paper was received from Council on 3 February 2015. This has been summarised in the table below, accompanied by a response to the key issues identified.

Table 1: Consultation with Council

Issue	Comment
Council provided background on the current zoning and the South Dural PP. It states that "pending further progress of this proposal, there may be merit in re-visiting the range of permitted uses within the DSC and could be addressed as part of this process. Therefore given the previous position of the Department concerning an increase in the range of commercial uses permitted in the DSC, a stand-alone proposal may be viewed by the Department as premature."	The background outlined by Council is recognised and assessed in this PP. It is considered that there are sufficiently changed circumstances since previous studies were undertaken to justify revisiting the DSC zoning regardless of the progress or otherwise of the South Dural PP. We suggest that if Council is generally supportive of the proposal, it would be appropriate for it to request a gateway determination from the Department to confirm its view on timing rather than making assumptions on what its opinion may be.
Permissibility should be controlled by land use zoning only. This is consistent with guidance from the Department which indicates that Schedule 1 should only be used in exceptional circumstances	This PP will be achieved via the proposed land use zoning change rather than via Schedule 1.
Economic implications prepared by Location IQ should evaluate the previous reports prepared by SGS Economic and Planning and also address forecast growth outlined with the Hills Shire Council's Centres Direction, including the recent expansion of the Round Corner	An Economic Impact Assessment has been prepared and discussed within the Environmental, Social and Economic Impact Section of this PP and is also attached at Appendix 2. This PP will not unreasonably impact on any existing centres, including Round Corner or any planned expansions of these centres.
Potential of existing B2 Local Centre zoned land to accommodate future floorspace demand should be provided including evidence of discussion with Hills Bus concerning the future of its Depot at property Nos. 282 – 284 New Line Road.	This has been addressed in Environmental, Social and Economic Impact Section of this PP and in the EIA at Appendix 2. Attempts were made by the proponent to discuss the proposal with the Hill Bus Depot, however, at the time of preparing this PP, no response has been received.

Another meeting was held between the proponent's team and the Council on 17 June, 2015. At this meeting Council reiterated the need to address the matters raised above. The only new matters raised were as follows.

Issue	Comment
Council advised that the Department of Planning and Environment has recently commissioned a review of Employment Lands that may impact on its consideration of this PP.	DP+E has commissioned a review of the industrial precincts within the North (which includes Hornsby), Central and South subregions of Sydney.

	<p>The study will update and review the industrial precincts in the Department's Employment Lands Development Program 2014.</p> <p>There is no timeframe for the completion of the study or when/if it will be made available to the public.</p> <p>The issue of the suitability of this site for employment generating uses has been addressed throughout this PP.</p> <p>The proposed amendment, which involves a limited extension of an existing Business Centre into land already zoned for 'quasi-retail' purposes to meet clearly identified demands, is a modest proposal of local significance only. Given the very high level subregional focus of the Department's Study and the undefined timeframe for its completion, it would be unnecessary and unreasonable to delay consideration of this PP until its completion.</p> <p>On this basis a decision can readily be made by Council to allow this PP to proceed to gateway without prejudicing any outcomes that may arise from the Department's study.</p>
<p>Consideration should be given to the relative merits of the proposal to permit retail uses on the subject site versus other sites, specifically the driving range site to the south.</p>	<p>The proponent has had discussions with the owner of the Golf driving range to the immediate south of the site. That owner expressed an interest in the inclusion of that site within the extended B2 Zone boundary. This PP however does not include the golf course site. Due to the very large size of that site, its inclusion in a business zone may potentially create an oversupply of business zoned land in the medium term. We consider that at least in the short to medium term, the current zone that permits bulky good retailing on that site represents the appropriate situation.</p> <p>The site that is the subject of this PP has been identified in the Environmental Impact Assessment and indicative development layout as having more than sufficient land area to meet projected retail demands. Its size would enable the site to accommodate a significantly greater quantum of retail and other floor space should future demands warrant additional supply. Given that this site is more proximate to the existing B2 zone and therefore represents the more logical extension of the existing centre than the golf driving range site, we conclude that at least in the short to medium term, the logical extent of the expansion of the existing business centre is to the southern boundary of the subject site. This would not preclude some further incremental expansion</p>

	<p>of the zone boundary at a future stage should retail demands warrant that.</p> <p>The zoning of the southern site without also zoning the subject site would not be a logical or appropriate zoning boundary and would only serve to create a highly fragmented 'centre'</p>
<p>Council sought confirmation whether it was the proponent's intention to contribute towards the upgrade of local roads such as New Line Road, should the PP proceed.</p>	<p>It is confirmed in this PP that the proponent would fund direct improvements to local road infrastructure, including installing new traffic signals and increasing the capacity of this section of New Line Road, should the PP proceed.</p>

Following the lodgement and preliminary assessment of the PP, Council issued a request for further information and a further meeting was held with Council's assessment team on November, 2015 to discuss the issues raised. A summary follows:

Issue	Comment
<p>Council requested clarification on a number of issues arising from the Location IQ retail assessment, including trade area definition and associated impacts, injection rates and job creation estimates</p>	<p>Location IQ updated its report to address all issues raised. The findings of the updated report now inform this PP and the updated report is appended at Appendix 1.</p>
<p>Council requested further information in relation to the CBH&K traffic report, including clarification of the traffic reassignment modelling and justification of the location of the proposed southern road relative to Council's DCP service lane location</p>	<p>CBH&K prepared a supplementary response letter addressing the issues raised. The letter accompanies CBH&K's original report, appended at Appendix 2.</p>
<p>Council sought suggestions on the proposed mechanism for implementing proposed road improvements to New Line Road.</p> <p>Council advised it had no requirement for the proposed offer of community facilities as part of the PP.</p>	<p>It is proposed to enter into a Deed of Agreement with RMS to deliver the improvements prior to occupation of the site pursuant to a development consent arising from this PP.</p>
<p>At the meeting Council's Engineer raised the issue of the proposed rear services lane shown as affecting the site in the current DCP.</p>	<p>This is not a matter for consideration at PP stage. Any decisions relating to access arrangements relative to New Line Road may be addressed as part of any deed of agreement with the RMS over road improvements and at DA stage. In any event our understanding is that the service lane concept has effectively been abandoned by Council in previous development decisions.</p>
<p>Council requested the PP address the rationale for maintaining the existing height and FSR standards over the site, relative to the standards applying to other B2 zoned lands.</p>	<p>CPSD has addressed this at page 18 of this PP. It is concluded that the current height and FSR are appropriate for the site and consistent with other B2 zones in the Shire, if not somewhat lower.</p>

Section B - Planning Proposal

Part 1 - Objectives and Intended Outcomes

The proposal is to extend the boundary of the existing B2 Local Centre Zone of the Dural Service Centre to the southern boundary of the subject site:

- To cater for the identified demand for retail and commercial floor space to an extent that will reduce 'escape expenditure' whilst not adversely impacting on other existing and planned business centres;
- To complement and augment to the existing uses within the Dural Service Centre and other existing retail uses in the neighbouring centres;
- To create a vibrant meeting place and community hub within the suburb of Dural by providing a mixture of uses and community facilities; and
- Promote healthy lifestyles and choices by providing a village atmosphere, where local residents will be encouraged to walk and cycle when obtaining their local goods and services.

Part 2 - Explanation of the provisions

The PP involves changing the subject and adjoining sites' IN2 Light Industrial zoning to B2 Local Centre under the HLEP 2013, to enable their use and redevelopment for a broader range of retail and commercial purposes than currently permitted.

The current E3 Environmental Management Zone at the rear of the adjoining site will be retained.

The proposal will be implemented by an amendment to the Land Use Zoning Map under the Hornsby Local Environmental Plan (HLEP) 2013.

The PP does not involve any other change to HLEP 2013 (i.e. height and FSR standards remain unaltered).

Part 3 - Justification

Need for a Planning Proposal

Is the PP a result of any strategic study or report?

As discussed in more detail in the following section of this PP, the Hornsby and Ku-ring-gai Subregional Employment Study prepared by SGS in 2008 identified the changing role of the Dural Service Centre and need for additional general retail land. A limited amount of general retail zoned land was recommended by the Study and was subsequently incorporated into the HLEP 2013 (in the form of the current B2 zoned land to the north of the subject site).

The proponent considers this Study to be sound in principle, but given that it is now over seven years old, it is outdated in terms of the quantum of general retail development necessary to meet the identified changing circumstances of the area and the role of the centre in that context.

This PP supports Council's Subregional Employment Strategy and the following strategic studies / reports that review the SGS Study in the context of the changed circumstances since its completion:

- Traffic Assessment prepared by Colston Budd Hunt & Kafes (Appendix 1); and
- Economic Analysis prepared by Location IQ (Appendix 2).

These reports and strategies have concluded that the site is appropriate for retail/commercial type land uses and will not result in any negative impacts, rather that the development is capable of improving the amenity and safety of the surrounding area.

It should be noted that the reports were based on a quantum of proposed development greater than may notionally be achievable under the current FSR standard applying to the site (which is not proposed to be altered under this PP). Therefore any potential traffic and/or economic impacts modelled in the reports would be expected to be greater than is likely to eventuate in a future redevelopment of the site. It follows that if the impacts are considered to be reasonable and acceptable under a larger scheme, they would be expected to be even more appropriate for a 'complying' scheme under the applicable, unchanged, standards.

A detailed explanation of the results and findings of these reports and strategies have been summarised in later sections of this PP.

Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

Since the objectives of this PP are to permit commercial uses and general retail uses that are currently prohibited in the zone, there is no alternative mechanism to achieve this other than a PP to amend permissible uses within the LEP.

Other than a zoning change, this could be also be undertaken as an amendment to the underlying zone (permitting commercial premises in the IN2 zone), or an additional use via clause 2.5 and Schedule 1 of the LEP.

It would not be appropriate to permit commercial premises generally in the IN2 zone and this option has been dismissed.

Preliminary consultation with Council confirmed the preference, in line with government directions, to achieve the intended outcome via the proposed land use zoning change rather than via Schedule 1.

Relationship to Strategic Planning Framework

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

'A Plan for Growing Sydney' (the Sydney metropolitan strategy) was released in December 2014 and is the NSW Government's 20-year plan for the Sydney Metropolitan Area. It provides direction for Sydney's productivity, environmental management, and liveability; and for the location of housing, employment, infrastructure and open space.

Consistency with 'A Plan for Growing Sydney' is outlined in the below table.

Table 2: Consistency with 'A Plan for Growing Sydney'

Direction	Response
GOAL 1: A competitive economy with world-class services and transport. Plan for a competitive economy with world-class services and transport.	
<p>Direction 1.4 Transform the productivity of Western Sydney through growth and investment</p> <p>Direction 1.6 Expand the Global Economic Corridor</p> <p>Direction 1.7 Grow strategic centres - providing more jobs closer to home</p>	<p>As outlined in Council's Subregional Employment Strategy, demand for industrial zoned land has decreased while demand for retail has increased. Therefore this proposal has been influenced by market demand and it will encourage investment in retail and commercial development to occur.</p> <p>This area of Sydney is rapidly growing and demand for this urban form is increasing, further fuelled by the recent proposed developments in the locality. This could be further consolidated should the proposed South Dural rezoning proceed, which is located directly opposite the subject site. However this PP does not rely on South Dural for justification. The underlying increase in the area's population will contribute to an increase in demand and diversity in retail offerings.</p> <p>The proposal will increase the amount and variety of jobs produced from the subject site, therefore providing more jobs closer to homes and the local community.</p>
Sydney's Subregions	
<p>North Subregion</p> <ul style="list-style-type: none"> - Identify and protect strategically important industrial zoned land - Work with councils to identify suitable locations for housing and employment growth coordinated with infrastructure delivery (urban renewal) and train services 	<p>The proposal includes rezoning the subject site to allow greater flexibility in permissible land uses, by allowing general retail and commercial uses.</p> <p>As outlined in Council's Subregional Employment Strategy, there has been a decline in light and heavy manufacturing floorspace within the LGA while demand for retail floorspace has increased. Since the LEP currently permits bulky goods retailing on the subject and adjoining sites in the IN2 zone, its role as an industrial centre is already diminished. There will remain sufficient zoned IN2 zoned land in the Dural Service Centre to satisfy residual industrial demand in the locality.</p> <p>The proposal will therefore not only retain a sufficient amount of employment land, it will also permit a range of other development types on the subject site. This will maximise the development potential for the Dural Service Centre, increase employment for the local community and address the need for increased retail development.</p>

The subject site under the strategy is located within the Plan's North subregion. Subregional planning is the next stage in planning for the growth of Sydney. This will include a review of the subregion's housing and job targets and also its centres. The relatively minor and contained nature of this PP mean that it can reasonably proceed without any implications for subregional planning and ahead of the release of the proposed Subregional Plan.

Until such time as the new Subregional Plan is completed, the draft sub-regional strategies made under the previous Metropolitan Strategy still notionally apply.

Consistency with the current Draft Subregional Strategy is outlined in the below table:

Table 3: Consistency with Draft Sub-regional Strategy (North Subregion)

Action	Response
Economy and Employment	<p>This section of the strategy identifies the role of the Dural Service Centre as encouraging growth and economic opportunities in the rural area of Hornsby. Table 5 specifically mentions the centre as "land with potential to allow for a wider range of employment uses".</p> <p>This area is currently underutilised and underperforming in terms of light industrial usage. It has never truly fulfilled its original objective of providing special services for the semi-rural community. The planning controls applying to the site currently prohibit general retail uses, but permit bulky goods retailing. The part of the DSC outside the B2 zone is therefore already operating as a 'semi-retail' centre rather than a traditional industrial centre.</p> <p>The PP is in response to these changing market conditions and the shifting land use preferences in the local economy. It will therefore be consistent with this section of the Draft Strategy.</p> <p>The PP will provide employment opportunities within the local economy and will assist Council in achieving the target of 9,000 additional jobs by 2031 set out in the Draft Strategy.</p> <p>As outlined in Council's Employment Strategy the retail industry is one of the largest contributors to the local economy, employing a large number of local residents. As the community grows and as demand for manufacturing facilities continues to decline, growth in the retail market is expected to continue.</p> <p>If the site achieves its full development potential it has the capacity to provide up to 221 additional jobs once the development is operational, 201 jobs in the broader community as a result of the multiplier effect and 110 direct jobs and 176 jobs in the broader community during the development's construction phase.</p> <p>This PP will therefore be consistent within this section of the Draft Strategy.</p>
Centres and Corridors	<p>The main shopping area of Dural is classified as a 'neighbourhood centre'. According to the strategy, these generally have a small strip or group of shops servicing the daily shopping needs of the local community.</p> <p>The proposed development will contribute to the retail services in the area, by promoting and encouraging a range of development types in an area with a shortfall in supply.</p>
Housing	<p>Dural is currently a semi-rural suburb of Sydney. There have been several major residential developments occurring or are currently proposed which will see an increase in population within this suburb.</p> <p>The proposed development will support this increase in population by providing a range of conveniently located employment opportunities and retail services to this growing community.</p>

<p>Transport</p>	<p>It is envisaged that the proposed development will service the surrounding local community within the immediate vicinity. It will be in walking distance for many residents and local bus services are currently available in this area.</p> <p>Transport within this subregion is however, expected to substantially improve once the North West Rail Link is operating. This piece of infrastructure is currently under construction and is due for completion by approximately 2019. Several stations will be located within very close proximity (a short drive) to the subject site.</p> <p>The proposed development will therefore provide an increase in employment opportunities to the subregion and also provide the day-to-day services of the local community which should reduce the need for some trips by local residents to outside the area.</p>
<p>Environment, Heritage and Resources</p>	<p>An increase in the employment and retail land uses within the subject site will not result in an adverse impact to environment or heritage. Part of the adjoining site is zoned E3 Environmental Management. This area of the site will retain its current zoning, to ensure this part of the land retains its environmental protection. The proposal will therefore remain consistent with this land use policy.</p>
<p>Parks, Public Places and Culture</p>	<p>The PP will not result in an adverse impact to parks or public places in the area, but may create an opportunity for cultural activities and facilities within an expanded local centre.</p> <p>This may be achieved by incorporating the community infrastructure within a future development scheme. This will be subject to further discussions with Council to confirm community needs, however it may include a child care centre, early learning centre or similar. This will enhance the role of the Dural Service Centre as a vital and vibrant hub for community and commercial activity for the local community.</p>

Is the planning proposal consistent with the council's local strategy or other local strategy plan?

In 2008 Hornsby Shire Council and Ku-ring-gai Council released a joint draft Subregional Employment Strategy (SES). This strategy guides the development of employment lands in order to reach the employment capacity target of 13,500 new jobs by 2031. Not only does Council's strategy provide guidance on accommodating this employment target, it also outlines opportunities to strengthen centres and to promote economic growth through the development of employment lands.

The SES has outlined the following:

- High growth in retail and personal services - during the period of 2001-2006, retail in Hornsby grew by 536 jobs. Retail and services remain the most significant employing industry sectors, second only to the health and education sector. As a result, retail uses dominate Hornsby's employment zones;
- There are high levels of supply of land zoned for employment purposes within both LGAs; and
- Decline in industrial sectors - due to the decline of both the light manufacturing and heavy manufacturing sectors, demand for industrial zoned land is expected to decline by 11,275 sqm and 11,806 sqm respectively.

Hornsby has five employment lands centres including Asquith, Dural Service Centre, Mt Ku-ring-gai, Thornleigh and Kookaburra Road. The majority of these centres, the Dural Service Centre included, have supply potential for more than 10 times the forecast demand during

the 2006-2031 period. This is driven by the very low employment forecast and demand for industrial zoned land.

The strategy specifically addresses the land within the Dural Service Centre, the area which comprises the subject site and has provided the following description:

"The Dural Service Centre (DSC) was originally envisaged as a centre for rural business and local services for the local resident population. However, over the years land use in the area has moved away from a 'rural service' focus and many businesses now serve a much broader market than the immediately surrounding rural area. There are arguments that the current limitations of the planning controls may now be constraining the centre's economic potential and that a broader range of uses (such as non-rural related industry, higher office components and a broader range of service industries) should be allowed. The Subregional Strategy identifies the DSC land with potential to allow for a wider range of employment uses."

It identified that the current zoned land does not allow a wide range of retail or service land uses.

It recommended several actions in order to address this inadequate supply of appropriately zoned land, these include the following:

- Broaden the permissible uses to allow local level retail and professional services;
- Expand and implement a variety of different zones including industrial and local centre zones; and
- Discourage development and land uses which would generate significant trips from the wider catchment.

The Dural Service Centre has potential to offer a wider variety of land uses and enhance its roles in providing services for the surrounding community. This can be accommodated by an appropriate zoning which fosters low order retail and services development. This will not detract from the economic growth of existing and/or future centres, as any development will service the residents within the centre's immediate vicinity. The Strategy therefore recommended industrial and business type zones, specifically the B2 Local Centre zone, with a focus on providing local service functions.

The northern part of the Dural Service Centre was rezoned from industrial to business (B2 Local Centre Zone) in LEP 2013, consistent with the recommendations of the Employment Study, whilst the balance of the Service Centre remained industrial (IN2 Light Industrial) with a 'Schedule 1' additional permissible use of bulky goods retailing.

The Employment Study recommended "a part" of the Dural Centre should be zoned B2, and that this should *"be limited so as not to encourage significant additional employment in an out of centre locations (sic)"*. The amount of additional floorspace was assessed by SGS in 2009 to inform the zone boundary now in LEP 2013.

The existing B2 land within the northern portion of the Dural Service Centre, currently comprises relatively narrow, long allotments with fragmented ownership, including strata titled developments. This land is, with only one or two exceptions fully developed, with limited capacity to accommodate viable large format retail premises. In order to satisfy the objectives of this strategy and to ease market demand for this land use, additional suitably zoned land is required.

The additional investigation undertaken in support of this PP provides an update of the findings of this Strategy and identifies that an additional area of retail space is appropriate and consistent with realising the SES's objectives under current and future conditions.

The PP does not seek to amend the current development standards applying to the site under HLEP 2013. Whilst the building height standard is higher than that currently applying to the Dural Service Centre B2 zoned land (10 metres compared to 7.5 metres), this is appropriate as follows:

The intensity of use of sites is controlled and limited by the floor space ratio standard, which is the same for the lands currently zoned B2 and the subject site.

The site slopes steeply and would require smaller, stepped floor plates to comply with a 7.5 metre building height, which is not practicable or desirable for retail development that requires large level floor plates for trading floors and car parking.

As the current building height standard for the site has been previously considered appropriate for the site within its context, there is no rational planning reason to suggest that it is no longer appropriate simply because of a change to the underlying zoning.

The current 10 metre height standard applying to the site is comparable with the standards applying other B2 zoned centres across the Shire, as follows:

Location	Height (m)
Cherrybrook	12
Westleigh	12
Pennant Hills	12
	14.5
West Pennant Hills	17.5
Beecroft	17.5
Epping	48
	72
	72
Carlingford	16
Asquith	12
	17.5
	32.5
Mount Colah	12
Thornleigh	12
	32.5
Berowra	12
	8.5

Indeed, this demonstrates that the 7.5 metre height applying to the Dural Service Centre is anomalous. Consequently, it may be appropriate for Council to review that standard at a future time to bring it more into line with the subject site and other centres, to achieve greater consistency across the Shire.

Is the planning proposal consistent with applicable state environmental planning policies?

Table 4: Consistency with state environmental planning policies (SEPPs)

SEPP Title	Consistency	Comment
1. Development Standards Consistent	N/A	Not applicable.
4. Development Without Consent and Miscellaneous Exempt and Complying Development	N/A	Not applicable.
6. Number of Storeys in a Building	Yes	Maximum building height remains unchanged and will be subject to maximum height expressed in metres in the LEP.
14.Coastal Wetlands	N/A	Not applicable.
15.Rural Landsharing Communities	N/A	Not applicable.
19.Bushland in Urban Areas	N/A	Not applicable.
21.Caravan Parks	N/A	Not applicable
22.Shops and Commercial Premises	N/A	Not applicable
26.Littoral Rainforests	N/A	Not applicable
29.Western Sydney Recreation Area	N/A	Not applicable
30.Intensive Agriculture	N/A	Not applicable
32.Urban Consolidation (Redevelopment of Urban Land)	N/A	Not applicable
33.Hazardous and Offensive Development Complex	N/A	Not applicable
36.Manufactured Home Estates	N/A	Not applicable
39.Spit Island Bird Habitat	N/A	Not applicable
41.Casino Entertainment	N/A	Not applicable
44.Koala Habitat Protection	N/A	Not applicable
47.Moore Park Showground	N/A	Not applicable

50.Canal Estate Development	N/A	Not applicable
52.Farm Dams, Drought Relief and Other Works	N/A	Not applicable
53.Metropolitan Residential Development	N/A	Not applicable
55.Remediation of Land	Yes	Not inconsistent
59.Central Western Sydney Economic and Employment Area	N/A	Not applicable
60.Exempt and Complying Development	N/A	Not applicable
62.Sustainable Aquaculture	N/A	Not applicable
64.Advertising and Signage	N/A	Not applicable
65.Design Quality of Residential Flat Development	N/A	Not applicable
70.Affordable Housing (Revised Schemes)	N/A	Not applicable
71.Coastal Protection	N/A	Not applicable
SEPP (Building Sustainability Index: BASIX) 2004	N/A	Not applicable
SEPP (Housing for Seniors or People with a Disability) 2004	Yes	The PP will not contain provisions that will contradict or would hinder application of this SEPP.
SEPP (Major Projects) 2005	Yes	The PP will not contain provisions that will contradict or would hinder application of this SEPP.
SEPP (Sydney Region Growth Centres) 2006	N/A	Not applicable
SEPP (Infrastructure) 2007	Yes	The PP will not contain provisions that will contradict or would hinder application of this SEPP.
SEPP (Kosciuszko National Park-Alpine Resorts) 2007	N/A	Not applicable
SEPP (Mining, Petroleum Production	N/A	Not applicable

and Extractive Industries) 2007		
SEPP (Temporary Structures and Places of Public Entertainment) 2007	Yes	The PP will not contain provisions that will contradict or would hinder application of this SEPP.
SEPP (Exempt and Complying Development Codes) 2008	Yes	The PP will not contain provisions that will contradict or would hinder application of this SEPP.
SEPP (Rural Lands) 2008	N/A	Not applicable.
SEPP (Western Sydney Parklands) 2009	N/A	Not applicable
SEPP (Affordable Rental Housing) 2009	Yes	The PP will not contain provisions that will contradict or would hinder application of this SEPP.

