

Appendix E

Agenda and Minutes for Outcomes Committee Meeting held 12 May 2015.

MPESMP1503	Existing Stormwater Management Program - Prospect Creek Bank Rehabilitation Works 1 Bromley Street, Canley Vale
MPFMP1503	Flood Mitigation Program 16C Knight Street, Lansvale. Continuation of Voluntary House Raising works to raise the property to reduce the risk of flood damage.
MPFMP1506	Flood Mitigation Program - Central Catchment - The second year of a multi-year Overland Flood Study to describe flood behaviour and identify areas at risk of flooding.
MPFMP1507	Flood Mitigation Program - Cabravale Catchment. - The second year of a multi-year Overland Flood Study to describe flood behaviour and identify areas at risk of flooding.
MPFMP1511	Flood Mitigation Program Three Tributaries Flood Detention Basin at Powhatan Street Reserve and Fairfield Golf Course.

4. The Budget Adjustment expenditure identified in Section 5 of the 2014-2015 Operational Plan Quarterly Report January – March 2015 be voted from the source of funds noted as adjustments for expenditure in the current budget.

CARRIED

SECTION B

‘Matters submitted to the Committee for decision subject to the Right of Referral’

- 50: SUBJECT:** Planning Proposal Greenway Plaza Additional Permitted Uses
Premises: 1183-1185 The Horsley Drive, Wetherill Park
Applicant: Urbis Pty Ltd
Owner: Gaintak Investments Pty Ltd
Directors - Han Van Giang, Leang Giang, Paul Ying Cheong and Ai Ngoh Chan
Zoning: Zone B5 Business Development (FLEP 2013)
File Number: 14/21626

Councillor	Type of Interest	Nature of Interest	Action Taken/ Explanation Given
Yeung	Less than Significant Non-Pecuniary	I know one of the Owners.	This will not influence my decision.

Director Corporate Governance arrived (6.56pm) to the meeting.

MOTION: (Karajcic/Yeung)

That Council refuse the planning proposal for additional permitted uses of commercial premises at ground floor and business/office premises at mezzanine level on part of Lot 1 DP1136897 No 1183-1185 The Horsley Drive, Wetherill Park for the following reasons:

Outcomes Committee

Draft Minutes

Meeting Date: 12 May 2015

Page 9

- 1.1 *The proposal creates an undesirable precedent for the establishment of commercial, business and office premises on other employment lands in Fairfield City.*
- 1.2 *There are insufficient safeguards provided in the planning proposal against uncontrolled expansion of commercial, business and office premises on the subject site. This would be counter to the desired function of the site to continue to operate as a service centre to cater for the day to day needs of the surrounding industrial workforce.*
- 1.3 *The potential detrimental impacts of the proposal on the commercial viability of existing town centres of Fairfield City.*
- 1.4 *The lack of planning and economic justification provided in the planning proposal for the establishment of a broad range of commercial, business and office uses on the site.*
- 1.5 *There is sufficient scope for established uses to continue to operate on the site under existing use rights provisions of the Environmental Planning and Assessment Act, and associated Regulation, in line with the historic industrial service order function of the site*

A division was taken with the following results:

Aye	Nay
Councillor Karajcic	
Councillor White	
Councillor Yeung	
Total=(3)	Total=(0)

CARRIED

- 51:** Post Exhibition - Development Control Plan Review Program - Draft Fairfield City Wide DCP 2013 - Amendment No. 9
File Number: 14/17716

MOTION: (Karajcic/Yeung)

That:

1. Council adopt the draft amendments to the Fairfield City Wide Development Control Plan (DCP) 2013, known as Amendment No. 9, as publicly exhibited.
2. The draft amendments to the Fairfield City Wide DCP commence from the day the Public Notice is placed in the local newspaper, in accordance with Clause 21 of the Environmental Planning and Assessment Regulation 2000.

OUTCOMES COMMITTEE

Meeting Date 12 May 2015

Item Number. 50

SUBJECT: Planning Proposal Greenway Plaza Additional Permitted Uses
Premises: 1183-1185 The Horsley Drive Wetherill Park
Applicant/Owner: Applicant - Urbis Pty Ltd
Owner - Gaintak Investments Pty Ltd
Directors - Han Van Giang, Leang Giang, Paul Ying Cheong and Ai Ngho Chan
Zoning: Zone B5 Business Development (FLEP 2013)

FILE NUMBER: 14/21626

REPORT BY: Andrew Mooney, Acting Manager Strategic Planning

RECOMMENDATION:

That:

1. Council write to the Department of Planning and Environment (DP&E) seeking in principle support for the following approach to allow additional permitted uses (Commercial Premises at ground floor – Units 1 to 7 and Business and Office Premises at mezzanine level – Units 1 to 6), on part of Lot 1 in DP 1136897 No. 1183-1185 The Horsley Drive, Wetherill Park (Greenway Plaza):
 - 1.1 Amendment to Schedule 1 Additional Permitted Uses of the Fairfield Local Environmental Plan (FLEP) 2013 enabling the proposed uses but including provisions specifically prohibiting ‘supermarkets’.
 - 1.2 Inclusion of a floor space cap of 500m² for each individual tenancy as part of the proposed amendment to Schedule 1 of the FLEP 2013.
 - 1.3 Preparation of an amendment to the State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 under Schedule 3 – Complying Development Codes to ensure that the *General Commercial and Industrial Code* is varied in its application to the subject site.
2. A further report be submitted to Council on the advice provided by the DP&E.
3. The Applicant be advised of Council’s decision in this matter.

Note: This report deals with a planning decision made in the exercise of a function of Council under the EP&A Act and a division needs to be called.

SUPPORTING DOCUMENTS:

OUTCOMES COMMITTEE

Meeting Date 12 May 2015

Item Number. 50

AT-A Economic Impact Statement Peer Review Report - Prepared by Norling 4 Pages

AT-B Planning Proposal prepared by Urbis 58 Pages

CITY PLAN

This report is linked to *Theme 2 Places and Infrastructure* in the Fairfield City Plan.

SUMMARY

The March Outcomes Committee deferred consideration of the Planning Proposal for additional permitted commercial uses at Greenway Plaza until such time as a briefing on the proposal had been provided to Councillors. The briefing subsequently took place on the 21 April 2015 and Council is now in a position to consider the proposal further.

The Planning Proposal (**Attachment B**) prepared by Urbis Planning Consultants on behalf of