There are no deemed State Environmental Planning Policies (former Regional Environmental Plans (REPs)) applicable to the PP.

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

The proposal will not be inconsistent with Ministerial Directions (under Section 117 of the Act) as demonstrated in Table 5.

Table 5: Consistency with S117 Ministerial Directions

Direction Title	Consistent	Comment
Employment and Resources		
1.1 Business and Industrial Zones	Yes	<p>The PP does not involve a radical change to the current strategic planning settings for the area. The Dural Service Centre, whilst zoned industrial, has always been intended to fulfil a niche role of providing a range of services for the surrounding semi-rural community, including retail services. It has never fulfilled the role of a traditional industrial or employment centre, with its emphasis on bulky goods retail, recreation facilities, fast food and the like.</p> <p>Hence this proposal is not to create a new centre or reduce the amount of land that has traditionally functioned and is needed to meet predicted future demands for industrial purposes. Rather, it represents a refinement of controls and zone boundaries within what is already a quasi-retail centre adjoining an existing business centre to better reflect the planning strategic intentions of the Employment Study.</p>

		<p>The PP promotes employment growth and supports the viability of the Dural Service Centre, whilst supporting the viability of existing centres in close proximity.</p> <p>It will also encourage employment growth and protect valuable employment land.</p>
1.2 Rural Zones	N/A	Not applicable.
1.3 Mining, Petroleum Production and Extractive Industries	N/A	Not applicable
1.4 Oyster Aquaculture	N/A	Not applicable
1.5 Rural Lands	N/A	Not applicable. This site is in the semi-rural suburb of Dural, however it is currently zoned for industrial purposes.
Environment and Heritage		
2.1 Environment Protection Zones	Yes	A small area of the adjoining site is zoned E3 Environmental Management. This zone will be retained. The PP is in relation to the site's industrial zoning only.
2.2 Coastal Protection	N/A	Not applicable
2.3 Heritage Conservation	Yes	The neighbouring property (to the south) is a heritage item with local significance. The PP will not adversely impact the property as it is recommending similar land uses as the existing service centre.
2.4 Recreation Vehicle Areas	N/A	Not applicable
Housing, Infrastructure and Urban Development		
3.1 Residential zones	Yes	The proposal is not in relation to residential zoned land. It will however support the growth of the growing community by providing day to day goods and services while also generating employment for local residents.
3.2 Caravan Parks and Manufactured Home Estates	N/A	Not applicable
3.3 Home Occupations	N/A	Not applicable
3.4 Integrating land use and transport	Yes	The PP will improve access to jobs and services by walking, cycling and public transport. It will reduce private vehicle trips in the local area, as employment and services are located closer to the residential locality.
3.5 Development Near Licensed Aerodromes	N/A	Not applicable
3.6 Shooting Ranges	N/A	Not applicable

Hazard and Risk		
4.1 Acid sulphate soils	N/A	The site is not located on acid sulphate soils. Accordingly, Direction 4.1 is not applicable.
4.2 Mine Subsidence and Unstable Land	N/A	Not applicable
4.3 Flood Prone Land	N/A	The site is not located within flood prone land Accordingly, Direction 4.3 is not applicable.
4.4 Planning for Bushfire Protection	Yes	The site is located within Council's Bushfire Prone Land Map. This is not expected to impact the PP, as the PP is proposing a similar type of development to the existing Dural Service Centre. This development is also of a similar land use type to what is currently permissible.
Regional Planning		
5.1 Implementation of Regional Strategies	Yes	The site is located within Sydney's North Subregion under the Metropolitan Strategy - 'A Plan for Growing Sydney'. Therefore no regional strategies apply to the subject site. The PP in relation to the Metropolitan Strategy and subregional plans have been explained in detailed in this PP.
5.2 Sydney Drinking Water Catchments	N/A	N/A. The site is not located within any of the applicable local government areas.
5.3 Farmland of State and Regional Significance on the NSW Far North Coast	N/A	N/A. The site is not located within any of the applicable local government areas.
5.4 Commercial and Retail Development along the Pacific Highway, North Coast	N/A	Not applicable. The site is not located within this applicable area.
5.5 Second Sydney Airport: Badgerys Creek	N/A	Not applicable. The site is not located within the vicinity of this area.
Local Plan Making		
6.1 Approval and Referral Requirements	Yes	The PP will be consistent with this Ministerial Direction.
6.2 Reserving Land for Public Purposes	Yes	The PP will be consistent with this Ministerial Direction.
6.3 Site Specific Provisions	Yes	The PP will be consistent with this Ministerial Direction.
Metropolitan Planning		
7.1 Implementation of the Metropolitan Plan - A Plan for Growing Sydney	Yes	Refer to Table 2, of this PP for detail.

Environmental, Social and Economic Impact

Is there any likelihood that critical habitat or threatened species will be adversely affected as a result of the proposal?

The subject site is highly modified, largely cleared and intensely used. As such, it is unlikely that this PP will affect any critical habitat or threatened species.

The PP to rezone the site will not alter the likelihood of critical habitat being affected. The site is currently zoned for a land uses that permit development similar to what is proposed and any potential impacts can readily be assessed and satisfactorily mitigated at future DA stage.

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

As identified in the below Figures, the site is partially located within bushfire prone land and is also in close proximity to a local heritage item.



Figure 4: Bushfire Prone Lane, subject site highlighted with star (Source: Hornsby Council)

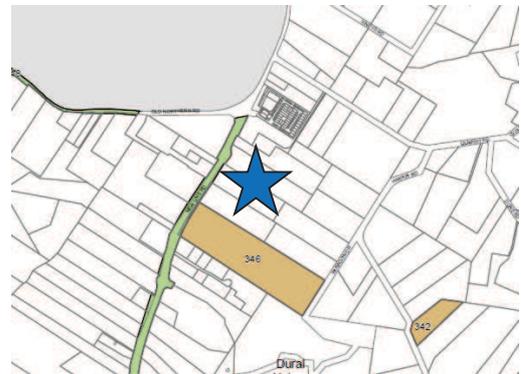


Figure 5: Heritage, subject site highlighted with star (Source: NSW Legislation)

The site is however, already zoned for a similar land use type. Therefore no additional adverse impacts are associated with this PP. The proposed zoning is therefore appropriate and suitable given the site's context.

Future development applications will investigate the impact of the above environmental constraints and the potential for other likely environmental effect arising for future detailed proposals.

Traffic

The site is located along New Line Road, which is an arterial road located in a north-south direction connecting Dural with Pennant Hills. Any future retail/commercial development on the land will generate additional traffic to and from the site, which will have an impact to the surrounding traffic network.

As part of the PP a Traffic Assessment has been prepared by Colston Budd Hunt and Kafes Pty Ltd, together with a supplementary letter in response to Council's preliminary assessment (refer to Appendix 1).

Based on RMS Guidelines, the proposed development would generate 270 and 1,040 vehicles per hour, in the morning and afternoon peak periods respectively.

A significant portion of the traffic generated will be classified as 'relocated trips' from other centres within the area such as Castle Hill and Cherrybrook. As retail services are being

proposed closer to residential areas, local residents will no longer be required to travel long distances. This will therefore result in reduced traffic conditions for the broader area.

The traffic generated on New Line Road and Old Northern Road in particular could potentially be reduced by some 1,350 to 1,600 vehicles per day as a result of the 'relocated trips' and also the following traffic improvements.

- Due to the proposed South Dural development, significant upgrades to the road network will be undertaken in order to accommodate an increase in surrounding traffic.
- As part of the development, access is proposed from New Line Road via a new traffic signal controlled intersection at the southern end of the site. New Line Road, along the frontage of the site would be upgraded to four lanes. This has been decided in accordance with consultation with the RMS and its long term plan for New Line Road.
- This upgrade to New Line Road will also improve the pedestrian environment in the area and will provide safe pedestrian crossings along this section of the road.

As demonstrated in the report, the site will have no adverse negative impacts on the local road network. The development rather, is capable of improving traffic flows, therefore improving the local amenity and safety of the area.

The proponent will commit to funding the identified improvements to this section of New Line Road should the PP be supported and offers to enter into an appropriate mechanism, such as a deed of agreement with RMS and Council to secure the delivery of the proposed works.

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

The PP will help to address the current and forecast undersupply in the provision of local retail services to this area of the North subregion. The proposal promotes the efficient utilisation of land, services and supports facilities and encourages the orderly growth of the area.

The proposed development contributes to the continued social growth of the area by increasing choice, convenience and amenity of retail development in the area. The modest expansion of the currently constrained B2 local centre provides greater potential for to become a community hub, complementing Round Corner.

As part of this PP an economic impact assessment has been prepared by Location IQ (refer to Appendix 2).

The site is located within the Dural Service Centre, which comprises of retail uses mostly in the form of bulky goods facilities. The below figure outlines the local context and the existing uses surrounding the subject site. It also illustrates the high profile location the subject site has within this area of Dural.

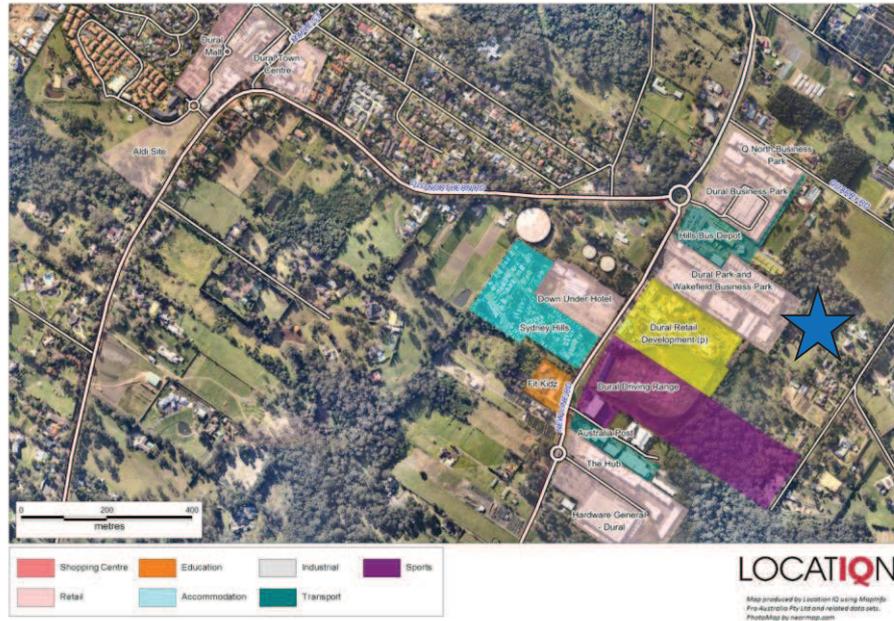


Figure 6: Local Context, subject site highlighted with star (Source: Location IQ Report)

It is envisaged that the proposed development could include a range of different uses including a supermarket, office space, bulky goods, a medical centre, a child care centre, community care facilities and self-storage facilities.

The proposed development at the subject site is intended to result in a centre that is anchored by a major supermarket. Discussions have progressed with potential major supermarket tenants, which has confirmed their interest to locate on the site should the PP proceed.

A major supermarket tenant should provide a high degree of customer convenience and amenity to serve the local population. The centre would receive high exposure to passing traffic along New Line Road.

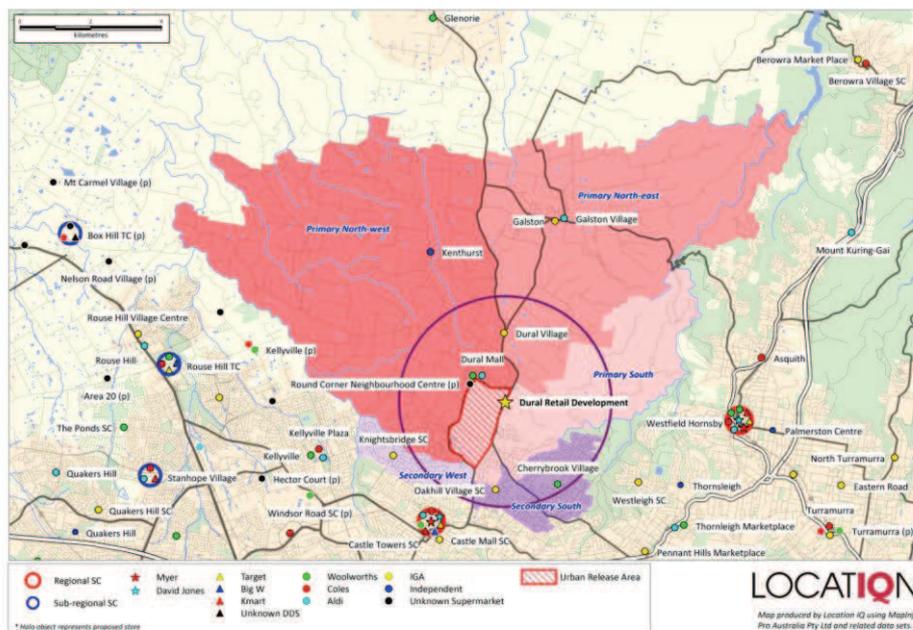


Figure 7: Retail Trade Area (Source: Location IQ Report)

Figure 7 illustrates the trade area likely to be served by this PP. The trade area includes suburbs such as Galston, Glenhaven, Dural and parts of Cherrybrook and Castle Hill.

The main trade area population of the Dural Service Centre, as of 2014, was estimated at 47,000. Based on population projections this is expected to increase to 48,180 by 2026, representing an average growth rate of 1.1%.

This growth does not take into account the South Dural PP. If this development was to proceed, substantial additional population growth would occur in the defined trade area, in immediate proximity to the proposed retail development and will ultimately add to demand for retail and commercial services.

Should South Dural develop into a new suburban community as envisaged in the South Dural PP, it would give even greater strategic rationale for the Dural Service Centre business centre expansion. The additional population would generate significant demand for retail services within the local area and it will ultimately reduce the need for extended private vehicle trips by those future residents to services and facilities.

The existing Dural Service Centre and Round Corner Dural are well located directly adjacent to the proposed South Dural development. It would be logical to include a small amount of 'convenience retail' within the 'new suburb' itself, but it would not be appropriate to introduce a new town centre within the suburb to potentially undermine the two existing business centres. However with the identified physical and practical limitations to further development within the two existing B2 zoned centres, the proposal to expand the business zoned area of the Dural Service Centre consolidates the function of that centre to meet any future demands arising from the South Dural PP, should it eventuate. As already indicated however, the rationale behind the proposed Dural Service Centre business zone expansion is not diminished if the South Dural PP does not proceed, it is simply reinforced if South Dural does proceed.

The nearest major retail precinct in Dural is the Round Corner town centre, where one major Woolworths supermarket is provided as well as an Aldi supermarket. Regional and sub-regional shopping centres within the broader region will continue to be the major retail destinations for residents within the main trade area, particularly for higher order retail.

The current trade area is supported by two major supermarkets. Each supermarket generally has capacity for approximately 8,000-9,000 people. On this basis, the trade area is capable of supporting an additional 5-6 major supermarkets. There is therefore a shortfall in supply for this type of retail use within this locality.

There is limited land within this locality, with the appropriate land use zoning to support a supermarket. All other available sites are small in size or with very fragmented ownership.

Other large sites such as the Golf Driving Range directly to the south of the subject site do exist. However, since they are more distant and separated from the existing Business Centre, they are less favourable for rezoning in their own right, since they would create a fragmented Centre compared to the subject site that represents a logical and contained expansion to the existing Centre. Given the subject site has more than adequate land area to accommodate the projected retail and other floor space demands, additional sites are not considered necessary to meet those demands and may in fact contribute to an oversupply of land if they were included as a further extension of the existing Centre.

The PP for the subject site will have minimal impacts on existing retail centres such as the Dural Round Corner Centre. As outlined in the report, this is not a concern as this centre is currently trading very well, due to the limited retail services in the area.

The proposed development would therefore not impact on the viability or continued operation of existing retail centres or supermarkets in the area. It will also not hinder the ability for the Round Corner Centre to expand in the future. The proposed extended Dural Service Centre Business zone may act as a 'satellite' to the Round Corner Town Centre, fulfilling a role that compliments and supports the existing centre.

The development on the subject site will also result in a range of direct economic benefits. These include:

- Increased convenience and price competition for local residents;
- The retail development is estimated to employ approximately 221 people during the operational phase.
- 110 additional people will be employed during the construction phase; and
- Further jobs will be created in the broader community via the multiplier effect, a total of some 201 operational jobs and 176 construction jobs.

In addition, the PP offers the potential to realise a range of social benefits.

The PP creates the potential for the Dural Service Centre Business Centre to become a community hub and meeting place for the suburb of Dural. At present, the Centre is reasonably utilitarian in its presentation and functional rather than being a highly attractive place to visit.

Following discussions with Council, the proponent's offer to incorporate public infrastructure within the development such as a community hall via a Voluntary Planning Agreement was not supported by Council. However, the proponent may still explore opportunities to incorporate a child care centre, respite care facilities or the like within any future development scheme for the site.

The incorporation of the subject site, containing high quality commercial and community facilities, into the existing Business Centre should make the whole Centre a far more attractive place for the local community to visit.

Additionally, as previously mentioned, the development will result in a better traffic outcome for the locality. The installation of new traffic signals and the upgrade of New Line Road have the potential to offer improved public transport services and safer pedestrian movement across the road. The inclusion of a variety of local retail services in close proximity to residential areas should see local residents driving shorter distances to access these services and also potentially encouraging walking and cycling.

This will result in a better social outcome for the immediate area by not only improving pedestrian safety, but also by reducing traffic, ultimately reducing air pollution and increasing the quality of life for the local residents.

State and Commonwealth Interests

Is there adequate public infrastructure for the planning proposal?

The existing public infrastructure is capable of accommodating demand generated by this PP, since it does not involve any increase in the size or general nature of development on the site compared to the existing land use provisions under the LEP.

As shown in Figure 8, the suburb is serviced by public transport, bus services connect the suburb which provides direct services to Castle Hill. Hills Buses operates a number of bus services along New Line Road. These services connect Dural with the surrounding areas and centres such as Castle Hill and Lane Cove.

As part of the North West Rail Link, several train stations will be located in close proximity to the subject site as illustrated in Figure 9. These train stations will provide train services to Chatswood and also the Sydney CBD.

The site is accessible by the existing road network, both the M1 and M2 motorways are in close proximity to the site.

As mentioned previously, upgrades to the local road network, including expansion of the New Line Road to a 4 lane arterial road and also the installation of new traffic signals has the capability of significantly reducing and/or improving traffic in this locality.

The mechanism by which these improvements are to be implemented is recommended to be a Deed of Agreement between the RMS, Council and the proponent, binding on any successors in title of the site, to fully construct or fund the works prior to the completion and occupation of any future development of the site consistent with the PP. The Deed would be appropriately executed by the parties prior to the gazettal of the LEP amendment to implement this PP.

The proposed expansion of New Line Road will also improve the local bus services within the area. The additional lanes will be able to provide a pedestrian friendly environment and safer access to bus stops and services.

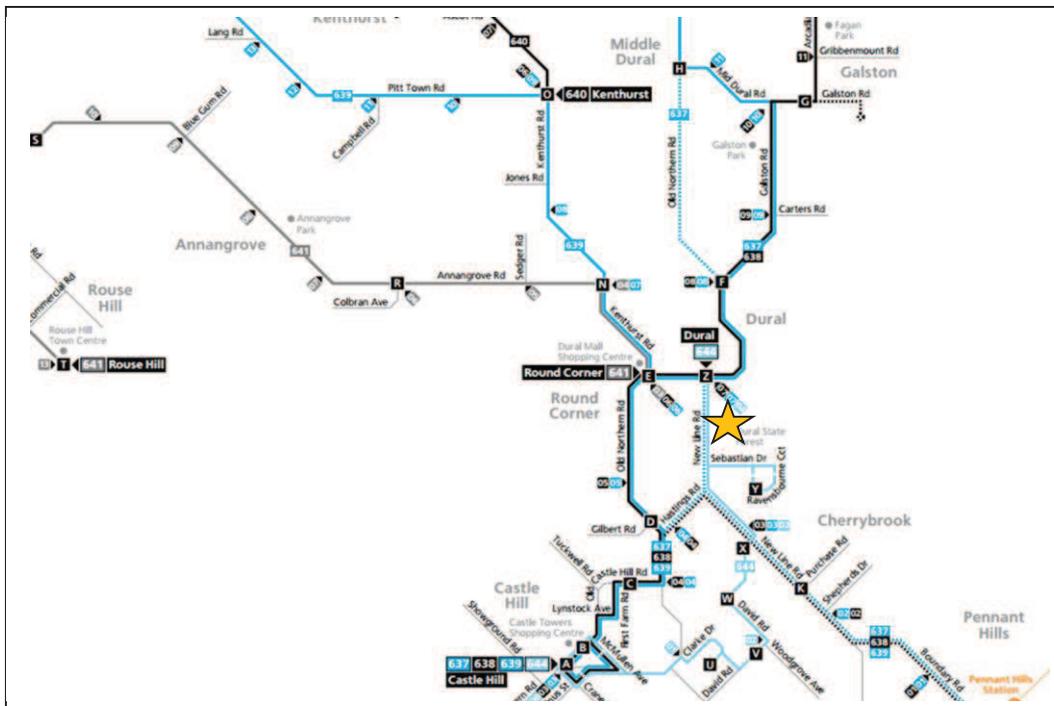


Figure 8: Map of Local Bus Network (Source: The Hills Buses)



Figure 9: Map of the North West Rail Link and the associated stations, subject site highlighted in orange (Source: North West Rail Link website)

Existing utility services will adequately service any future development proposal as a result of this PP, and will be upgraded or augmented where required.

Waste management and recycling services are available through Hornsby Shire Council.

The area is generally well-served with Police, Ambulance, Fire and other emergency services.

This PP does not obstruct any existing public infrastructure. In fact, the proposal seeks to support and enhance the public infrastructure of the site and its surrounds.

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

At this first iteration of this PP, the appropriate State and Commonwealth public authorities have not yet been identified, and the Gateway Determination has yet to be issued by the Minister for Planning.

Part 4 - Mapping

As shown in the below figure, the proposal requires a simple mapping change to the HLEP 2013 Land Zoning map, extending the B2 Local Centre zone to encompass the subject site and adjoining site. A small area of the eastern portion of the adjoining site is zoned E3 Environmental Management. It is proposed to retain this zoning.



Figure 10: Proposed Land Use zoning

Part 5 - Community Consultation

This PP is considered to be of a type that falls within the definition of a 'low impact Planning Proposal.¹' Therefore, it is likely to be on exhibition for a minimum period of 14 days. The community will be notified of the commencement of the exhibition period via a notice in a local newspaper and via a notice on Hornsby Shire Council's website. The written notice will:

-
- Give a brief description of the objectives or intended outcomes of the PP;
- Indicate the land affected by the PP;
- State where and when the PP can be inspected;
- Give the name and address of the RPA for the receipt of any submissions; and
- Indicate the last date for submissions.

During the exhibition period, the following material will be made available for inspection: -

- The PP, in the form approved for community consultation by the Secretary of NSW Planning and Environment;
- The Gateway determination; and
- Any studies relied upon by the PP.

¹ Low impact planning proposal means a planning proposal that in the opinion of the person making the Gateway determination is consistent with the pattern of surrounding land use zones and/or land uses, is consistent with the strategic planning framework, presents no issues with regard to infrastructure servicing, is not a principle LEP, and does not reclassify public land.



Part 6 - Project Timeline

The proposed PP is expected to be undertaken within a reasonable timeframe due to the relatively low impact of the proposal. It is anticipated that Council, once it has considered the PP will forward the PP in a timely manner to the Department of Planning and Infrastructure in accordance with the requirements of "A guide to Preparing Planning Proposals".

Conclusion

This Planning Proposal is made to Hornsby Shire Council by Abilas Holdings Pty and True Items Pty Ltd to amend the existing industrial and bulky good retail zoning of Nos. 268-274 New Line Road, Dural to a B2 Local Centre Zone, to enable the redevelopment of the site for a supermarket based retail and commercial development. It also recommends the inclusion of the adjoining site, No. 276 - 278 New Line Road to give effect to a southern extension of the existing Dural Service Centre Local Business Centre.

The Planning Proposal is capable of providing the following benefits to the community:

- Major supermarket operators have committed to the site should the PP proceed. This will assist in meeting the existing and forecast future retail demands of the Dural community (even without considering the potential increased population from the pending South Dural PP);
- It will provide opportunities for offices and small businesses to locate where currently supply is extremely limited within the Dural area;
- It will have no detrimental impact on existing centres such as Round Corner Dural and can complement the total retail experience offered to the local community by the two centres;
- 'Escape expenditure' will be reduced as suitably zoned land will be provided in order to accommodate the identified demand for retail and commercial floor space;
- It will reduce the duration of private vehicle trips by local Dural residents to more distant regional shopping centres;
- It will improve the local road network by incorporating fully funded traffic improvements such as increased capacity to New Line Road and the installation of new traffic signals. This will enable safer and more convenient crossing of busy New Line Road;
- These improvements should benefit the local community in terms of convenience, time and cost savings, safety and reduced pollution;
- The proponent will commit to the inclusion of suitable community services (for example a childcare centre or respite care facility, details of which will be confirmed through discussions with Council), which has the potential to create a vital and vibrant community hub within the Dural Service Centre; and
- It will provide significant employment opportunities within the local area, including in the order of 110 direct and 176 indirect construction phase jobs and 221 direct and 201 indirect ongoing jobs once the development is operating.

The Planning Proposal: -

- Is consistent with the objectives of the proposed B2 Local Centre zoning pursuant to the current Hornsby Shire Local Environmental Plan (LEP) 2013;
- Is consistent with the principles of Council's Subregional Employment Strategy, adjusted to recognise changed economic and demographic circumstances since the completion of that Strategy in 2008;
- Is consistent with the new Metro Strategy, 'A Plan for Growing Sydney' and the Draft Sub-regional Strategy objectives to locate increased employment closer to homes; and
- Is consistent with the relevant Ministerial Directions under Section 117 of the Act.

In summary there is a reasonable planning basis to support the zoning of the site to the B2 Local Centre zone as promoted by this PP.



Appendix 1

TRANSPORT ASSESSMENT OF
PROPOSED RETAIL
DEVELOPMENT 272 -274
NEW LINE ROAD DURAL

MAY 2015

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I. INTRODUCTION

- I.1 Colston Budd Hunt and Kafes Pty Ltd has been commissioned by Abilias Holdings Pty Ltd and True Items Pty Ltd to undertake a transport assessment of a proposed retail development at 272-274 New Line Road, Dural (the subject site). It is proposed to extend the Local Business zone boundary of the Dural Service Centre to include the subject site. Extension of the Local Business zone boundary would allow retail development on the subject site and in particular provision of a full line supermarket.
- I.2 An economic/retail assessment by Location IQ has found that there is demand for additional retail floor space in the Dural area that cannot be reasonably accommodated within the existing business zoned land in the area. This inability to meet demand in the area results in additional vehicle trips on the surrounding road network.
- I.3 The findings of the transport assessment to allow retail development on the subject site are set out in Chapter 2.
-
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2. TRANSPORT ASSESSMENT

2.1 The findings of our transport assessment are set down through the following sections:

- site location;
- proposed development;
- public transport;
- surrounding road network;
- access;
- traffic effects;
- RMS consultation; and
- summary.

Site Location

2.2 The site is located on the eastern side of New Line Road some 200 metres south of the intersection of Old Northern Road and New Line Road. The site is currently occupied by a range of uses including Martin's Building and Landscape Supplies, Gosford Quarries, Dural Pool Shop, Think Water and Dural Automotive. Surrounding land use is a commercial complex to the north, golf driving range to the south and a hotel on the opposite side of New Line Road. Dural Service Centre is located to the north (at the intersection of Old Northern Road and New Line Road) and a Bunnings is located to the south. The nearest major retail centres (with full line supermarkets) are located at Round Corner, Dural (some one kilometre to the west), Cherrybrook (some four kilometres to the south east) and Castle Hill (some five kilometres to the southwest).

2.3 A Planning Proposal to rezone South Dural (on the western side of New Line Road opposite the site) for residential development (some 8,000 to 10,000 people) has been submitted to Council but has not yet been approved. To accommodate the additional traffic from the proposed South Dural development, significant upgrading of surrounding transport infrastructure will be required including:

- duplication of Old Northern Road between Hasting Road and New Line Road;
- duplication of New Line Road between Old Northern Road and Hasting Road;
- upgrading of a number of intersections along New Line Road and Old Northern Road;
- provision of appropriate access points along New Line Road and Old Northern Road (generally at locations of existing intersection);
- improved pedestrian and cyclist facilities to link the new residential development with surrounding area/services; and
- provision of improved bus services to link the site with the surrounding area and new transport nodes at Cherrybrook and Castle Hill.

2.4 At this stage we understand that no agreement has been reached between the proponent and TfNSW/RMS regarding these infrastructure improvements. However, TfNSW/RMS has noted that it is generally the government's position that infrastructure required to support changes in land use should be at no cost to government.

Proposed Development

2.5 Extension of the business zone to include the subject site would allow for retail uses such as a full line supermarket and specialty shops together with existing uses of bulky goods/hardware. For the purposes of this transport assessment we have assumed the following development of the site:

- a full line supermarket (4,200m²);
- specialty shops (2,200m²);
- commercial (3,400m²);
- warehouse (4,800m²);
- bus parking and storage (1,750m²); and
- bulky goods (20,700m²).

2.6 Access is proposed from New Line Road via a new traffic signal controlled intersection at the southern end of the site with separate service vehicle ingress on the northern boundary side of the site. As part of the proposed development, New Line Road along the frontage of the site would be upgraded to four lanes. The new traffic signal controlled access could also provide access to the adjoining site to the south, the hotel located on the opposite side of New Line Road, or future access to the South Dural.

Public Transport

2.7 Hills Bus operates a number of bus services along New Line Road past the site (including the Route 622, 642 and 644 services, plus express services). These services connect Dural with surrounding areas and connect to Castle Hill, Cherrybrook, Lane Cove interchange and Sydney CBD. Most of the services only

operate Monday to Friday. Bus stops are located along New Line Road, however, due to the volume of traffic on New Line Road and the lack of pedestrian facilities, access to bus stops can be difficult.

2.8 As noted above the proposed development would provide a new set of traffic signals on New Line Road. As part of the new traffic signals, pedestrian crossings will be provided on New Line Road. These will provide for safe pedestrian access across New Line Road and hence improve the pedestrian environment in the area.

2.9 Thus the subject site is accessible by existing public transport services and the proposed development (through the provision of traffic signals on New Line Road) would improve access to bus stops on New Line Road. The proposed development would also provide new employment opportunities and retail facilities close to existing public transport services and hence strengthen demand for these services. The proposed development is therefore consistent with government aims and planning principles of:

- (a) improving accessibility to employment and services by walking, cycling, and public transport;
 - (b) improving the choice of transport and reducing dependence solely on cars for travel purposes;
 - (c) moderating growth in the demand for travel and the distances travelled, especially by car; and
 - (d) supporting the efficient and viable operation of public transport services.
-
-

Road Network

- 2.10 The site is located on the eastern side of New Line Road some 200 metres south of the intersection with Old Northern Road. New Line Road is an arterial road running in a north-south direction connecting Dural with Pennant Hills Road Pennant Hills. It generally has one through lane in each direction between Old Northern Road and Hastings Road with two lane roundabouts at the intersections of Old Northern Road and the Bunnings access. Traffic signals are proposed (and funded) at the intersection with Sebastian Drive with construction to commence soon. As noted above there are limited pedestrian facilities along or across New Line Road.
- 2.11 Old Northern Road is an arterial road located north of the site. It connects Castle Hill with Kenthurst/Glenorie. It generally has one through lane in each direction with additional lanes at major intersections. Intersections along Old Northern Road are a mix of traffic signal control (intersection with Kenthurst Road), roundabout (intersection with New Line Road) and priority control (majority of intersections).
- 2.12 In order to further assess traffic conditions adjacent to the site, traffic counts were undertaken during Wednesday morning and afternoon peak periods in March 2015 at the following intersections:
- Old Northern Road/New Line Road (roundabout); and
 - New Line Road/Bunnings Access (roundabout).
- 2.13 The results are summarised in Table 2.1 and displayed in Figures 2 and 3.
-
-

Location	Morning	Afternoon
Old Northern Road - north of Service Centre Access - west of New Line Road	2530 1530	2450 2015
New Line Road - south of Old Northern Road - south of Bunnings Access	2280 2185	2225 2135
Service Centre Access - east of New Line Road	525	670
Bunnings Access - east of New Line Road	165	395

2.14 Examination of Table 2.1 reveals that:

- Old Northern Road carried some 1,500 to 2,450 vehicles per hour (two way) during the weekday morning and afternoon peak periods. Traffic flows were highest north of the service centre access;
- New Line Road carried some 2,100 to 2,300 vehicles per hour (two way) during the weekday morning and afternoon peak periods;
- The service centre access carried some 500 to 700 vehicles per hour (two way) during the weekday morning and afternoon peak periods; and
- The Bunnings access carried some 200 to 400 vehicles per hour (two way) during the weekday morning and afternoon peak periods.

2.15 Consistent with their role as arterial roads, New Line Road and Old Northern Road carry traffic flows in the order of 1,500 to 2,500 vehicles per hour (two way) in the vicinity of the site.

2.16 The capacity of the road network is generally determined by the capacity of its intersections to cater for peak period traffic flows. The surveyed intersections

have been analysed using the SIDRA program. SIDRA is designed to analyse traffic signal controlled intersections, roundabouts and priority intersections. The program produces a number of measures of intersection operations. The most useful measure provided is average delay per vehicle expressed in seconds per vehicle:

2.17 Based on average delay per vehicle, SIDRA estimates the following levels of service (LOS):-

- For traffic signals, the average delay per vehicle in seconds is calculated as delay/(all vehicles), for roundabouts the average delay per vehicle in seconds is selected for the movement with the highest average delay per vehicle, equivalent to the following LOS:-

0 to 14	=	"A"	Good
15 to 28	=	"B"	Good with minimal delays and spare capacity
29 to 42	=	"C"	Satisfactory with spare capacity
43 to 56	=	"D"	Satisfactory but operating near capacity
57 to 70	=	"E"	At capacity and incidents will cause excessive delays. Roundabouts require other control mode.
>70	=	"F"	Unsatisfactory and requires additional capacity

- For give way and stop signs, the average delay per vehicle in seconds is selected from the movement with the highest average delay per vehicle, equivalent to following LOS: -

0 to 14	=	"A"	Good
15 to 28	=	"B"	Acceptable delays and spare capacity

29 to 42	=	“C”	Satisfactory but accident study required
43 to 56	=	“D”	Near capacity and accident study required
57 to 70	=	“E”	At capacity and requires other control mode.
>70	=	"F"	Unsatisfactory and requires other control mode

2.1. It should be noted that for roundabouts, give way and stop signs, in some circumstances, simply examining the highest individual average delay can be misleading. The size of the movement with the highest average delay per vehicle should also be taken into account. Thus, for example, an intersection where all movements are operating at a level of service A, except one which is at level of service E, may not necessarily define the intersection level of service as E if that movement is very small. That is, longer delays to a small number of vehicles may not justify upgrading an intersection unless a safety issue was also involved.

2.18 The SIDRA analysis found that:

- the roundabout controlled intersection of the New Line Road, Old Northern Road and the service centre access operated with average delays per vehicle of less than 30 seconds for both peak periods. This represents level of service B/C, a satisfactory level of intersection operation; and
- the roundabout controlled intersection of the New Line Road and the Bunnings access operated with average delays per vehicle of less than 20 seconds for both peak periods. This represents level of service B, a satisfactory level of intersection operation with spare capacity.

2.19 These results are consistent with work undertaken as part of the South Dural Planning Proposal which found that:

- the roundabout controlled intersection of New Line Road/Old Northern Road operates at level of service B in the weekday morning and afternoon peak periods. This represents a satisfactory level of service with spare capacity;
- traffic signal controlled intersections along both roads (in the vicinity of the site) generally operate at satisfactory levels of service in the weekday morning and afternoon peak periods (level of service C/D); and
- priority controlled intersections generally operate at or near capacity in the weekday morning and afternoon peak periods and long delays can be experienced by traffic turning from side streets onto the major roads.

2.20 Thus major intersections along New Line Road and Old Northern Road in the vicinity of the site operate at satisfactory levels of service in the peak periods with spare capacity. However, minor intersections operate at or near capacity.

Access

2.21 Access is proposed from New Line Road via a new traffic signal controlled intersection at the southern end of the site with separate service vehicle ingress on the northern boundary side of the site. As part of the proposed development, New Line Road along the frontage of the site would be upgraded to four lanes. The new traffic signal controlled access could also provide access to the adjoining site to the south, the hotel located on the opposite side of New Line Road, or future access to the South Dural. While subject to detailed assessment, an initial concept of the proposed site access would be to provide a traffic signal controlled T-intersection providing:

- two through lanes in each direction along New Line Road;
-
-

- separate left and right turn lanes into the site from New Line Road;
- two exit lanes from the site access onto New Line Road; and
- pedestrian facilities on all approaches.

2.22 With regard to the proposed traffic signal controlled access on New Line Road an assessment has been undertaken to determine if the proposed signals satisfy RMS warrants for traffic signals. The warrants require traffic flows over four hours on a typical day to exceed:

- 600 vehicles per hour in each direction on the main road; and
- 200 vehicles per hour in one direction on the minor road.

2.23 Traffic flows through the proposed site access satisfy the warrant with traffic flows in each direction on New Line Road some 1,100 to 1,300 vehicles per hour (for at least four hours per day) and on the site access 200 to 550 vehicles per hour (for at least four hours per day). Thus the warrants for traffic signals would be readily satisfied.

2.24 An assessment of the operation of the traffic signal controlled access is provided below in the section on traffic effects.

2.25 In addition to providing appropriate access to the proposed development, the provision of traffic signals on New Line Road at the site access (with pedestrian facilities on all approaches) would provide for improved and safe pedestrian access across New Line Road in an area where there are limited opportunities for pedestrians to safely cross New Line Road.

Traffic Effects

- 2.26 Based on RMS Guidelines, the proposed development would generate some 270 vehicles per hour (two-way) in the weekday morning peak hour and some 1,040 vehicles per hour (two way) in the weekday afternoon peak hour. Due to the size of the proposed development and the different uses (retail, commercial and bulky goods), there would be proportion of trips that would be linked between the various uses, resulting in an overall reduction in traffic generation (assumed to be some 10%). In addition a proportion of retail/bulky goods trips (some 20%) would be passing trade (that is traffic already on New Line Road). Retail trips comprise some 70% of trips in the morning and afternoon peak hours.
- 2.27 Based on information provided in the retail study, it is estimated that:
- some 30% of the traffic generated by the retail component will be relocated trips from Castle Hill;
 - some 25% of the traffic generated by the supermarket will be relocated trips from Cherrybrook;
 - some 30% of the traffic generated by the retail component will be relocated trips from Dural; and
 - the balance (some 15%) of the traffic generated by the retail component will be relocated from a range of other centres in the region.
- 2.28 Using this information we have estimated the likely reduction in traffic generation to Castle Hill, Dural and Cherrybrook as these are the major areas that would be affected. As noted above, based on RMS Guidelines the retail component (taking into account linked trips and passing trade) would have a peak hour traffic generation of some 110 and 550 vehicles (two way) in the weekday morning and
-
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afternoon peak hours. This equates to some 5,500 vehicles per day (two way). Thus traffic to Castle Hill would be reduced by some 1,600 vehicles per day (two way), Dural by some 1,600 vehicles per day (two way) and Cherrybrook by some 1,350 vehicles per day (two way).

- 2.29 Thus as a result of the proposed development traffic flows on New Line Road (south of Hastings Road) and Old Northern Road (west of New Line Road) could be reduced by some 1,350 to 1,600 vehicles per day (two way) with resultant improvements at intersections along these roads.
- 2.30 As noted above major intersections along New Line Road and Old Northern Road are operating at satisfactory levels of service in peak periods with some spare capacity. While the proposed development will increase traffic on roads adjacent to the site and some local improvements may be required, traffic on the broader road network would be reduced as trips are retained within the local area. Should the South Dural residential proposal proceed, the surrounding road will require major upgrades to accommodate the additional traffic. The proposed development could assist in mitigating some of the traffic impacts of South Dural by retaining retail trips locally.
- 2.31 An assessment of surveyed intersections along New Line Road plus the proposed traffic signal controlled site access on New Line Road has been undertaken using SIDRA with development traffic in place. The assessment takes into account the redistribution of traffic from other centres as a result of the proposed development (as set out above). The redistributed traffic flows are summarised in Table 2.2 and set out in Figures 2 and 3.
-
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Table 2.2: Existing + Development Weekday Two Way (sum of both directions) Traffic Flows				
Location	Morning		Afternoon	
	Existing	+ Dev	Existing	+ Dev
Old Northern Road				
- north of Service Centre Access	2530	+20	2450	+130
- west of New Line Road	1530	-100	2015	-260
New Line Road				
- south of Old Northern Road	2280	+80	2225	+350
- south of Bunnings Access	2185	+80	2135	+350
Service Centre Access				
- east of New Line Road	525	+0	670	+0
Bunnings Access				
- east of New Line Road	165	+0	395	+0

2.32 Examination of Table 2.2 reveals that:

- traffic flows on Old Northern Road would increase by some 30 to 130 vehicles per hour (two way) during the weekday morning and afternoon peak periods. West of New Line Road, traffic flows would decrease by some 100 to 260 vehicles per hour as traffic from the north that currently accesses Dural/Castle Hill is redistributed to the proposed development; and
- traffic flows on New Line Road (adjacent to the site) would increase by some 80 to 3500 vehicles per hour (two way) during the weekday morning and afternoon peak periods. Further south (south of Hastings Road) there would be a reduction as traffic from the south that currently accesses Cherrybrook/Castle Hill is redistributed to the proposed development.

2.33 The SIDRA analysis (of the surveyed intersections and the site access) found that with development traffic in place:

- the roundabout controlled intersection of the New Line Road, Old Northern Road and the service centre access would continue to operate with average delays per vehicle of less than 30 seconds for both peak periods. This represents level of service B/C, a satisfactory level of intersection operation;
- the roundabout controlled intersection of the New Line Road and the Bunnings access would continue to operate with average delays per vehicle of less than 20 seconds for both peak periods. This represents level of service B, a satisfactory level of intersection operation with spare capacity; and
- the traffic signal controlled site access would operate with average delays per vehicle of less than 25 seconds for both peak periods. This represents level of service B, a good level of intersection operation with spare capacity.

2.34 Thus the surrounding road network could accommodate the traffic generated by the proposed development.

Consultation with RMS

2.35 As part of this transport assessment, consultation has been undertaken with Roads and Maritime Services (RMS). The consultation found that:

- RMS has identified that New Line Road will need to be upgraded to a four lane dual carriageway in the long term;
 - RMS currently has no funding or plans to upgrade New Line Road. Previous work undertaken by RMS has identified a number of issues along New Line Road, including capacity of the road, the need to upgrade critical intersections and the lack of safe pedestrian access across New Line Road;
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- RMS has advised NSW Planning that further work is required to support the South Dural Planning Proposal;
- any road upgrades required as part of new development along New Line Road should be at no cost to RMS;
- provision of a signalised access on New Line Road to the subject site will need to satisfy RMS traffic signal warrants, supported by suitable traffic modelling and be located at the southern boundary of the site;
- any widening of New Line Road along the frontage of the site to be compatible with long term plans to upgrade New Line Road to four lanes and allow for twin right turns into the site and future South Dural development;
- RMS does not support a proliferation of traffic signals along New Line Road; and
- RMS raised no objections to the extension of the business zone boundary subject to any traffic impacts being appropriately mitigated at no cost to RMS.

Summary

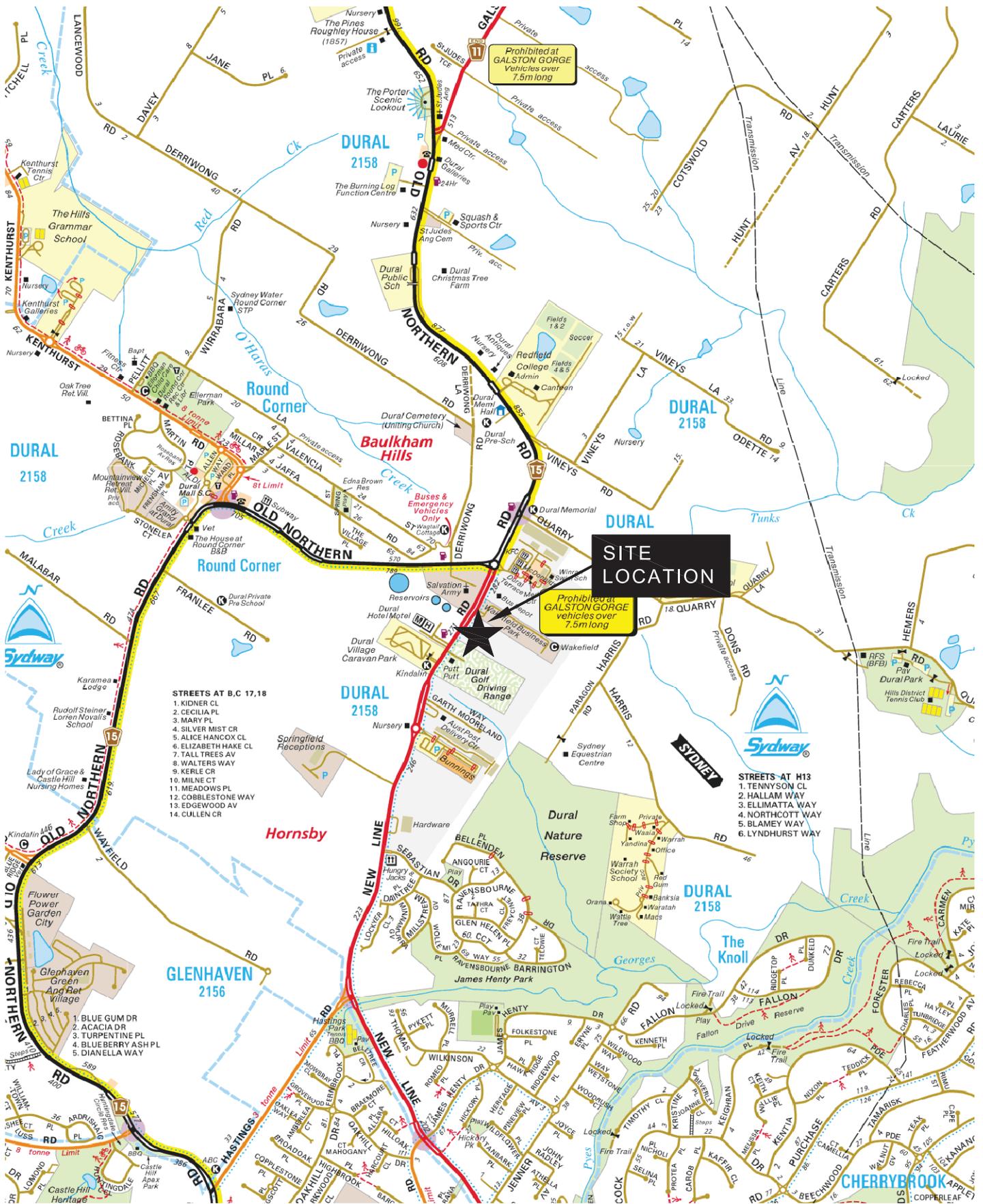
2.36 In summary the transport assessment of the proposed retail development at 272-274 New Line Road, Dural (the subject site) has found the following:

- it is proposed to extend the Local Business zone boundary of the Dural Service Centre to include the subject site, which would allow retail development on the subject site and in particular provision of a full line supermarket;
 - there is demand for additional retail floor space in the Dural area that cannot be reasonably be accommodated within the existing business zoned land. The
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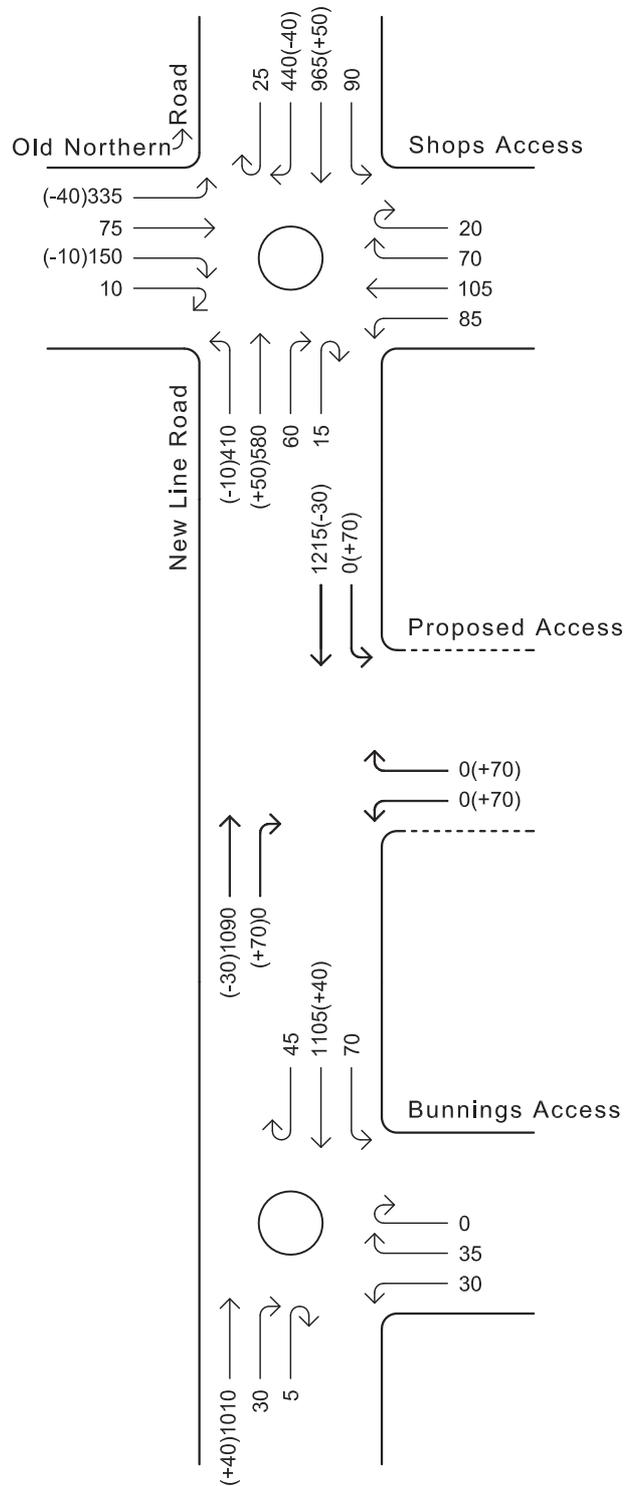
inability to meet demand in the area results in additional vehicle trips on the surrounding road network;

- the subject site is accessible by existing public transport services and the proposed development will strengthen demand for these services;
 - the provision of traffic signal access on New Line Road would improve pedestrian access across New Line Road (which is currently poor) and improve access to bus stops;
 - the proposed traffic signal access satisfies RMS warrants for traffic signals;
 - the site has good access to the arterial road network with major intersections in the vicinity of the site operating at satisfactory levels of service in peak periods;
 - a planning proposal for residential development in South Dural has been lodged with Council. Should it proceed significant upgrading of surrounding transport infrastructure will be required;
 - the proposed development could assist in mitigating some of the traffic impacts of South Dural by retaining retail trips locally;
 - as a result of the proposed development traffic flows on New Line Road and Old Northern Road (away from the site) could be reduced by some 1,350 to 1,600 vehicles per day (two way) with resultant improvements at intersections along these roads;
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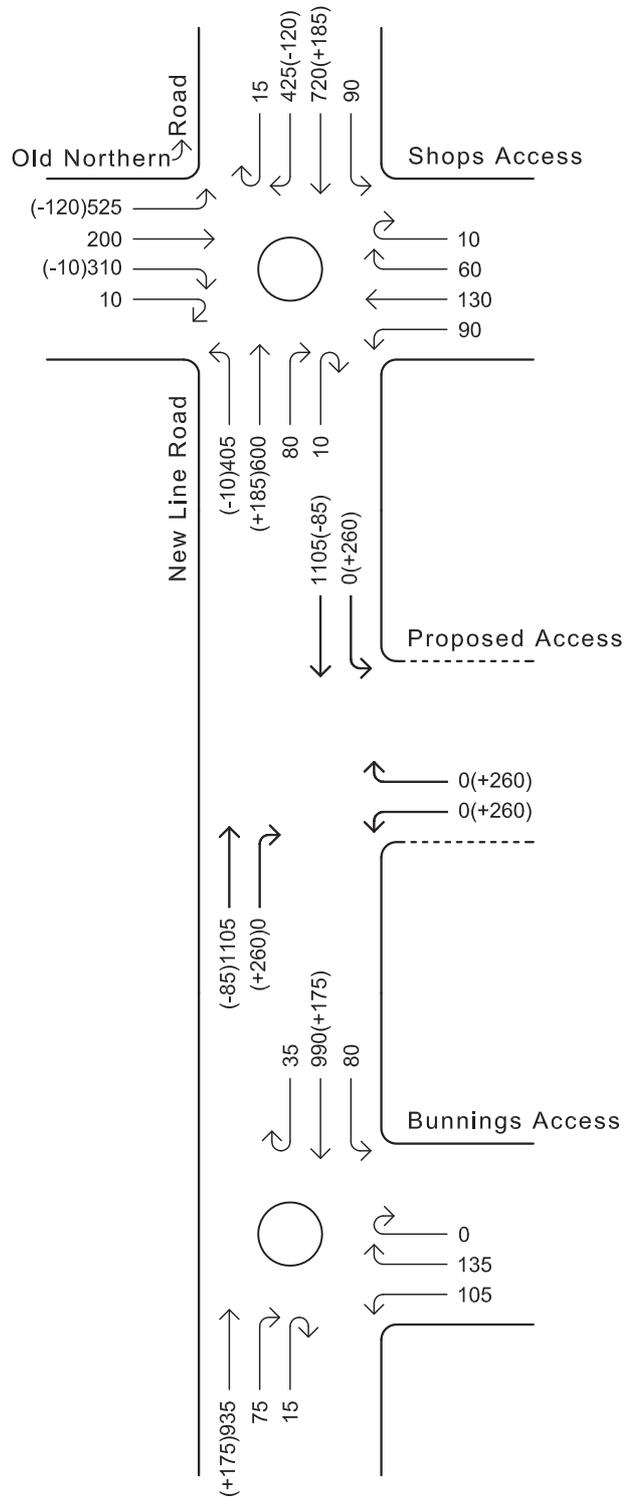
- the surrounding road network could accommodate the traffic generated by the proposed development with the proposed signalised site access operating at a good level of service (LOS B) with spare capacity;
- initial consultation with RMS has been undertaken and it has raised no objection to the extension of the business zone boundary subject to a number of matters being addressed.



Location Plan



Existing weekday morning peak hour traffic flows plus development traffic



Existing weekday afternoon peak hour traffic flows plus development traffic

Colston Budd Rogers & Kafes Pty Ltd

as Trustee for C & B Unit Trust
ABN 27 623 918 759

Our Ref: TR/9531/jj

9 December, 2015

Restifa & Partners Pty Ltd
Suite 202
100 Mount Street
NORTH SYDNEY NSW 2060

Transport Planning
Traffic Studies
Parking Studies

Attention: Sam Restifa
Email: sam@restifa.com.au

Dear Sir,

RE: PLANNING PROPOSAL FOR RETAIL DEVELOPMENT, DURAL
REVIEW OF TRAFFIC MATTERS

1. As requested, we have reviewed the traffic matters raised in the review of the above planning proposal by Cardno dated 28 September 2015 (on behalf of Hornsby Council). Cardno were commissioned by Council to review our transport assessment of the planning proposal (Transport Assessment of Proposed Retail Development 272-274 New Line Road, Dural, May 2015). The matters raised by Cardno were discussed at our meeting with Council on 5 November 2015. Our review takes into account the discussions/agreements at this meeting.
2. While the Cardno review found that our report is generally sound, a number of matters were raised requiring additional information or clarification. These are summarised below along with our responses.

The site has not been clearly identified

3. The subject site is 268-274 New Line Road, Dural (our transport report incorrectly identified the subject site as only 272-274 New Line Road). The proposed rezoning includes the subject site and adjoining Wakefield Business Park (276-278 New Line Road). These are shown on Figure 1.

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Confirm the size of the proposed development

4. As set out in Section 2.5 for purposes of assessing the traffic effects of the planning proposal, the following level of development was assumed on the subject site (268-274 New Line Road):
 - a full line supermarket (4,200m²);
 - specialty shops (2,200m²);
 - commercial (3,400m²);
 - warehouse (4,800m²);
 - bus parking and storage (1,750m²); and
 - bulky goods (20,700m²).
5. As discussed at the meeting on 5 November, no additional development was assumed on 276-278 New Line Road as this is a recently constructed business park (comprising multiple tenancies over a number of levels) that is strata titled. Hence major redevelopment of the site is unlikely. It was generally agreed at the meeting that there was limited scope for the existing tenancies to be converted to retail uses (due to size and location with limited exposure). The report by Location IQ confirmed this, with only some 600m² of area identified for possible retail use. This small amount of retail area would generate minimal additional traffic (some 20 to 30 vehicles per hour (two-way) in weekday afternoon peak hour with less in the weekday morning peak hour). Such a minor increase in traffic would not change the results of our previous traffic assessment.

Additional information on bus services

6. Cardno has requested additional information on frequency of existing bus services and how access by buses will be provided on weekends (as there are currently no services operating on weekends).
7. As noted in Section 2.7 of our report, Hills Bus operates a number of bus services along New Line Road past the site (including the Route 622 and 644 services, plus express services). These services connect Dural with surrounding areas and connect to Castle Hill, Cherrybrook, Lane Cove interchange and North Sydney. The frequency of existing bus services is summarised below:
 - 622 service operates over 6 services a day Monday to Friday, between Dural and Milsons Point (inbound in the morning and outbound in the afternoon). The first service to Milsons Point departs Dural at 6.10am and

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the last departs at 7.50am. The first Milsons Point to Dural service departs at 3.35pm and last departs at 6.55pm; and

- 644 service operates 7 services a day, Monday to Friday, between Dural McDonalds and Castle Towers, Castle Hill. The first Dural to Castle Hill service departs Dural at 6.44am and the last departs at 3.55pm. The first Castle Hill to Dural service departs at 10.35am and last departs at 5.45pm.
8. As noted above there are no bus services operating weekends past the site. As discussed at the meeting on 5 November, as increased development occurs in the area (such as the proposed development) demand for increased public transport services will increase and the local bus operator (whose depot is located just to the north of the site) would have an incentive to provide additional services (both on weekdays and weekends).

Road Network

9. Cardno has requested a figure that more clearly displays the subject site, adjacent road network and location of intersections assessed. This is provided on Figure 1.

Intersection Assessment

10. Cardno has raised the following matters with respect to the intersection assessment:
- a) date and time of traffic surveys;
 - b) verification that RMS warrants are satisfied;
 - c) no Saturday traffic assessment; and
 - d) presentation of SIDRA analysis.
11. With respect to a), the traffic surveys were undertaken on Wednesday 25 March 2015, between 7.00am & 9.30am and 4.30pm & 6.30pm with peak hour flows provided in Figures 2 and 3 of our report.
12. With respect to b) the RMS warrants require traffic flows over four hours on a typical day to exceed 600 vehicles per hour in each direction on the major road and 200 vehicles per hour in one direction on the minor road. In the period 4.30pm to 6.30pm, with development traffic in place, traffic flows in each direction along New Line Road would exceed 1,200 vehicles per hour. In the proceeding 2 hour period (2.30pm to 4.30pm) a review of a nearby RMS permanent count station found that traffic flows were at least 65% of the

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afternoon peak hour flows (at least some 800 vehicles per hour in each direction). Thus the first part of the RMS criteria is satisfied. In the same period, the volume of traffic departing the site was estimated to be some 520 vehicles per hour. Using the same adjustment as for the major road, traffic flows on the minor road would exceed some 330 vehicles per hour in one direction for four hours. Thus the second part of the RMS criteria is satisfied.

13. With respect to c), the Saturday midday peak period was not assessed as following a meeting RMS, the weekday AM and PM peak periods were identified as the critical periods. If required, the Saturday midday peak period could be assessed as part the DA for a future development on the subject site.
14. With respect to d) as agreed at the meeting on 5 November, electronic copies of the SIDRA files will be provided to Cardno.

Trip generation calculations to be provided

15. Table I below sets out our estimate of trip generation of the proposed development used in our traffic assessment. The traffic generation rates set in Table I are from the RMS Guidelines and RMS TDT 2013/04. For the retail and bulky goods components, in the AM peak hour, 20% of the PM rates have been used.

Table I: Component	Summary of Traffic Generation				
	Size	Rate		Trip Generation (vehicles per hour)	
		AM	PM	AM	PM
Commercial	3400m ²	1.2/100m ²	1.2/100m ²	41	41
Specialty Shops	2200m ²	0.9/100m ²	4.6/100m ²	20	101
Supermarket	4200m ²	3.1/100m ²	15.5/100m ²	130	650
Bulky Goods	20700m ²	0.2/100m ²	1.0/100m ²	40	207
Warehouse	4800m ²	0.5/100m ²	0.5/100m ²	24	24
Bus Parking/Storage	1750m ²	1.0/100m ²	1.0/100m ²	17	17
Total				270	1040

Overall Traffic Assignment

16. Cardno requested clarification on how additional trips were assigned to the road network and in particular why traffic turning to/from Old Northern Road (west) and New Line Road had dropped.
17. As set out in Section 2.27, the development traffic was assigned to the road network based on the information provided in the retail study (Dural Economic

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Impact Statement, Location IQ, May 2015). With regard to why the traffic flows turning to/from Old Northern Road (west) and New Line Road had dropped, this was because some traffic from the south that currently travels to Round Corner shopping centre would divert to the new shopping centre on New Line Road. The decrease in diverted traffic was greater than the increase in traffic from the west, hence the minor decrease in traffic on these movements (10 vehicles per hour in each direction).

Road Network Impact

18. Sections 2.26 to 2.34 of our report set out the impact on the surrounding road network of the proposed development. Section 2.33 summarises the results of the SIDRA analysis with development traffic in place. In summary the surrounding road network could accommodate the traffic generated by the proposed development. Electronic copies of the SIDRA files will be provided to Cardno.

Parking Provision

19. As agreed at the meeting on 5 November, at this stage, an assessment of parking provision is not required as part of the planning proposal. This matter will be addressed for the DA.
20. In summary, we have addressed the traffic matters raised by Cardno with respect to the planning proposal. We trust the above provides the information you require. Finally, if you should have any queries, please do not hesitate to contact us.

Yours faithfully,
COLSTON BUDD ROGERS & KAFES PTY LTD

A handwritten signature in black ink, appearing to read 'T. Rogers', with a stylized flourish at the end.

T. Rogers
Director



Appendix 2

Dural, Sydney

Economic Impact Assessment

Prepared for Restifa and & Partners

May 2015

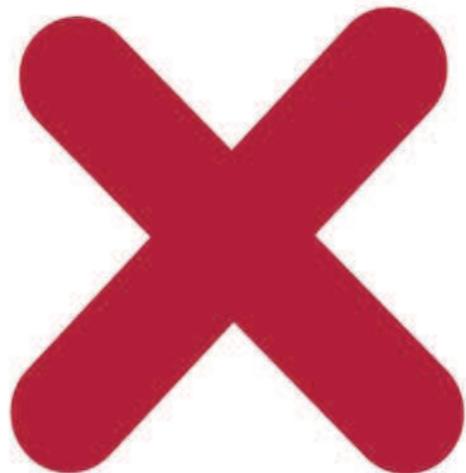


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INTRODUCTION

This report presents an independent assessment of the demand and market potential for a proposed supermarket based centre at Dural in outer north-western Sydney. The report also considers the likely economic impacts that would result from the proposed development. The proposal is referred to as the proposed Dural Retail Development throughout the remainder of this report.

The report is structured and presented in **five (5) sections** as follows:

- **Section 1** details the location of the proposed Dural Retail Development and discusses the context of the site within the Hornsby Local Government Area (LGA). The proposed development scheme is also reviewed.
- **Section 2** examines the trade area which is relevant to the proposal, including current and projected population and retail spending levels.
- **Section 3** provides an overview of the retail competition within the surrounding region.
- **Section 4** outlines an assessment of the sales potential for the proposed Dural Retail Development and then presents an economic impact assessment. Likely trading impacts on other retailers throughout the surrounding region are considered, as are the employment and other economic impacts, both positive and negative, of the proposal.
- **Section 5** outlines the key findings of the analysis.

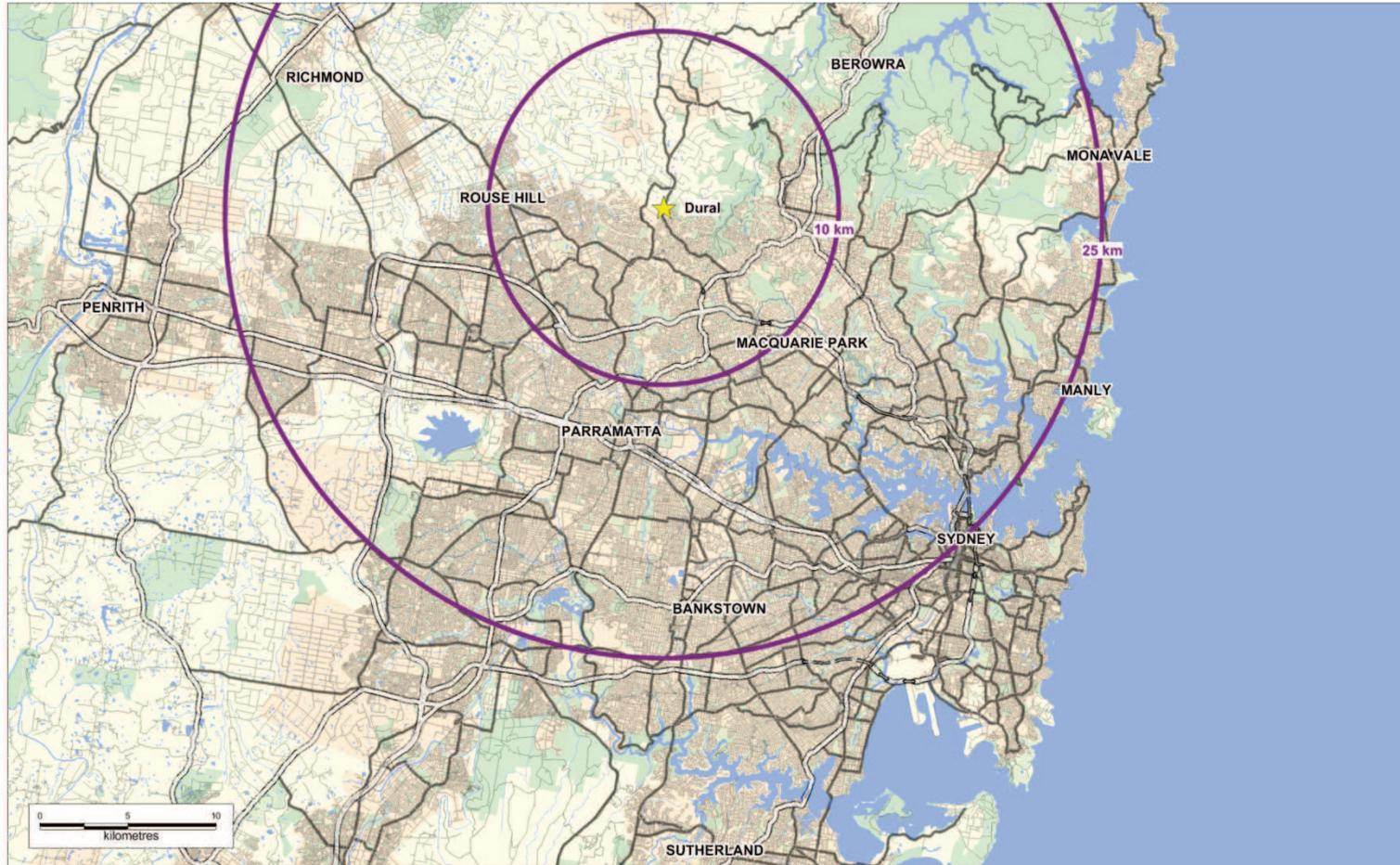
1 SITE LOCATION AND PROPOSED DEVELOPMENT

This section of the report reviews the regional and local context of the proposed Dural Shopping Centre site and provides an overview of the proposed development.

1.1 Regional Context

- i. The suburb of Dural is situated in the north-western suburbs of Sydney, approximately 35 km north-west of the Sydney Central Business District (CBD) (refer Map 1.1).
- ii. Dural is a semi-rural suburb provided within the Hornsby Shire and The Hills Shire Local Government Area's (LGA). The Hornsby Shire LGA also includes the major town of Galston.
- iii. Traditionally, Dural has been a rural centre for the surrounding agricultural region. The New South Wales government describes Dural as the gateway to the regions rural area.
- iv. More traditional urban residential development is now becoming a greater focus around the Dural region. The suburb is some 5 km to the east of the North West Growth Centre (NWGC), one of two major growth areas in Sydney. The NWGC is planned to accommodate more than 300,000 residents over the next 20 years.
- v. South Dural is a proposed release area (separate to the NWGC), which is being considered for expanding the Sydney urban area. This area is proposed to be rezoned for residential uses, however, for the purposes of this report, this development is not assumed to proceed in assessing potential for a retail centre at Dural and the likely impacts.

MAP 1.1 – DURAL REGIONAL CONTEXT



LOCATIONIQ

Map produced by Location IQ using MapInfo Pro Australia Pty Ltd and related data sets.

1.2 Local Context

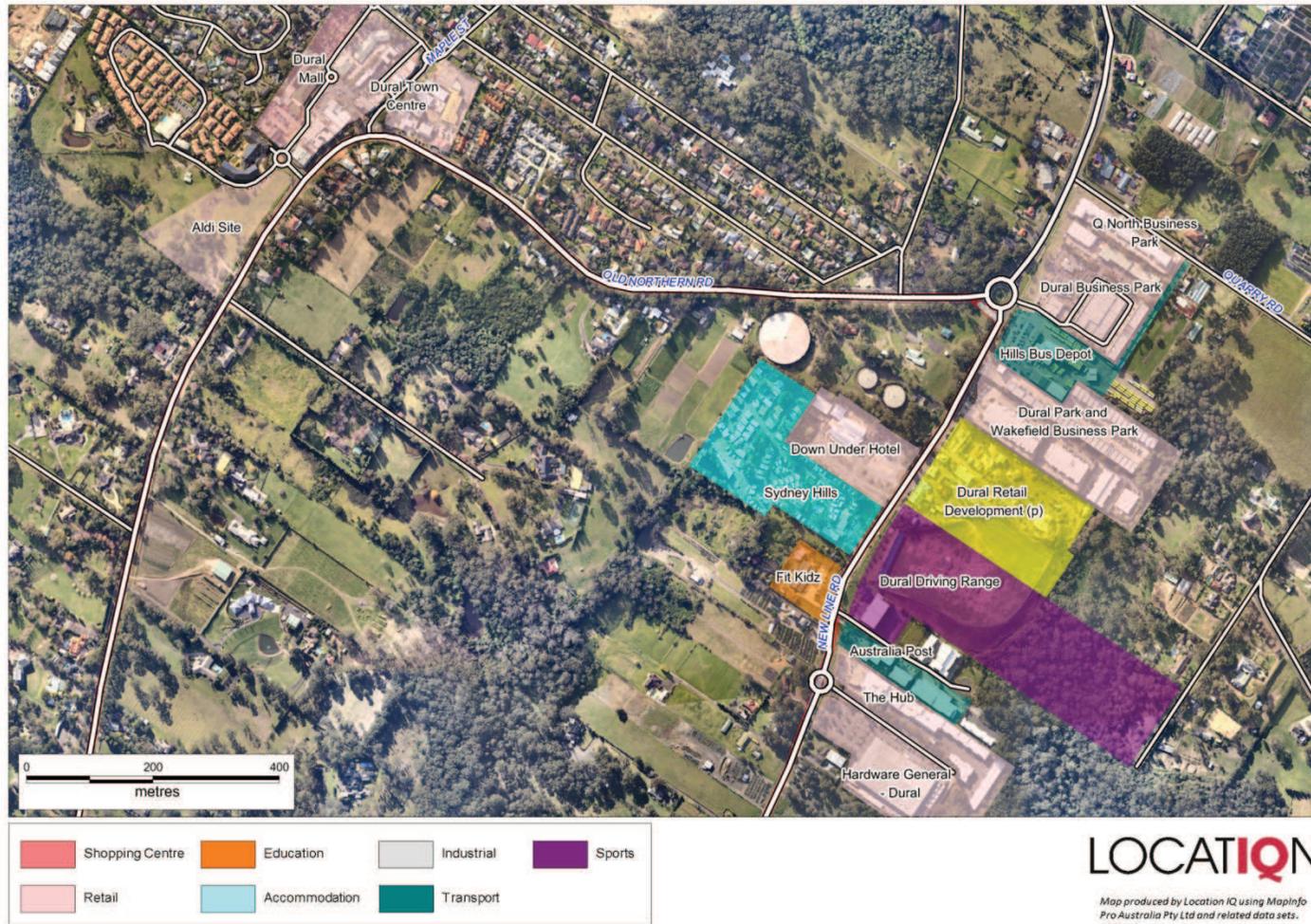
- i. The site for the proposed retail development in Dural is located on 268-274 New Line Road, situated 200 metres to the south of the intersection with Old Northern Road. Old Northern Road and New Line Road are major arterial roads throughout the surrounding area. As such, the site will receive excellent exposure and access to passing traffic.
- ii. A range of uses are currently accommodated on the site, including Martins Building and Landscape Supplies, Gosford Quarries, Dural Pool Shop, Think Water and Dural Automotive.
- iii. Map 1.2 outlines the local context of the proposed Dural Retail Development, with key points to note including:
 - The South Dural Urban Release Area is directly to the west of the site on the land contained by New Line Road and Old Northern Road.
 - Dural Park and Wakefield Business Park are provided directly to north of the site. These business parks provide a range of commercial offices and non-retail floorspace, including Danceware Gymnastics and Hills District Vet.
 - Dural Golf Range is located directly to the south of the proposed site.
 - Fit Kids childcare and Resolution Fitness are situated 150 metres to the south along New Line Road.
 - Down Under bottle Shop and Hotel (Tavern) are situated directly opposite the proposed site on New Line Road.
 - Sydney Hills holiday park is located 100 metres to the south of the site, offering a range of cottage, cabin and camping facilities. A function centre is also provided.
 - The Hills Bus depot is situated 150 metres to the north-east of the proposed site.
 - The Dural Business Park is located 200 metres to the north-east along New Line Road. A number of national tenants are provided within this facility, including

McDonalds and KFC restaurants, Curves fitness, Dural Medical Centre, Home Comforts, Video Easy and Horseland.

- The Hub is a large goods precinct located 300 metres to the south-west of the site along New Line Road. National tenants include Repco, Auto Pro, Pet Stock and Clarks Carpet.
- Bus stations are provided on Old Northern Road and New Line Road in close vicinity to the site.

iv. Overall, the Dural Retail Development will occupy a high profile location within the Dural, with direct proximity to the future South Dural Urban Release Area. The location of the site along New Line Road will make the centre not only easily accessible to the Dural population, but also the rural communities situated to the immediate north of Dural and established residential suburbs to the south.

MAP 1.2 – DURAL LOCAL CONTEXT



1.3 Proposed Development

- i. The site for the proposed Dural Retail Development is located on 268-274 New Line Road. The current zoning of the site allows for hardware and bulky goods uses. A development is now proposed at the site which would include retail uses such as a supermarket and specialty shop floorspace together with bulky goods uses such as hardware, electrical, homewares, camping as well as self storage, bus parking, gym, childcare and commercial office space.
- ii. Major components for the Dural Retail Development include:
 - A supermarket of 4,200 sq.m will be located on the ground floor of the centre, fronting onto at grade car parking.
 - Specialty floorspace of 1,390 sq.m, situated on the ground floor.
 - Bulky goods floorspace of 20,700, potentially including a hardware superstore of over 13,800 sq.m.
 - A medical centre of 300 sq.m.
 - Other non-retail facilities such as gym, commercial office and childcare of 3,900 sq.m.
 - Self storage facility of 4,800 sq.m.
 - Bus parking and service of 1,750 sq.m.
 - A total provision of 834 car parking bays across the entire development of 37,040 sq.m.
- iii. Overall, the proposed development at the Dural site will result in a centre that is anchored by a major full-line supermarket and provides a high degree of customer amenity, presentation and design to serve the local population. The centre would receive excellent exposure to passing traffic along New Line Road.

- iv. This report concentrates on the likely impacts from the traditional retail areas of 5,590 sq.m including the supermarket and specialty shop uses as the remaining uses are generally allowable under the current zoning.

2 TRADE AREA ANALYSIS

This section of the report outlines the trade area likely to be served by the proposed Dural Retail Development, including current and projected population and retail spending levels. Again, the trade area reviewed in this section of the report concentrates on the supermarket catchment, as compared with the bulky goods catchment. A supermarket catchment in a metropolitan area usually extends 2 – 3 km around a site. In locations such as Dural, however, given it is located on the edge of an urban area, residents in rural residential properties to the north and north-west up to 10 km away would also access the closest full-line supermarket facilities at locations such as Dural. Consequently, residents throughout areas such as Galston, which are currently only served by small sized supermarkets would travel inbound to facilities at Dural for their full-line supermarket and weekly grocery needs.

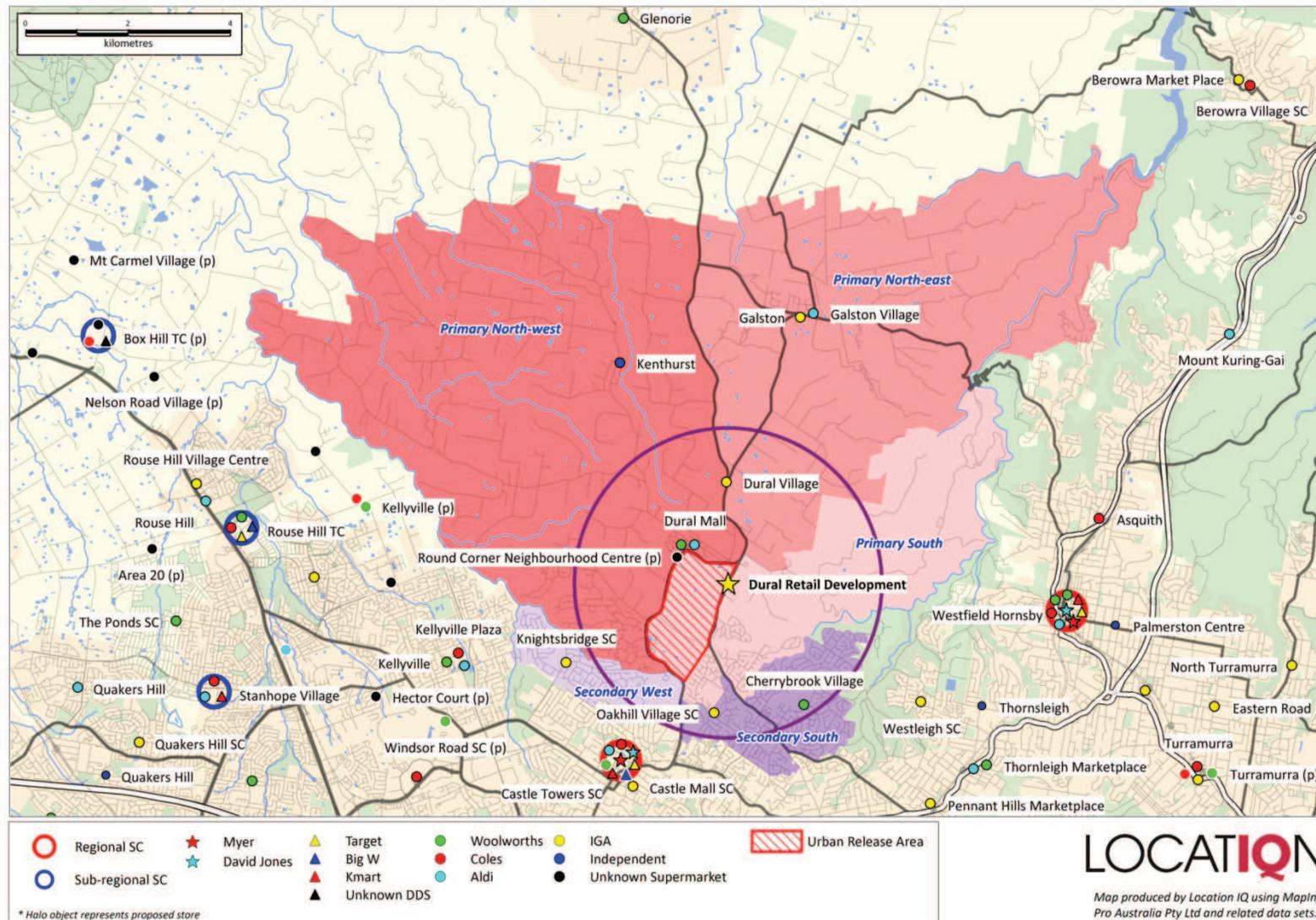
2.1 Trade Area Definition

- i. The trade area for the proposed Dural retail development has been defined taking into account the following key considerations:
 - The scale and composition of the proposed development, including a major full-line supermarket of 4,200 sq.m.
 - The provision of retail facilities throughout the region, including its location within Dural.
 - Regional and local accessibility, including along New Line Road and Old Northern Road.
 - The pattern of urban development, including access from surrounding towns.
 - Significant physical barriers such as Cattai Creek and surrounding national park.
- ii. Map 2.1 illustrates the defined trade area likely to be served by the proposed Dural retail development. The trade area has been defined to include primary sectors and secondary sectors, described as follows:

- The **primary north-east sector** extends some 10 km to the north-east and contains the suburb of Galston and parts of Dural and Middle Dural.
 - The **primary south sector** is bounded to the south by Georges Creek and encompasses the southern portion of Dural.
 - The **primary north-west sector** extends some 10 km to the north-west of the site to incorporate parts of Glenhaven, Middle Dural, Kenthurst and Annangrove.
 - The **secondary south sector** extends approximately 5 km to the south-east to encompass Cherrybrook and a portion of Castle Hill.
 - The **secondary west sector** extends approximately 5 km to the south-west to include a portion of Castle Hill.
- iii. The primary sectors and secondary sectors in combination are referred to as the Dural Retail Development main trade area throughout the remainder of this report. This is the region from which the proposed development would attract the majority of its customers, extending some 5 – 10 km around the site encompassing the portions of Hornsby Shire and The Hills Shire Local Government Area's. The area is restricted by national park in the east, Castle Towers Regional Shopping Centre in the south and by Cattai Creek and poor access roads in the west. To the north, the extent of the trade area is limited by the existing Woolworths supermarket at Glenorie which services the more rural areas to the north of the defined catchment.
- iv. The primary sectors are where the proposed supermarket at the Dural retail development would attract the majority of its business. The primary north-east sector has been included as part of the trade area given existing supermarkets in this sector comprise IGA and Aldi supermarkets of 1,500 sq.m or less. These facilities do not offer a full-line supermarket shop able to cater for a typical weekly shopping visit. Consequently, residents of this sector would visit larger full-line supermarkets inbound of their location at Dural and Round Corner.

- v. Residents in the primary north-west sector comprise parts of Kenthurst and Annangrove who do not have direct access to facilities around Kellyville and Rouse Hill. These residents would be shopping at Round Corner currently. A different tenant to either Woolworths or Aldi at the proposed Dural retail centre would attract business from residents throughout this region.
- vi. The extent of the trade area is also the region from which existing supermarkets at locations such as Round Corner and Cherrybrook would attract most of their business. The larger extent of the catchment helps in the assessment of the supportable level of supermarket floorspace throughout this region, and also in the assessment of impacts on competing centres.
- vii. The extent of the catchment which would be served by bulky goods facilities at this site would be a larger region than indicated, particularly extending to the north to incorporate those towns around Glenorie and further afield which would be shopping at these large format facilities given they are the closest facilities for such residents.

MAP 2.1 – DURAL MAIN TRADE AREA



2.2 Main Trade Area Population

- i. Table 2.1 details the current and projected population level for the Dural main trade area, based on the following:
 - The 2006 and 2011 Census of Population and Housing undertaken by the Australian Bureau of Statistics (ABS);
 - New dwelling approval statistics sourced from the ABS over the period from 2006/07 – 2014/15 (refer Table 2.2). An average of 127 new dwellings has been approved annually throughout the main trade area.
 - Population forecasts prepared at the small area level by *Forecast.id* for the Hornsby Shire Council and The Hills Shire Council areas.
- ii. The Dural main trade area population is currently estimated at 47,000 (2014), including 19,780 persons within the primary west sector. Based on population projections prepared by *Forecast.id and accounting for* the main trade area population is projected to increase to 48,180 by 2026, representing an average annual growth rate of 0.3%.
- iii. A Planning Proposal - Submission to the Hornsby Shire Council (2013) outlines the South Dural Urban Release Area, proposed directly to the south-west of the Dural retail development site (Primary South Sector). The residential release area is projected to include approximately 2,940 residential dwellings (Figure 2.1). There are a number of different land owners that have recently joined together and lodged a rezoning application to apply for a residential subdivision. For the purposes of this analysis, the development is not assumed to proceed. If this development was to proceed, substantial additional population growth would occur in the defined primary south sector, in immediate proximity to the proposed retail development and add to demand for facilities.

TABLE 2.1 – DURAL MAIN TRADE AREA POPULATION, 2006 – 2026

Trade Area Sector	Estimated Resident Population		Forecast Population			
	2006	2011	2014	2016	2021	2026
Primary Sectors						
• North-east	5,420	5,490	5,520	5,540	5,590	5,640
• South	5,880	6,050	6,200	6,300	6,450	6,600
• North-west	<u>7,500</u>	<u>7,910</u>	<u>8,060</u>	<u>8,160</u>	<u>8,260</u>	<u>8,360</u>
Total Primary	18,800	19,450	19,780	20,000	20,300	20,600
Secondary Sectors						
• South	15,880	15,950	15,980	16,000	16,050	16,100
• West	<u>11,010</u>	<u>11,180</u>	<u>11,240</u>	<u>11,280</u>	<u>11,380</u>	<u>11,480</u>
Total Secondary	26,890	27,130	27,220	27,280	27,430	27,580
Main Trade Area	45,690	46,580	47,000	47,280	47,730	48,180
		Average Annual Change (No.)				
		2006-2011	2011-2014	2014-2016	2016-2021	2021-2026
Primary Sectors						
• North-east		14	10	10	10	10
• South		34	50	50	30	30
• North-west		<u>82</u>	<u>50</u>	<u>50</u>	<u>20</u>	<u>20</u>
Total Primary		130	110	110	60	60
Secondary Sectors						
• South		14	10	10	10	10
• West		<u>34</u>	<u>20</u>	<u>20</u>	<u>20</u>	<u>20</u>
Total Secondary		48	30	30	30	30
Main Trade Area		178	140	140	90	90
		Average Annual Change (%)				
		2006-2011	2011-2014	2014-2016	2016-2021	2021-2026
Total Primary		0.7%	0.6%	0.6%	0.3%	0.3%
Total Secondary		0.2%	0.1%	0.1%	0.1%	0.1%
Main Trade Area		0.4%	0.3%	0.3%	0.2%	0.2%
<i>Australian Average</i>		<i>1.5%</i>	<i>1.5%</i>	<i>1.4%</i>	<i>1.3%</i>	<i>1.2%</i>
<i>All figures as at June</i>						
<i>All figures are based on 2011 SA1 boundary definition with the exception of 2006 which is based on 2006 CCD boundary definition. 2006 and 2011 ERP is calculated using 2011 enumeration factor.</i>						
<i>Sources : ABS; forecast .id</i>						

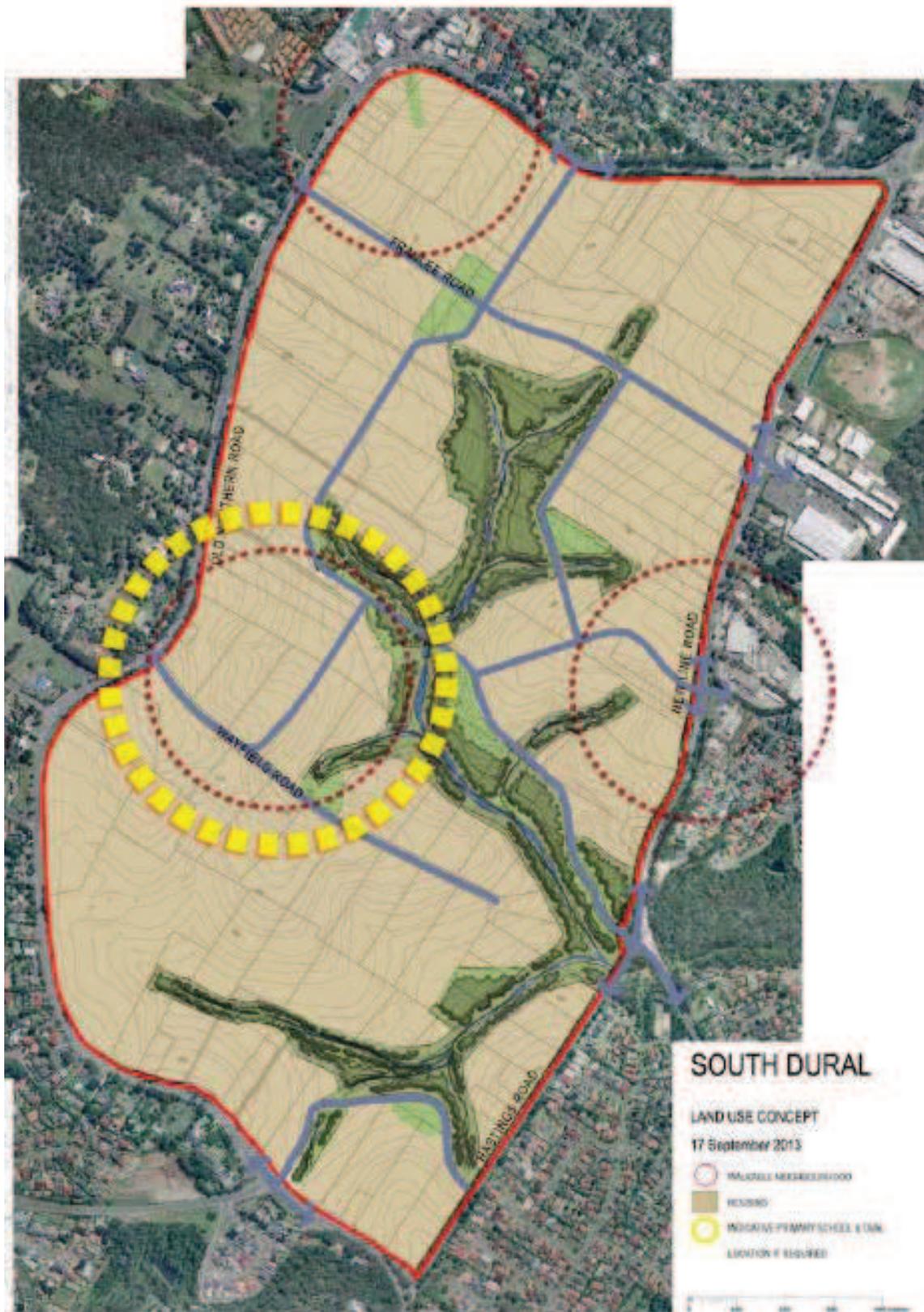
TABLE 2.2 – DURAL MTA NEW DWELLING APPROVALS, 2006/07 – 2014/15

Sector	Primary Sectors			Secondary Sectors		Main TA
	North-east	South	North-west	South	West	
<u>New Houses</u>						
2006/07	7	5	22	17	14	65
2007/08	12	5	19	20	13	69
2008/09	9	4	13	10	17	53
2009/10	6	2	7	5	24	44
2010/11	14	2	12	6	20	54
2011/12	10	9	11	11	5	46
2012/13	13	6	16	10	10	55
2013/14	10	11	14	15	15	65
2014/15	<u>9</u>	<u>10</u>	<u>8</u>	<u>10</u>	<u>16</u>	<u>53</u>
Total New Houses	90	54	122	104	134	504
Average	10	6	14	12	15	56
<u>Other Dwellings</u>						
2006/07	0	50	2	12	0	64
2007/08	0	0	7	0	152	159
2008/09	0	0	0	0	2	2
2009/10	0	34	7	0	0	41
2010/11	0	16	10	0	97	123
2011/12	0	52	2	0	0	54
2012/13	2	0	0	0	58	60
2013/14	0	0	2	0	87	89
2014/15	<u>0</u>	<u>0</u>	<u>30</u>	<u>0</u>	<u>32</u>	<u>62</u>
Total Other Dwellings	2	152	60	12	428	654
Average	0	17	7	1	48	73
<u>Total Dwellings</u>						
2006/07	7	55	24	29	14	129
2007/08	12	5	26	20	165	228
2008/09	9	4	13	10	19	55
2009/10	6	36	14	5	24	85
2010/11	14	18	22	6	117	177
2011/12	10	61	13	11	5	100
2012/13	15	6	16	10	68	115
2013/14	13	6	16	10	10	55
2014/15	<u>13</u>	<u>6</u>	<u>16</u>	<u>10</u>	<u>10</u>	<u>55</u>
Total Dwellings	99	197	160	111	432	999
Average	11	22	18	12	48	111

Source: ABS

LOCATION

FIGURE 2.1 – SOUTH DURAL URABAN RELEASE AREA



2.3 Socio-economic Profile

- i. Table 2.3 summarises the socio-economic profile of the main trade area population compared with the Sydney metropolitan and Australian benchmarks. This information is based on the 2011 Census of Population and Housing, with key points to note including:
 - The main trade area is characterised by an affluent population, with residents earning average household incomes that are 38.1% higher than the Sydney metropolitan benchmark.
 - A high average household size at 3.2 persons.
 - A slightly older population as compared with the Sydney metropolitan benchmark, although still with a household structure comprising a large proportion of families (couple with dependent children) as compared to the Sydney metropolitan averages.
 - A higher proportion of home ownership.
 - Predominantly Australian born.
- ii. Overall, the socio-economic profile of the main trade area population is typical of a recently developed suburban Sydney location, including an Australian born, family based population who are more likely to own their own homes. This trend is expected to continue as new development in the area attracts a younger, more affluent, family based population. The one key difference between the north-west region of Sydney and other outer suburban areas is a relatively affluent market.
- iii. Overall, it is important that convenience orientated retail facilities of an appropriate scale are provided within close proximity to family homes ensuring price competition for food and grocery items.

TABLE 2.3 – MAIN TRADE AREA SOCIO-ECONOMIC PROFILE, 2011 CENSUS

Characteristics	Primary Sectors			Secondary Sectors		Main TA	Syd Metro Average	Aust Average
	North-east	South	North-west	South	West			
Income Levels								
Average Per Capita Income	\$41,589	\$43,981	\$40,980	\$43,562	\$45,633	\$43,440	\$36,941	\$34,201
Per Capita Income Variation	12.6%	19.1%	10.9%	17.9%	23.5%	17.6%	n.a.	n.a.
Average Household Income	\$125,146	\$141,778	\$122,232	\$143,561	\$145,043	\$137,552	\$99,586	\$87,928
Household Income Variation	25.7%	42.4%	22.7%	44.2%	45.6%	38.1%	n.a.	n.a.
Average Household Size	3.0	3.2	3.0	3.3	3.2	3.2	2.7	2.6
Age Distribution (% of Pop'n)								
Aged 0-14	19.4%	19.4%	19.0%	18.8%	19.2%	19.1%	19.2%	19.3%
Aged 15-19	8.0%	10.5%	7.6%	9.8%	8.8%	9.1%	6.3%	6.5%
Aged 20-29	9.8%	10.9%	10.5%	12.4%	11.7%	11.4%	14.7%	13.8%
Aged 30-39	9.5%	8.7%	9.5%	9.0%	9.4%	9.2%	15.3%	13.8%
Aged 40-49	14.3%	18.8%	13.9%	17.2%	15.3%	16.0%	14.2%	14.2%
Aged 50-59	14.3%	15.7%	13.8%	16.8%	17.4%	16.0%	12.3%	12.8%
Aged 60+	24.8%	16.0%	25.5%	16.0%	18.3%	19.2%	18.0%	19.6%
Average Age	40.4	37.1	40.8	37.1	38.0	38.3	37.2	37.9
Housing Status (% of H'holds)								
Owner/Purchaser	86.7%	87.5%	85.0%	89.7%	91.3%	88.6%	67.4%	69.3%
Renter	13.3%	12.5%	15.0%	10.3%	8.7%	11.4%	32.6%	30.7%
Birthplace (% of Pop'n)								
Australian Born	78.9%	62.4%	78.8%	54.8%	72.7%	67.0%	63.7%	73.9%
Overseas Born	21.1%	37.6%	21.2%	45.2%	27.3%	33.0%	36.3%	26.1%
• Asia	2.8%	16.9%	2.9%	23.8%	7.5%	12.9%	13.7%	7.6%
• Europe	10.4%	9.1%	10.8%	7.6%	9.9%	9.2%	9.1%	9.4%
• Other	7.8%	11.6%	7.6%	13.8%	9.9%	10.8%	13.6%	9.1%
Family Type (% of Pop'n)								
Couple with dep't children	52.9%	61.4%	52.1%	61.5%	59.6%	58.4%	48.2%	45.3%
Couple with non-dep't child.	11.9%	11.2%	13.1%	13.2%	12.4%	12.6%	9.1%	7.7%
Couple without children	19.9%	14.9%	20.1%	14.1%	18.2%	16.9%	20.1%	23.0%
Single with dep't child.	5.5%	5.8%	5.7%	5.2%	4.1%	5.1%	8.5%	9.2%
Single with non-dep't child.	3.5%	2.6%	2.5%	2.9%	2.3%	2.7%	3.9%	3.5%
Other family	0.4%	0.7%	0.7%	0.5%	0.6%	0.6%	1.2%	1.1%
Lone person	6.0%	3.5%	5.8%	2.7%	2.8%	3.7%	9.0%	10.2%

Sources : ABS Census of Population and Housing 2011

LOCATION

2.4 Main Trade Area Retail Spending

- i. The estimated retail expenditure capacity of the main trade area population is based on information sourced from MDS Market Data Systems. MDS utilises a detailed micro-simulation model of household expenditure behaviour for all residents of Australia.
- ii. The MDS model takes into account information from a wide variety of sources, including the regular ABS Household Expenditure Survey, National Accounts Data, Census Data and other information.
- iii. In New South Wales, Queensland and Victoria, the MarketInfo estimates of retail spending that are prepared independently by MDS are commonly used by all parties in Economic Impact Assessments.
- iv. The estimated retail expenditure of the main trade area population, benchmarked with the averages for the Sydney metropolitan, is shown in Chart 2.1 for Food and Groceries (which is most relevant for supermarkets), Packaged Liquor, Department Store Type Merchandise (DSTM i.e. spending on non-food retail goods) and Total Retail. Overall, retail spending levels per person throughout the main trade area are lower than the comparable averages, with the exception of Other Food & Groceries and General Retail.
- v. Main trade area retail expenditure is currently estimated at \$707.7 million and is projected to increase to \$831.2 million by 2026, representing an average annual growth rate of 1.3% (refer Table 2.4). All figures presented in this report are in constant 2014 dollars and include GST.
- vi. The projected growth rate of the Dural main trade area retail spending market of 1.3% per annum takes into account the following:
 - Real growth in retail spending per capita of 0.5% annually for food retail and 1.0% for non-food retail over the period to 2018, increasing to 1.0% and 1.4%, respectively from 2019 to 2026. This is in-line with the national averages. Real

growth in retail spending refers to the increase in retail sales consumption of a household adjusted for changes in prices.

- Main trade area population growth of 0.3% per annum.

vii. Table 2.5 presents a breakdown of retail spending by key commodity group, indicating the largest spending market is food and liquor at \$279.8 million, representing 39.5% of the total retail spending market.

CHART 2.1 – RETAIL SPENDING PER PERSON, 2013/14

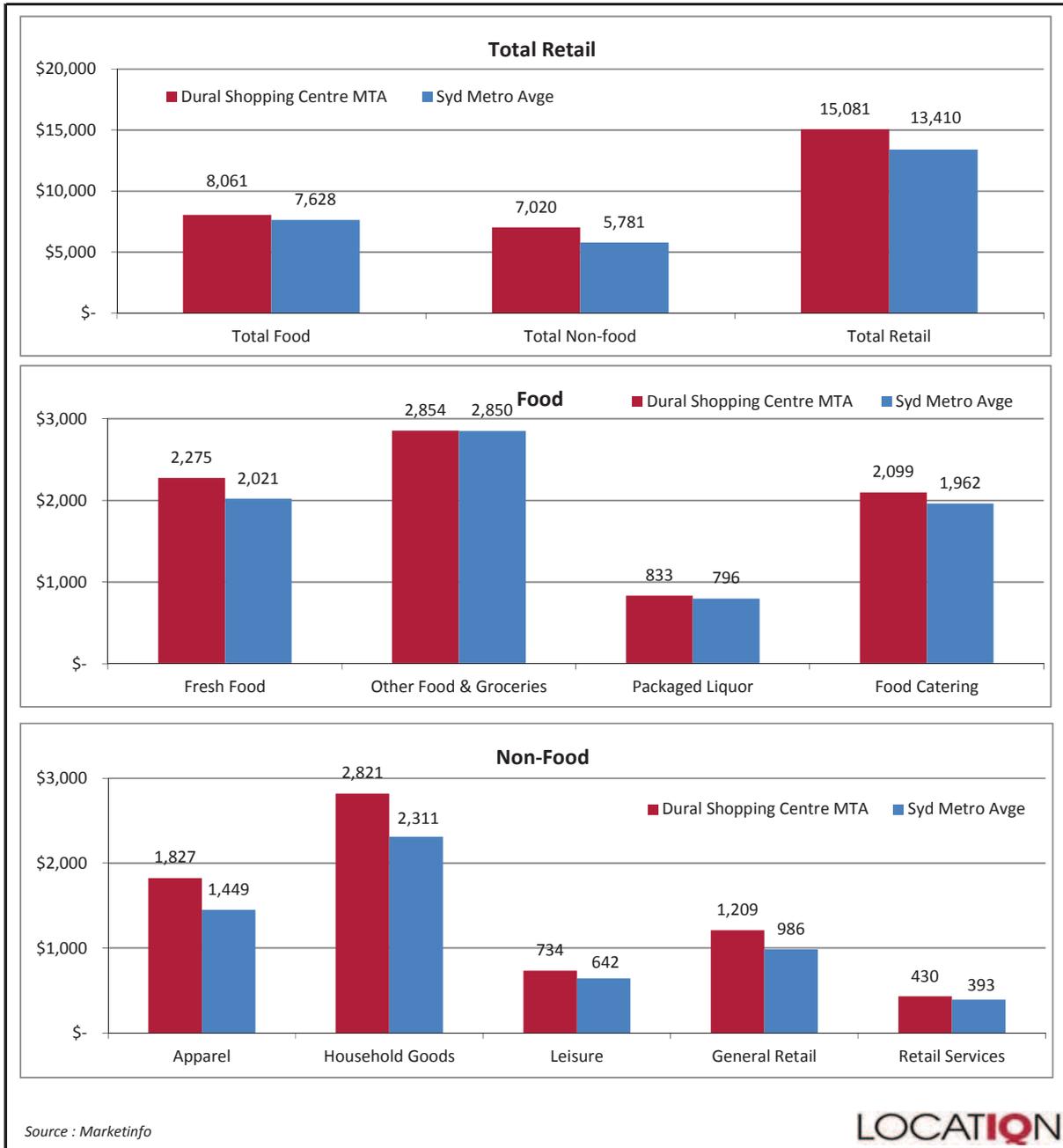


TABLE 2.4 – MAIN TRADE AREA RETAIL EXPENDITURE, 2014 – 2026

Y/E June	Primary Sectors			Secondary Sectors		Main TA
	North-east	South	North-west	South	West	
2014	81.1	94.2	117.8	236.8	177.8	707.7
2015	81.9	95.8	119.5	238.9	179.6	715.6
2016	82.7	97.3	121.2	240.9	181.3	723.4
2017	83.5	98.7	122.7	243.0	183.1	731.0
2018	84.6	100.4	124.5	246.2	185.7	741.5
2019	85.8	102.2	126.4	249.4	188.4	752.2
2020	87.1	103.9	128.3	252.7	191.1	763.0
2021	88.3	105.7	130.2	256.0	193.8	774.0
2022	89.6	107.5	132.1	259.4	196.5	785.1
2023	90.8	109.4	134.1	262.8	199.3	796.4
2024	92.1	111.2	136.0	266.2	202.2	807.8
2025	93.4	113.2	138.1	269.7	205.1	819.4
2026	94.8	115.1	140.1	273.2	208.0	831.2
Expenditure Growth						
2014-2017	2.4	4.5	4.9	6.2	5.3	23.3
2017-2021	4.8	7.0	7.5	13.0	10.7	42.9
2021-2026	6.5	9.4	10.0	17.2	14.2	57.2
2014-2026	13.7	20.9	22.3	36.4	30.2	123.4
Average Annual Growth Rate						
2014-2017	1.0%	1.6%	1.4%	0.9%	1.0%	1.1%
2017-2021	1.4%	1.7%	1.5%	1.3%	1.4%	1.4%
2021-2026	1.4%	1.7%	1.5%	1.3%	1.4%	1.4%
2014-2026	1.3%	1.7%	1.5%	1.2%	1.3%	1.3%

*Constant 2013/14 dollars & Including GST
Source : Marketinfo

LOCATION

TABLE 2.5 – MTA RETAIL EXPENDITURE BY KEY COMMODITY GROUP, 2014 – 2026

Y/E June	Food & Liquor	Food Catering	Apparel	H'hold Goods	Leisure	General Retail	Retail Services
2014	279.8	98.5	85.7	132.4	34.4	56.7	20.2
2015	282.1	99.8	86.8	134.1	34.9	57.5	20.4
2016	284.3	101.1	88.0	135.9	35.3	58.2	20.7
2017	286.4	102.3	89.1	137.6	35.8	59.0	21.0
2018	289.8	104.0	90.5	139.7	36.3	59.9	21.3
2019	293.3	105.6	91.9	142.0	36.9	60.8	21.6
2020	296.8	107.3	93.4	144.2	37.5	61.8	22.0
2021	300.3	109.0	94.9	146.5	38.1	62.8	22.3
2022	303.9	110.7	96.4	148.9	38.7	63.8	22.7
2023	307.5	112.5	97.9	151.2	39.3	64.8	23.0
2024	311.2	114.3	99.5	153.6	39.9	65.9	23.4
2025	314.9	116.1	101.0	156.1	40.6	66.9	23.8
2026	318.7	118.0	102.7	158.6	41.2	68.0	24.2
Expenditure Growth							
2014-2017	6.6	2.6	2.2	3.5	0.9	1.5	0.5
2017-2021	13.9	6.7	5.8	9.0	2.3	3.9	1.4
2021-2026	18.3	8.9	7.8	12.0	3.1	5.2	1.8
2014-2026	38.9	19.5	16.9	26.2	6.8	11.2	4.0
Average Annual Growth Rate							
2014-2017	0.8%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
2017-2021	1.2%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
2021-2026	1.2%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
2014-2026	1.1%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
*Constant 2013/14 dollars & Including GST Source : Marketinfo							

3 COMPETITIVE ENVIRONMENT

This section of the report provides a summary of the existing and proposed competitive retail facilities within the immediate surrounding area. The previous Map 2.1 illustrates the location of surrounding competitive centres, with these centres summarised in Table 3.1.

Centres in Table 3.1 are outlined as defined by retail economists, including:

- Regional centres typically anchored by department stores.
- Sub-regional centres anchored by discount department stores.
- Supermarket based centres.

The key competitive facilities are described below.

TABLE 3.1 – COMPETITIVE CENTRES

Centre	Shopfront GLA (sq.m)	Anchor Tenants	Dist. From Site (km)
Regional Shopping Centres			
<u>Castle Hill CBA</u>	<u>138,000</u>		5.6
• Castle Towers SC	113,300	Myer (21,295), David Jones (16,070), Kmart (7,437), Target (7,276), Coles (4,366), Aldi (1,350)	
• Castle Mall SC	9,700	IGA (1,820)	
• Remainder	15,000		
Westfield Hornsby	100,000	Myer (12,422), David Jones (14,642), Kmart (8,000), Target (7,598), Coles (4,080), Woolworths (4,353) Aldi (1,357), Thomas Dux (1,000)	14.9
Sub-regional Shopping Centres			
Stanhope Village	17,000	Kmart (5,060), Coles (3,629), Aldi (1,350)	13.1
<u>Rouse Hill</u>	<u>74,600</u>		14.2
• Rouse Hill Town Centre	68,900	Big W (8,044), Target (6,815), Woolworths (4,527), Coles (4,116)	
• Rouse Hill Village Centre	2,700	IGA (1,582)	
• Remainder	3,000	Aldi (1,600)	
Supermarket Based Shopping Centres			
<u>Dural</u>	<u>13,700</u>		1.0
• Dural Mall	7,700	Woolworths (3,873), Aldi (1,300)	
• Dural Village	700	IGA (400)	
• Remainder	6,000		
Oakhill Village	1,600	IGA (700)	3.0
Cherrybrook Village	9,500	Woolworths (3,923)	4.5
Cali Bros Galston Village	2,700	IGA (100)	
Knightbridge SC	2,100	IGA (1,400)	6.0
<u>Thornleigh</u>	<u>10,600</u>		9.6
• Thornleigh Marketplace	6,900	Woolworths (3,898)	
• Westleigh SC	3,700	IGA (1,574)	
Norwest Marketown	11,300	Coles (4,051)	9.6
<u>Kellyville</u>	<u>13,700</u>		9.9
• Kellyville Plaza	7,400	Coles (3,836)	
• Remainder	6,300	Woolworths (4,551), Aldi (1,700)	
Source : Australian Shopping Centre Council Database			LOCATION

3.1 Regional Shopping Centres

- i. Regional shopping centres are anchored by one or more department stores.
- i. The nearest regional centre is Castle Towers, situated 5 km to the east. The centre encompasses around 113,300 sq.m, anchored by Myer and David Jones department stores, Kmart and Target discount department stores as well as Coles and Aldi supermarkets. According to *Big Guns 2014* (Shopping Centre News Australia), the centre achieves sales of around \$673 million, with the specialty floorspace recording sales of \$10,684 per sq.m. QIC, the owners of Castle Towers, recently lodged an application for expansion of the centre by some 80,000 sq.m, including an additional 70,000 sq.m of retail space. The proposed additional majors would include a discount department store and supermarket, together with a range of mini-major and specialty shop floorspace.
- ii. At an expanded size of close to 200,000 sq.m, Castle Towers would be one of the largest shopping centres in Australia and have a wide regional draw. The convenience aspect of the centre, however, would be significant for the day to day shopping of residents of the Dural trade area.
- iii. Westfield Hornsby is located around 14.9 km to the south-west. The centre encompasses 99,953 sq.m anchored by Myer and David Jones department stores, Target and Kmart discount department stores as well as Woolworths, Coles and Aldi supermarkets and Thomas Dux. According to *Big Guns 2014*, the centre achieves sales of \$626 million. The separation of the centre from Dural by Cattai Creek means that it effectively serves a different region and is of limited relevance.

3.2 Sub-regional Shopping Centres

- i. Sub-regional shopping centres are anchored by one or more discount department stores. The nearest sub-regional shopping centres are more than 10 km from the Dural site and are of limited competitive relevance. These are summarised below:

- Stanhope Village is situated 13.1 km to the west and is anchored by a Kmart discount department store as well as Woolworths and Aldi supermarkets. According to Mini Guns 2013, the centre achieves sales of \$133 million, or \$9,932 per sq.m. The centre is undergoing a small expansion.
- Rouse Hill Town Centre is located around 14.2 km to the north-west and is anchored by Big W and Target discount department stores as well as Woolworths and Coles supermarkets. The centre encompasses 68,900 sq.m and achieves sales of \$395 million (Big Guns 2014). This centre is proposed for future expansion, potentially to include a department store.

3.3 Supermarket Based Shopping Centres

- i. The nearest competing retail floorspace is provided within the Dural District Centre, situated 1 km to the west of the site. The Dural Mall is the major component of the District Centre and includes Woolworths and Aldi supermarkets as well as 21 specialty shops. Outside of Dural Mall, approximately 70 specialty tenants are provided elsewhere in the District Centre. Additionally, a small IGA of 400 sq.m anchors Dural Village, situated 2 km to the north of the proposed site.
- ii. The only other major full-line supermarket (i.e. 3,000 sq.m or greater) located within the trade area is a Woolworths supermarket of 3,923 sq.m, which anchors Cherrybrook Village in the secondary south sector.
- iii. Approximately 6,000 sq.m of retail and commercial floorspace have been rezoned at the planned Round Corner Neighbourhood Centre along Old Northern Road in Dural (to the south of the District Centre). The Hills Shire Council indicate that a concept plan submitted for the site outlines the intentions to develop approximately 4,100 sq.m of retail floorspace, including a supermarket of 2,500 sq.m and around 1,600 sq.m of specialty shops.
- iv. It is understood that Aldi has been committed to relocating to the Round Corner site, given the existing District Centre store is relatively small at 1,000 sq.m. In more recent times, as detailed in an article in the Hills Shire Times, the Hills Shire Council

voted to forward the application for a mixed use development called Skyline Dural to the Department of Planning for review at the subject site. The developer, Australian United Securities, intends to construct a five storey apartment block of up to 80 units and a shopping centre at the site with 4,500 sq.m of space including a supermarket. Although it is unclear if Aldi has committed to this development, for the purposes of this report, Aldi is assumed to relocate to the site and the existing Aldi box of 1,000 sq.m is assumed to be backfilled with a mini-major (most likely a discount variety store).

- v. Other supermarket facilities within the trade area include:
 - An IGA supermarket of 700 sq.m at Oakhill Village situated 3 km south of the proposed site (secondary south sector).
 - An IGA supermarket of 1,200 sq.m at Knightsbridge Shopping Centre, located 5.3 km south-west of the proposed site (secondary west sector).
 - A recently opened Aldi supermarket of 1,200 sq.m is provided at Galston, situated around 6.0 km to the north of the proposed site. Some six specialty stores have also been built as part of this development. The town also contains a small IGA foodstore of 100 sq.m.
- vi. A range of other retail facilities including bulky goods and large format retailers are also located within the area including Bunnings Warehouse, Repco, Auto Pro, Tyre Power Pro, Hungry Jacks, McDonalds situated along New Line Road in Dural.
- vii. A range of other competitive developments are planned beyond the trade area, but are unlikely to significantly impact on the potential to accommodate supermarket floorspace at the Dural Retail Development site.

3.4 Summary

- i. The nearest and most relevant major retail precinct to a convenience retail facility in Dural is the Round Corner town centre, where one major full-line Woolworths supermarket (i.e. 3,000 sq.m or greater) is provided as well as an Aldi supermarket.

- ii. The regional and sub-regional shopping centres situated within the broader region will continue to be the major retail destinations for main trade area residents, particularly for higher order retail needs such as non-food shopping but are not convenience destinations for weekly and food and grocery shops.
- iii. In the future, there is one known competitive developments planned to occur, namely the Round Corner Neighbourhood Centre where a proposed Aldi supermarket would relocate from its existing position at the Round Corner town centre.

4 ASSESSMENT OF POTENTIAL FOR RETAIL FACILITIES

This section of the report considers the likely timing and demand for the Dural Retail Development as well as the likely trading and other impacts that can be anticipated following the construction of the proposed retail centre.

4.1 Supermarket Potential

- i. The anchor tenant of the Dural Retail Development will be a full-line supermarket of around 4,200 sq.m. Supermarkets are typically defined in planning documents and court decisions as grocery and dry goods stores of at least 500 sq.m, with smaller stores classified as food stores. A full-line supermarket is considered to be at least 2,500 sq.m in size, with a major full-line supermarket being at least 3,000 sq.m – 3,200 sq.m or larger. Full-line supermarkets offer a broad range of items not typically included in smaller sized stores such as a bakery, butcher, seafood and fresh produce areas together with a wide range of dry groceries.
- ii. A full-line supermarket typically caters for the daily and weekly food and grocery needs of the surrounding local residents, who typically visit supermarkets on average 2 – 3 times per week. A full-line supermarket allows a local resident population to undertake a convenient full-line shop.
- iii. A full-line supermarket is typically supportable for every 8,000 – 9,000 persons. As previously indicated in Table 2.1, the trade area population is currently 47,200 persons indicating that 5 – 6 full-line supermarkets are supportable, with only two full-line supermarkets provided currently at Round Corner and Cherrybrook. Even allowing for some supermarket expenditure to escape to the larger centres beyond the trade area, as well as smaller supermarkets which are not full-line facilities within the trade area, there is clearly support for an additional full-line supermarket within the trade area.
- iv. Table 4.1 details the potential sales for a supermarket at Dural. The calculations in this table go through a series of steps, commencing with the available expenditure

that is of relevance to supermarkets, namely food and grocery spending; assessing the share of expenditure which all supermarkets are likely to achieve; and then concluding with the likely sales which main trade area supermarkets can expect to generate.

- v. The assessment detailed in Table 4.1 is based on the experience of many comparable analyses in locations throughout Australia. Projected sales are detailed for the proposed Dural supermarket of 4,200 sq.m as well as other supermarkets. Supermarkets are defined as grocery and dry goods stores of at least 500 sq.m.
- vi. The analysis in Table 4.1 is as follows:
 - For the main trade area defined earlier in this report, the total food and grocery spending market is projected at \$240.7 million for the year to June 2014. The food and grocery spending market for the main trade area population is projected to grow to \$246.4 million by 2017 and further to \$274.1 million by 2026 (constant 2014 dollars).
 - Typically in Australia, approximately 75% of food and grocery expenditure is directed to supermarkets, not including small corner stores, convenience stores and milk bars. This ratio varies from location to location depending on the provision of such facilities and the socio-economic profile of the trade area population. In the defined main trade area, the proportion of spending to supermarkets is currently estimated at 72.5% given the limited number of existing supermarkets within the region. This proportion is projected to increase to 75% in the primary sector and 73.5% in the secondary sector after the addition of the supermarket at Dural.
 - The next step in the analysis is to estimate the likely proportion of food and grocery expenditure which can be retained by main trade area supermarkets; specifically the proportion of expenditure that can be retained by trade area supermarkets as compared with spending directed to supermarkets beyond the main trade area at locations such as Castle Towers and the like.

- It is estimated that 70.2% of main trade area food and grocery spending is retained by trade area supermarket centres currently. Consequently, around \$1 in every \$3 of main trade area food and grocery spending is estimated to be escaping the main trade area. After the addition of the Dural supermarket, the level of retained spending is projected to increase to 76.3% in 2017. Not all escape spending could be retained, however, the figure would be reduced to \$1 in every \$4 escaping the trade area after the addition of the supermarket at Dural.
 - Additionally, an estimated 12.7% of total supermarket sales are likely to be attracted from beyond the defined main trade area.
- vii. The steps detailed above generate the annual estimates of food and grocery spending available to supermarkets within the main trade area. On this basis, after the Dural development, this figure is projected at \$159.7 million in 2017. This figure does not include retail inflation, thus the increase shown reflects real growth. By 2026, available food and grocery spending directed to main trade area supermarkets is projected to increase to \$177.8 million, expressed in constant 2014 dollar terms.
- viii. Finally, in order to estimate the total likely sales volume available to main trade area supermarkets, additional components of sales other than food and grocery is taken into account. The major component of sales other than food and grocery sales that supermarkets typically include are general merchandise and non-food items. Non-food items typically generate around 6% of total store sales for modern supermarket chains. Liquor sales are also taken into account. On this basis, the total volume of sales available to main trade area supermarkets is estimated to increase to \$183.6 million in 2017.
- ix. After the addition of the proposed supermarket at Dural and small expansion of Aldi at Round Corner, the supermarket provision in the trade area would increase to 16,796 sq.m. In 2017, the average trading level for trade area supermarkets would be \$10,934 per sq.m, above the typical average for major chain supermarkets of around \$9,000 per sq.m. The low provision of supermarket floorspace means that

trading levels would be very strong. Over time, trading levels for supermarkets are projected to grow to around \$11,823 per sq.m by 2026, well above the comparable Australian average.

- x. At the bottom of Table 4.1, the distribution of sales between the proposed Dural supermarket and other trade area supermarkets is detailed. The Dural supermarket is projected to achieve sales of \$38.6 million at \$9,182 per sq.m in 2017. At \$9,000 per sq.m, this would be in-line with major chain supermarkets throughout Australia. The proposed store, however, would trade at a lower level as compared with other supermarkets in the trade area due to the following key factors:
- The existing stores are established traders and have been operating for a number of years and consequently would have a loyal customer base.
 - The range of retail and non-retail facilities provided at these other locations is greater, presenting a stronger destinational shop as compared with the proposed facility.
 - The primary south sector, being one of the key sectors from which the proposed supermarket at Dural would draw business from, is small in population size as compared with the secondary south sector at locations such as Cherrybrook. Consequently, the Cherrybrook supermarket would achieve a higher trading level than the Dural facility.
- xi. Other trade area supermarkets are projected to achieve sales of \$145.1 million. The average trading levels for other supermarkets within the defined trade area would fall as a result of the opening of the Dural supermarket, but all would continue to trade very strongly at almost \$11,500 per sq.m.
- xii. After the addition of the supermarket at the Dural Retail Development, the existing main trade area supermarkets are still projected to achieve an annual sales volume at around \$11,500 per sq.m. This is higher than the typical sales level achieved by supermarkets in the Outer Sydney metropolitan area of around \$8,000 - \$10,000 per

sq.m. As such, the main trade area supermarkets will not only still remain viable but would continue to trade relatively well.

- xiii. This trading level reflects the current low provision of major full-line supermarkets (greater than 3,000 sq.m), with only one major full-line supermarket provided in the combined primary sectors (population of nearly 20,000 persons) and two major full-line supermarkets provided in the combined primary sectors and the secondary south sector (population of more than 35,000 persons). One major full-line supermarket is typically provided for every 8,000 – 10,000 persons, indicating an additional major full-line supermarket would be supportable in these markets.

TABLE 4.1 – SUPERMARKET SALES POTENTIAL

	Financial Year			
	2014	2017	2021	2026
Total Food & Grocery (F&G) Spending				
Total Primary	101.0	104.1	109.6	116.9
Total Secondary	139.7	142.3	148.7	157.2
Main Trade Area	240.7	246.4	258.4	274.1
F&G Spending to Supermarkets				
Total Primary (@ 72.5% incr. to 75% in 16/17)	73.2	78.1	82.2	87.7
Total Secondary (@ 72.5% incr. to 73.5% in 16/17)	101.3	104.6	109.3	115.5
Main Trade Area (@ 72.5% incr. to 74.1% in 16/17)	174.5	182.7	191.5	203.2
F&G Spending Retained by TA Smkts				
Primary Sectors				
• North-east (@ 82.5% incr. to 92.5% in 16/17)	16.9	20.0	21.0	22.2
• South (@ 82.5% incr. to 92.5% in 16/17)	19.0	22.9	24.2	26.1
• North-west (@ 82.5% incr. to 92.5% in 16/17)	<u>24.5</u>	<u>29.4</u>	<u>30.9</u>	<u>32.8</u>
Total Primary (@ 82.5% incr. to 92.5% in 16/17)	60.4	72.2	76.1	81.1
Secondary Sectors				
• South (@ 75% incr. to 80% in 16/17)	43.9	48.3	50.4	53.1
• West (@ 42.5%)	<u>18.2</u>	<u>18.8</u>	<u>19.7</u>	<u>20.9</u>
Total Secondary (@ 61.3% incr. to 64.1% in 16/17)	62.1	67.1	70.1	74.0
Main Trade Area (@ 70.2% incr. to 76.3% in 16/17)	122.5	139.3	146.1	155.1
F&G Sales from Beyond TA (@ 12.7%)	<u>17.9</u>	<u>20.4</u>	<u>21.4</u>	<u>22.7</u>
Total F&G Sales for TA Smkts	140.4	159.7	167.5	177.8
Packaged Liquor Sales from Beyond TA (@ 7.5%)	<u>11.4</u>	<u>12.9</u>	<u>13.6</u>	<u>14.4</u>
Total FLG Smkt Sales	151.8	172.6	181.1	192.2
General Merchandise Sales (@ 6%)	<u>9.7</u>	<u>11.0</u>	<u>11.6</u>	<u>12.3</u>
Total TA Smkt Sales	161.5	183.6	192.6	204.5
Smkt Floorspace in TA (sq.m)**	12,096	16,796	16,796	17,296
Average Trading Level (\$/sq.m)	13,349	10,934	11,469	11,823
Distribution of TA Smkt Sales				
Dural Retail Development Smkt	0.0	38.6	39.3	39.6
Other TA Supermarkets**	<u>161.5</u>	<u>145.1</u>	<u>153.4</u>	<u>164.9</u>
Total TA Smkt Sales	161.5	183.6	192.6	204.5
*Constant 2013/14 dollars & Including GST				
**Existing supermarket in TA are Woolworths and Aldi at Dural Mall, Woolworths at Cherrybrook Village, IGA at Oakhill Village and IGA at Knightsbridge Shopping Centre as at September 2014				

4.2 Total Centre Sales Potential

- i. The proposed Dural Retail Development will be anchored by a supermarket of 4,200 sq.m as well as specialty floorspace.
- ii. Table 4.2 provides a summary of the projected sales by component for the proposed Dural Retail Development. All sales forecasts include GST and are presented in constant 2014 dollar terms (i.e. excluding retail inflation).
- iii. Projected sales for the proposed Dural Retail Development in 2017/18 are \$46.2 million (in constant 2014 dollar terms), with the proposed supermarket achieving sales of \$38.6 million.
- iv. In addition, the proposed retail specialty floorspace at the Dural Retail Development is assumed to achieve sales of around \$5,900 per sq.m. Based on this trading level, the 1,380 sq.m of retail specialty floorspace is projected to achieve sales of \$7.6 million (i.e. 1,290 sq.m of retail specialty shop floorspace multiplied by \$5,900 per sq.m).
- v. Further, around 100 sq.m of specialty shop floorspace at the centre is assumed to be for non-retail purposes and will not record sales against that floorspace. This is typical of any centre including a range of non-retail stores such as travel agents, banks, real estate agents, post office and other commercial tenants.

TABLE 4.2 – PROJECTED DURAL CENTRE SALES, 2016/17

Tenant/ Category	GLA (sq.m)	Forecast Sales*	
		(\$'000)	(\$/sq.m)
Supermarket	4,200	38,564	9,182
Mini-major	0	0	0
Retail Specialties	<u>1,290</u>	<u>7,641</u>	<u>5,923</u>
Total Retail	5,490	46,204	8,416
Non-retail	100		
Total Centre	5,590		

**Constant dollars & Including GST*

xiv. Table 4.3 then outlines market shares the proposed centre would attract from each trade area sector, noting the following:

- The highest market share is likely to be achieved from the primary south sector with lower market shares throughout the primary north-east and north-west sectors. In particular, there is a much lower market share likely to be achieved from the primary north-west sector given the presence of Dural Mall.
- In the secondary sectors, market shares are also comparatively low, with Cherrybrook Village located in the secondary south sector, and the secondary west sector of limited relevance to the proposed development but assisting in the assessment of supportable supermarket floorspace throughout the catchment.
- Approximately 10% of sales for the proposed centre are projected to come from beyond the defined trade area.

TABLE 4.3 – PROJECTED MARKET SHARES BY TRADE AREA SECTOR

Trade Area Sector	Retail Spending (\$M)			Centre Sales (\$M)			Centre Market Share		
	Food	Non-food	Total	Food	Non-food	Total	Food	Non-food	Total
Primary Sectors									
• North-east	45.0	38.5	83.5	8.8	1.4	10.2	19.6%	3.5%	12.2%
• South	52.2	46.5	98.7	15.1	2.3	17.5	29.0%	5.0%	17.7%
• North-west	<u>66.5</u>	<u>56.2</u>	<u>122.7</u>	<u>4.9</u>	<u>0.7</u>	<u>5.6</u>	<u>7.3%</u>	<u>1.3%</u>	<u>4.6%</u>
Total Primary	163.7	141.2	304.9	28.8	4.4	33.3	17.6%	3.1%	10.9%
Secondary Sectors									
• South	128.9	114.2	243.0	6.7	1.0	7.7	5.2%	0.9%	3.2%
• West	<u>96.2</u>	<u>86.9</u>	<u>183.1</u>	<u>0.5</u>	<u>0.1</u>	<u>0.6</u>	<u>0.5%</u>	<u>0.1%</u>	<u>0.3%</u>
Total Secondary	225.0	201.1	426.1	7.2	1.1	8.3	3.2%	0.5%	1.9%
Main Trade Area	388.8	342.3	731.0	36.0	5.5	41.5	9.3%	1.6%	5.7%
Sales From Beyond Trade Area				4.0	0.6	4.6			
Total Centre				40.0	6.2	46.2			

* Including GST

LOCATION

4.3 Centre Impacts

- i. This sub-section of the report outlines the likely sales impacts on competitive retail facilities as a result of the development of the retail component of the proposed Dural Retail Development.
- ii. It is important to note that impacts outlined in this report are indicative as it is difficult to precisely project the sales impact of the opening of a new store/centre on existing retail facilities. A number of factors can influence the impact on individual centres/retailers, including but not limited to:
 - Refurbishment/improvements to existing centres.
 - Expansions to existing centres.
 - Loyalty programs of existing retailers.
 - The existing centre mix and how it competes with the proposed development.
- iii. For all these reasons and other similar factors, sales impacts outlined in this report should be used as a broad indication.
- iv. Table 4.4 outlines projected sales impacts from the retail component of the proposed Dural Retail Development. The steps involved in assessing the sales and impacts on competitive centres are presented as follows:
 - Step 1 - Estimates sales levels for existing centres in the 2014 financial year.
 - Step 2 - Projects sales for existing and proposed centres in the 2017 financial year, the assumed first full year of trading for the proposed Dural Retail Development. These projections allow for retail market growth and new retailers/centres (including potential impacts from the proposed supermarket development. All sales projections in 2016/17 are presented in constant 2014 dollars (i.e. excluding inflation).

- Step 3 - Outlines the change in sales at each centre in 2016/17 as a result of the Dural development. Again, all sales are expressed in constant 2014 dollars.
 - Step 4 - Shows the impact on sales in 2016/17, both in dollar terms and percentage of sales.
- v. The key information outlined in Table 4.3 is summarised as follows:
- All centre sales figures in 2014 are also based on the latest publically available information for the centres.
 - The proposed Dural Retail Development is projected to record sales of \$46.2 million in 2016/17.

TABLE 4.4 – DURAL PROJECTED CENTRE IMPACTS, 2014 - 2017

	Unit	Estimated 2014	Projected 2017		Impact 2017	
			Pre Dev.	Post Dev.	\$M	%
<i>Dural Retail Development Site</i>	<i>\$M</i>	<i>n.a.</i>	<i>n.a.</i>	<i>46.2</i>	<i>n.a.</i>	<i>n.a.</i>
Regional Centres						
<i>Castle Hill CBA</i>	<i>\$M</i>	<i>1,384.5</i>	<i>1,431.5</i>	<i>1,420.9</i>	<i>-10.6</i>	<i>-0.7%</i>
• Castle Towers SC	\$M	673.0	695.1	684.7	-10.4	-1.5%
• Castle Mall SC	\$M	33.0	34.1	33.9	-0.2	-0.5%
• Remainder ¹	\$M	52.5	55.7	55.7	0.0	0.0%
Supermarket Based Shopping Centres						
Round Corner District Centre	\$M	118.5	138.3	122.6	-15.7	-11.3%
Dural Village	\$M	3.9	4.0	3.6	-0.4	-10.0%
Oakhill Village	\$M	10.7	11.0	10.2	-0.8	-7.5%
Cherrybrook Village	\$M	121.0	124.2	112.4	-11.8	-9.5%
<i>Galston</i>	<i>\$M</i>	<i>27.8</i>	<i>28.6</i>	<i>26.0</i>	<i>-2.5</i>	<i>-8.9%</i>
• Cali Bros Galston Village	\$M	12.2	12.5	11.6	-0.9	-7.5%
• Aldi Galston	\$M	15.6	16.1	14.5	-1.6	-10.0%
Knightbridge SC	\$M	16.2	16.7	15.9	-0.8	-5.0%
*Constant 2013/14 dollars & Including GST						

- vi. Of the total \$46.2 million in sales for the proposed centre, the redirection of spending from retail facilities within the trade area as compared with facilities beyond the trade area is as follows:
- Some \$32.1 million will be a result of redirection of spending from retail facilities in the trade area.
 - \$13.9 million being a reduction in spending from retail facilities beyond the main trade area. Of this remaining impact, some \$3.5 million is likely to result in smaller impacts on a range of retail facilities beyond the trade area that are not currently represented in this analysis.
- vii. The proposed development will reduce main trade area residents' expenditure to facilities such as Castle Towers. Consequently, some 70% of the proposed sales for the centre will be a redirection from trade area facilities with the remaining 30% a redirection from facilities beyond the trade area. This is not to say the proposed development will attract spending from beyond the trade area, but a redirection of residents' spending within the trade area to be retained locally.
- viii. The key impacts from the proposed development are summarised as follows:
- The largest impact in both dollar and percentage terms would be on other facilities within Round Corner. This impact is estimated at 11.3%. An impact of this order, however, is not of concern in terms of the continued operation of facilities at Round Corner due to the following:
 - A large proportion of this impact will be on the existing Woolworths supermarket, which is trading very strongly on inspection and likely well above comparable averages.
 - As shown in Table 4.4, the total sales volume for the retail facilities at Round Corner in 2017 are still higher than the existing levels, reflecting the Aldi expansion and centre development.

- Round Corner will still include a much more extensive provision of retail facilities, including in-excess of 90 specialty shops as compared with around 10 shops at the proposed Dural retail development.
- ix. The remaining impacts on all other centres throughout the trade area and beyond are all projected at 10% or less, well within normal competitive bounds. The next largest impact in dollar terms would be on Castle Hill and Cherrybrook, but with impacts below 10%. This analysis assumes the expansion of Castle Towers Shopping Centre has not occurred by that date, but after that timeframe an expansion will occur with a range of non-food facilities, reinforcing the role of the regional centre.
- x. Importantly, as detailed previously in Table 4.1, all existing supermarkets within the major competitive centres are projected to continue to achieve very strong sales levels on average at around \$11,500 per sq.m. The impacts on the major tenants within any one centre, therefore, is not of a level to impact on the viability of the major tenant in each of these precincts. The potential for second round effects, therefore, is not an issue within this market. All supermarkets in the trade area besides the proposed development, are projected to achieve sales at levels higher than comparable Australian averages.
- xi. Overall, the proposed development will not impact on the continued operation or viability of any retail centres.

4.4 SGS Economic and Planning Study

- i. SGS was commissioned by Hornsby Shire Council and Kuringai Council to prepare an Employment Land Study in 2008, and then a Dural Service Centre Retail and Commercial Study in July 2009. That report assessed the potential for 2,251 sq.m of retail floorspace being supportable at the Dural Service Centre, including a 1,000 sq.m supermarket.
- ii. In relation to the proposed supermarket floorspace, it indicated that a supermarket larger than 1,000 sq.m would reduce supermarket turnover at Round Corner beyond

10% which is considered significant. In relation to impacts on competitive retail facilities, individual impacts on one individual tenant are not considered relevant. The overall impact on the centre is of relevance and whether the centre continues to function and provide facilities to surrounding residents.

iii. In addition, in any impact assessment, impacts are classified as follows:

- Impacts 10% and lower are considered generally acceptable and in the normal competitive range.
- Impacts of 10% - 15% are in the high category but generally are sustainable.
- Impacts of greater than 15% are considered very high and require further investigation as to whether such impacts are sustainable.

iv. In relation to whether very high impacts are sustainable depends on key issues such as the existing trading levels of facilities in the region (i.e. are they trading well above comparable averages) and whether there is ongoing population growth to offset sales impacts as well as the ability for major traders to continue to operate.

v. To this end, Table 5 of the SGS Economics report on the Dural Service Centre outlined estimated turnover for the supermarket at Round Corner of \$33.7 million in 2008. This was on the basis that the Woolworths supermarket at Round Corner achieved a trading level 120% above retail turnover levels for Australian supermarkets as estimated by SGS Economics. The Woolworths store is close to 3,900 sq.m and supermarkets in Sydney generally trade at much higher rates than the Australian average. The sales for the Woolworths supermarket appear to be significantly understated.

vi. The report appears to miss that an Aldi supermarket was also in operation at Round Corner. The absence of Aldi and the application of a very low trading level for the Woolworths supermarket, means that supermarket sales have been significantly understated in the SGS report, with supermarket sales closed to double the level outlined by SGS Economics.

- vii. This has significant implications in relation to the supportability of another supermarket within the defined region, and the impact on Round Corner. This is particularly the case because even an impact greater than 10% on the supermarkets at Round Corner will not affect the viability of the continued provision of such facilities that centre to support the specialty stores and other functions.
- viii. Consequently, the conclusion that only a 1,000 sq.m supermarket is supportable according to the SGS study is now outdated given the time since the report was prepared and their assumption around supermarket sales in 2008. A larger supermarket is sustainable, together with a similar provision of specialty floorspace as recommended by SGS.

4.5 Employment and Consumer Impacts

- i. The development of the proposed Dural Retail Development site would result in a range of important economic benefits which will be of direct benefit to the local community. These key positive employment and consumer impacts include:
- The provision of a wider range of food and grocery shopping facilities, including a major full-line supermarket of 4,200 sq.m, increasing convenience and price competition for local residents.
 - The retail development is projected to employ around 245 persons as summarised in Table 4.3. Taking a conservative view and allowing for an estimated 10% of the total increase to be as a result of reduced employment at existing retail facilities, the net additional jobs are estimated at 221.
 - The additional 221 permanent retail employees would earn an average annual wage of around \$28,800 as sourced from the ABS. This represents an additional \$6.4 million in salary and wages for the local economy, directly as a result of the retail component of the proposed development.
 - Further jobs would be created from the supplier induced multiplier effects as a result of retail jobs for the on-going running of the supermarket centre, which

may include both full-time and part-time positions. In total, some 210 jobs are projected to be created in the broader community, based on ABS Input/Output Multipliers (refer Table 4.4).

- The development would create a substantial number of additional jobs for the construction and related industries during the construction phase of the development and for the economy generally once the development is complete.
- The estimated total capital costs for the construction of the development are \$20 million for the retail component. By using the appropriate ABS Input/Output Multipliers that were last produced in 1996/97 and a deflated estimated total capital cost of construction of \$15.7 million (i.e. in 1996/97 dollars), it is estimated that the construction period of the proposed Dural Retail Development would create some 110 jobs (refer Table 4.5).
- The additional construction jobs (110), would result in a further 176 jobs in the broader community based on ABS Input/Output Multipliers (refer Table 4.5).
- As a result, in total some 300 jobs are likely to be created both directly and indirectly as a result of the proposed Dural Retail Development.
- In addition to the jobs created by the retail development, further jobs would be created in the other usages on the site, however, given these are effectively code assessable, these have not been included in this analysis. The jobs in this analysis, therefore, are the jobs over and above what has been allowable for a bulky goods development on the site.

TABLE 4.3 – ESTIMATED PERMANENT EMPLOYMENT

Type of Use	Estimated Employment Per '000 sq.m	Dural Retail Development	
		Change in GLA (sq.m)	Employment (persons)
Supermarket	40	4,200	168
Mini-majors	20	0	0
Retail Specialty Shops	60	<u>1,290</u>	<u>77</u>
Total Centre¹		5,490	245
Net Increase²			221

1. Excludes non-retail components.
2. Net increase includes an allowance for reduced employment levels at impacted centres estimated at 10% of the total increase

LOCATIONIQ

TABLE 4.4 – ESTIMATED EMPLOYMENT IMPACT

Original Stimulus	Direct Employment	Supplier Employment Multiplier Effects	Total
Centre Employment ¹	221	210	430

* Employment totals include both full-time and part-time work
1. Indicates the estimated number of net additional ongoing jobs as a result of the proposed development
Source : Australian National Accounts: Input-Output Tables 1996-97

LOCATIONIQ

TABLE 4.5 – ESTIMATED CONSTRUCTION EMPLOYMENT IMPACT

Original Stimulus	Estimated Capital Costs (\$M) ¹	Direct Employment	Supplier Employment Multiplier Effects	Total	Job Years ²
Construction of Project	15.7	110	176	286	

* Employment totals include both full-time and part-time work
1. Adjusted by inflation and productivity to 1996/97 Dollars
2. Indicates the estimated number of jobs over the life of the construction project plus ongoing multiplier effects, for the equivalent of one year
Source : Australian National Accounts: Input-Output Tables 1996-97

LOCATIONIQ

5 NEEDS ANALYSIS

The final section of this report summarises the key conclusions of the impact analysis for the proposed Dural Retail Development.

‘Need’ or ‘Community Need’ in a planning sense is a relative concept that relates to the overall wellbeing of a community. A use is needed, for example, if it would, on balance, improve the services and facilities available in a locality. The reasonable demands and expectations of a community are important, therefore, in assessing need.

A number of important factors that relate to need, particularly economic need, include:

- Population and supermarket demand.
- Consumer trends.
- Location and Alternative Sites.
- Impacts on existing retail facilities and the retail hierarchy.
- Net community benefits.

5.1 Population and Supermarket Demand

- i. The Dural main trade area population is currently estimated at 47,000 including 20,000 persons in the primary sector.
- ii. The main trade area population is currently served by two full-line supermarket. In Australia, a full-line supermarket is typically supportable for every 8,000 – 9,000 persons. On this basis, the main trade population could support 5 – 6 full-line supermarkets currently, with only two currently provided. Even allowing for some spending to be directed to supermarkets beyond the trade area, as well as smaller sized supermarkets which are not full-line facilities within the trade area, there is need for a further full-line supermarket in the trade area.

5.2 Consumer Trends

- i. There is a strong need for convenient shopping facilities and a wider choice of facilities within close proximity to the homes of main trade area residents. Consumers visit supermarkets, on average, two to three times a week.
- ii. Over the past 5 - 10 years, there has been an increasing trend towards convenience shopping. This trend has been largely driven by broader social trends that have resulted in consumers becoming more time poor. These social trends include:
 - Longer working hours.
 - An increase in the number of women in the labour force.
- iii. Time pressures are ranked at the top of the list of issues that consumers face when undertaking their regular food and grocery shopping.
- iv. As a result of the increasing time pressures that consumers face when it comes to food and grocery shopping, there is growing demand for convenient shopping facilities to meet the needs of local residents.

5.3 Location & Alternative Sites

- i. The only three other areas that could be considered to accommodate a major full-line supermarket, include the sites immediately north of the subject development, at Dural District Centre (Round Corner) and the future Cherrybrook Railway Station.

Zoned Land to the North

- ii. There is some existing zoned business land to the immediate north of the subject site. The potential for a full-line supermarket, however, is limited at these sites due to the following reasons:
 - All sites are either small in size or with very fragmented ownership.
 - The largest site is the Hills Bus Depot of 25,900 sq.m. This is an existing use which would have to be relocated to accommodate a supermarket. Access to the site is

also potentially an issue with left in/left out in such close proximity to the two lane roundabout.

Dural District Centre (Round Corner)

iii. Map 5.1 illustrates the different parcels of land provided throughout the Dural District Centre in order to assess whether a major full-line supermarket could be accommodated in the area. Key points to note about accommodating another supermarket in the Dural District Centre include:

- In order to accommodate a major-full line supermarket and a supporting provision of specialty shops and car parking facilities, a site of around 10,000 sq.m is required. According to PriceFinder, there are no sites of this size provided under a single ownership in the Dural District Centre.
- The ability to provide a site under one single ownership is also restricted by the steep topography, making it difficult to achieve one useful land parcel for development.
- Even if a number of sites could be consolidated, the majority of the Dural District Centre already includes leased tenants. Breaking these existing leases would be required to consolidate land large enough to accommodate the development.
- Even if leases could be broken and land could be consolidated, there is limited vacant floorspace in the Dural District Centre that could accommodate these displaced tenants. This would result in a significant reduction in specialty floorspace in the Dural District Centre, impacting on the vibrancy and mix available to residents. The process to consolidate land would involve high relocation costs, buyouts and potentially a loss of jobs in the precinct if specialty floorspace was reduced, given specialty floorspace results in higher employment generation than supermarkets.
- Any consolidation of sites will likely require another large component of basement car parking which would be likely to be difficult to sustain given the acquisition costs of existing land to support such a store.

- Site 2 is the largest site at 8,456 sq.m where Aldi is currently located. The irregular shape of the land means it is unlikely to accommodate a full-line supermarket. Further, the site is strata titled with some 19 owners of land within here.
 - Site 9 is the next largest site at 5,812 sq.m but contains a number of specialty stores and would likely require expensive basement parking if redeveloped. Again, this land is strata titled with multiple owners totalling at least seven.
 - To consolidate a land parcel large enough to support a supermarket may involve acquisition of public roads and public car parks which also adds to the difficulty and cost of the procedure. Map 5.1 highlights Allen Way which is currently a public road dividing continuity of existing land parcels within the area.
- iv. Whilst it may be theoretically possible to accommodate a major full-line supermarket in the Dural District Centre, it is highly unlikely this would occur given the ownership issues, limited large consolidated sites and the risk of losing the mix of specialty shops currently provided in the District Centre.
- v. In the Sydney North West Sub-Regional Plan from the Department of Planning, Round Corner is designated as a Town Centre. Town Centres are identified to have one or two supermarkets, community facilities, medical centre, schools and contain between 4,500 – 9,500 dwellings.
- vi. Other Town Centres within the North West region of Sydney include Carlingford, Plumpton, Kings Langley, Wrights Road Kellyville and the like. A number of these Town Centres include discount department stores such as Carlingford and Plumpton, while others such as Wrights Road Kellyville include two full-line supermarkets and Aldi.
- vii. In relation to Round Corner, a logical next progression for a centre of this size would be a discount department store, given residents in this region are not provided with a convenient discount department store based centre, with the closest located non-food centres being major regional shopping centres, namely Castle Hill and Hornsby.

There is no convenience discount department store based centre within the immediate proximity for residents of this region. Consequently, if land could be consolidated, a discount department store would be the next major tenant to reinforce and enhance the widest provision of facilities available to residents within the trade area.

Cherrybrook Railway Station

- viii. The future Cherrybrook Railway Station is currently under construction, 5 km to the south of the proposed site on the southern edge of the secondary south sector. The location of this site from the proposed Dural Retail Development would mean it would effectively serve a different trade area to the proposed site. A supermarket at the site would not serve the defined primary sectors. As such, it is not an option for providing a second major full-line supermarket for the Dural population.

MAP 5.1 – DURAL DISTRICT CENTRE LAND OWNERSHIP



LOCATIONIQ

Map produced by Location IQ using MapInfo Pro Australia Pty Ltd and related data sets. PhotoMap by nearmap.com

5.4 Impacts on Existing Retailers

- i. The proposed Dural development would not impact on the viability or continued operation of any existing retail centre within the main trade area or the surrounding region.
- ii. The subject development does not undermine the continued operation of existing supermarkets in the trade area and their ability to anchor centres. All trade area supermarkets are projected to continue to trade strongly, well above comparable Australian averages.
- iii. Further, the development will not stop the ability for expansion of the Round Corner district centre to include a discount department store and a range of other facilities in response to market demand.

5.5 Net Community Benefits

- i. It is the conclusion of this report that a substantial net community benefit would result from the development of the proposed Dural Retail Development. Offsetting the trading impacts on some existing retailers, there are very substantial positive impacts including the following:
 - Significant improvement in the range of retail facilities that would be available to residents, particularly in terms of convenient, full-line supermarket retailing. The proposed Dural Retail Development would improve choice of location and also allow for price competition.
 - The creation of additional employment which would result from the project, both during the construction period, and more importantly, on an ongoing basis once the development is complete and operational. In total, some 800 jobs are likely to be created both directly and indirectly as a result of the development of the Dural Retail Development. This includes a number of youth employment opportunities with retail developments generally employing a large number of younger staff.

- ii. It is concluded that the combination of the substantial positive economic impacts serve to more than offset the trading impacts that could be anticipated for a small number of existing retail stores, particularly supermarkets, in the region. Further, the impacts would not threaten the viability of any centres.
- iii. In addition, the proposed development will reinforce the existing Dural Service Centre precinct by providing local workers and residents with a range of retail facilities in close proximity to their workplaces. This consolidation of activity will help anchor a designated centre including a range of other bulky goods users in the surrounding precinct.

5.6 Wakefield Business Park Site to the North

- i. The proposed rezoning of the subject site would also mean the existing strata titled Wakefield Business Park at 276 – 278 New Line Road to the north would also be rezoned for commercial usage.
- ii. The current site is occupied by the recently constructed Wakefield Business Park comprising four separate buildings across 41 separate tenancies. The project was completed in approximately 2007, and at the time had an estimated project build of \$15.2 million.
- iii. The four separate buildings onsite comprise industrial units, some over two levels, with a childcare centre at the back of the site of approximately 875 sq.m. The largest building footprint is Building A at the front of the site of approximately 3,250 sq.m. The footprints of the two remaining buildings are 2,000 sq.m and 1,650 sq.m, respectively.
- iv. Car parking is provided around the site and also in basement levels, totalling 220 spaces.
- v. A review of ownership data in relation to the 41 units at the site indicates that it is strata titled across some 33 different owners. The most units for any one owner is five within Building B.

- vi. If this site was rezoned from industrial to commercial use, the opportunities for retail facilities would be limited by the following factors:
- The sloping nature of the site.
 - The recently constructed buildings which are effectively industrial units and could not be reused for retail.
 - The limited exposure to New Line Road.
 - Car parking requirements. The total development provides some 220 spaces in a variety of levels and basements. If the Building A fronting New Line Road of 3,500 sq.m was to be converted to retail uses on one level, it alone at 5 spaces per 100 sq.m would require 175 car parks. There are only 220 provided across the entire site, meaning such a ratio could not be developed unless rooftop car parking could be provided, given the construction of the existing buildings.
 - The disparate ownership including over 33 different owners across the site, meaning amalgamation of tenants would be difficult.
 - The cost to acquire a number of units at the site and then redevelop them for retail purposes would effectively make them unviable given the additional requirements of car parking, window shopfront, fitouts and the like.
 - Retail developments typically require major tenants as key anchors, and with a supermarket at the subject site, the potential for an anchor tenant would be limited.
- vii. In a best case scenario, up to 500 – 600 sq.m of floorspace in building A may be converted to retail. This would likely be a gradual process over a number of years. The impacts on the retail hierarchy from this amount of floorspace would be negligible. The type of retail tenants attracted to the site, without an anchor tenant, would be peripheral low trading stores.

5.7 South Dural Release Area

- i. The analysis presented in this report assumes that the South Dural release area does not proceed. In the absence of South Dural, there is strong potential for a supermarket based facility at the subject site.
- ii. If the South Dural urban release area was to proceed to include approximately 2,940 residential dwellings or close to 8,000 – 9,000 persons, this would further strengthen the need for a supermarket facility at the site given it is an existing zoned site and well located to serve future residents of this proposed release area.
- iii. The subject site does not impact on the potential for a neighbourhood centre in the South Dural release area. At some 8,000 to 9,000 persons, this release area population would demand some 20,000 sq.m of retail floorspace by itself. The subject proposal would provide these future residents with a supermarket based facility at the earliest possible date, until such time as this population could support its own neighbourhood centre. This would be some years away, given the population on site currently is limited.

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Appendix 3

- PROPOSED LAYOUT**
- ② - LANDSCAPED BUFFER
 - ⑩ - SELF STORAGE (BULKY GOODS)
 - ⑪ - CARPARK
 - ⑫ - SERVICE AREAS



ISSUE	DATE	AMENDMENT
P1	14.04.2015	PRELIMINARY ISSUE
P2	13.04.2015	PRELIMINARY ISSUE
P3	22.05.2015	PRELIMINARY ISSUE

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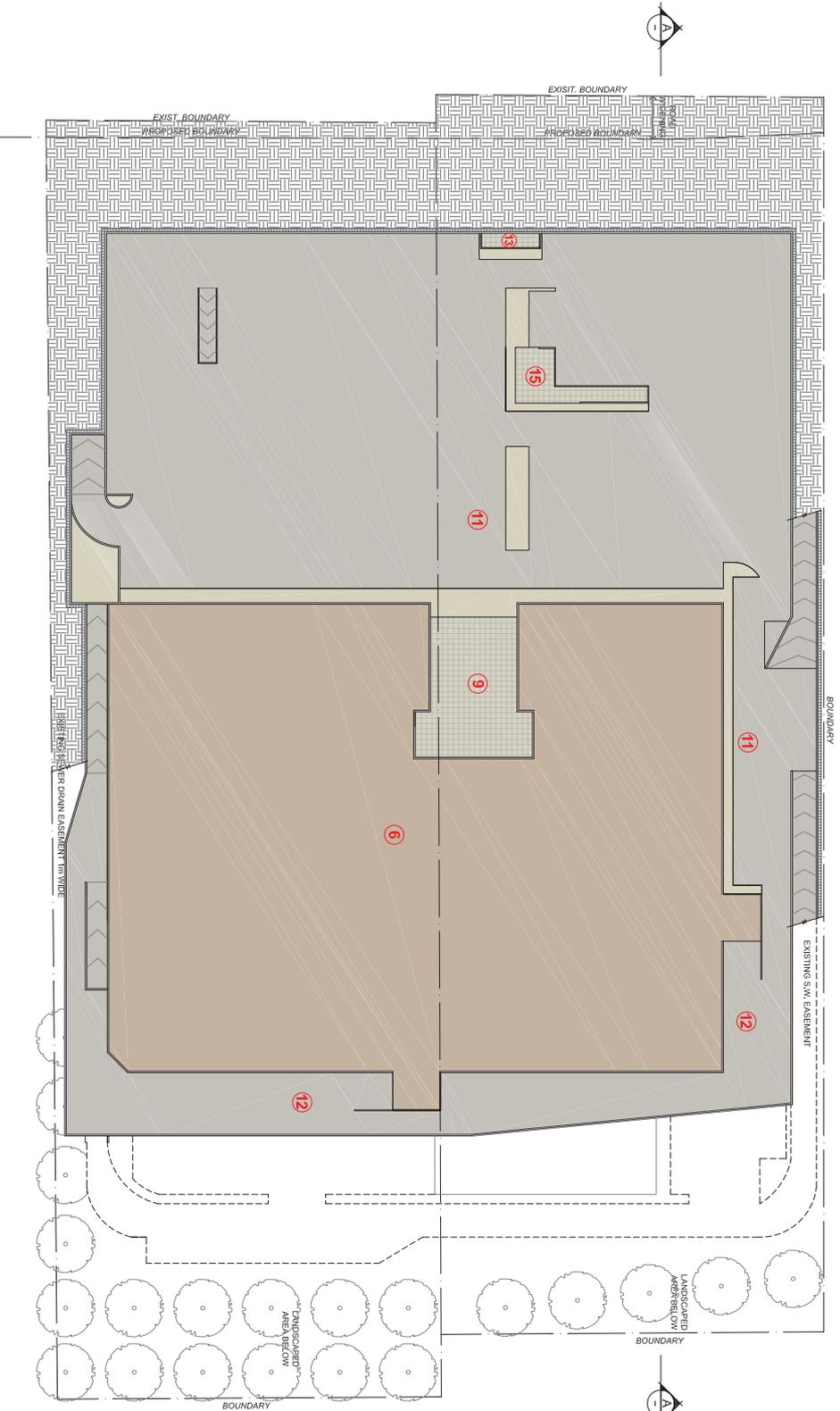
PROJECT MANAGER
RESTIFA & PARTNERS
LEVEL 2, 100 MOUNT STREET
NORTH SYDNEY, NSW 2060

PROJECT
INDICATIVE MIXED USE DEVELOPMENT CONCEPT
270-272 NEW LINE ROAD, DURAL, NSW, 2158

DRAWING
BASEMENT LEVEL 2 PLAN

0 5 10 15 20 25 30 35 40 45 50m
SCALE 1:500
DATE 22.05.2015
DRN PA

REV **P3** DRG **SK01**



- PROPOSED LAYOUT**
- ⑥ - BULKY GOODS RETAIL
 - ⑨ - BULKY GOODS LOBBY
 - ⑪ - CARPARK
 - ⑫ - SERVICE AREAS
 - ⑬ - COMMERCIAL LOBBY
 - ⑮ - RETAIL LOBBY

ISSUE	DATE	AMENDMENT
P1	14/05/2018	PRELIMINARY ISSUE
P2	13/06/2018	PRELIMINARY ISSUE
P3	22/05/2019	PRELIMINARY ISSUE

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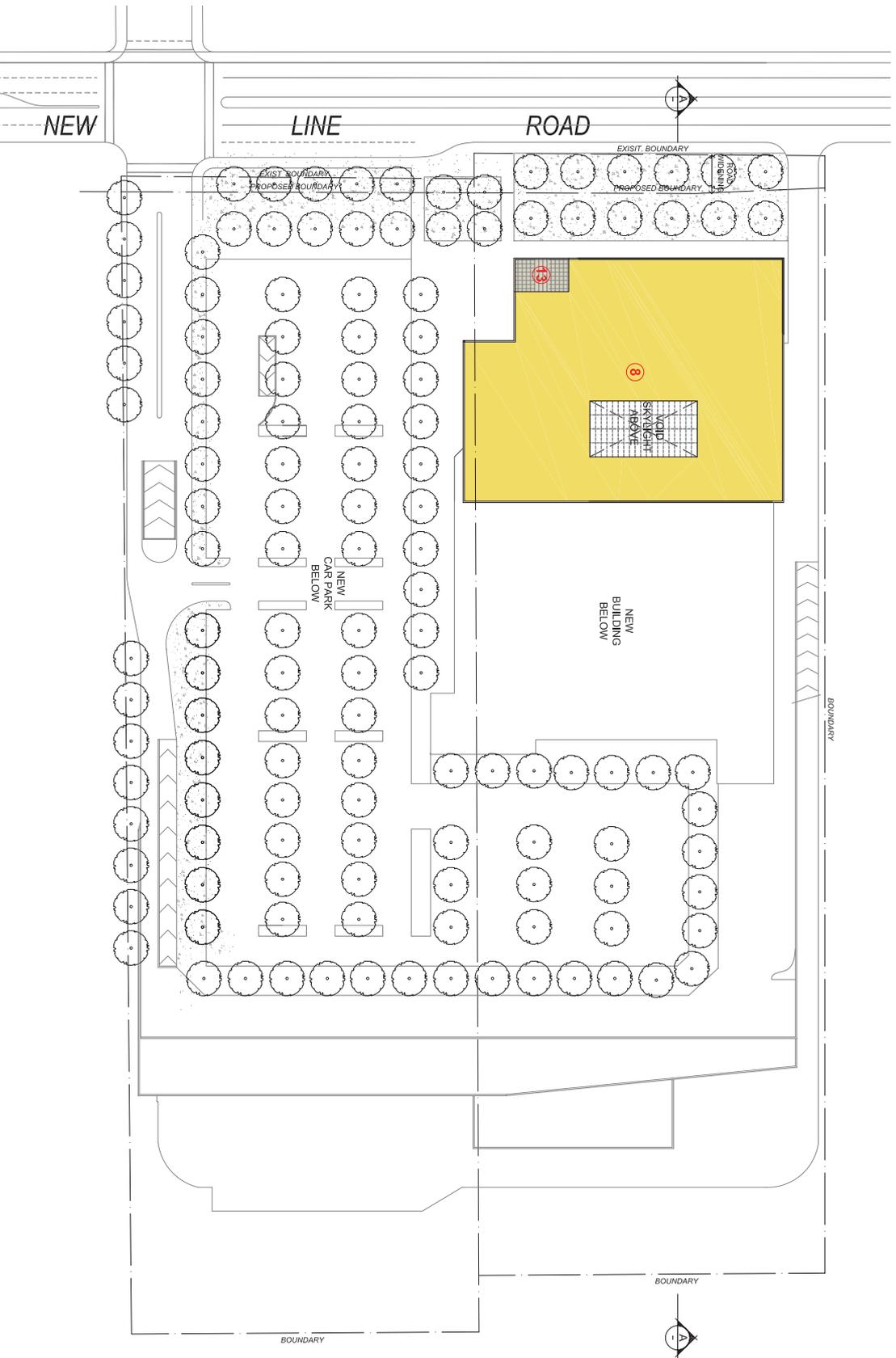
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BASEMENT LEVEL 1 PLAN

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SCALE 1:500

DATE 22/05/2019
SCALE 1:500
DATE 22/05/2019
DRN PA

REV
P3

DWG
SK02



PROPOSED LAYOUT

⑧ - COMMERCIAL OFFICES

⑬ - COMMERCIAL LOBBY

ISSUE	DATE	AMENDMENT
P1	04.05.2018	PRELIMINARY ISSUE
P2	13.05.2018	PRELIMINARY ISSUE
P3	22.05.2018	PRELIMINARY ISSUE

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DRAWING
LEVEL 01 PLAN

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SCALE 1:500

SCALE 1:500
DATE 22.05.2018
DRN PA

REV
P3

DWG
SK04

NORTH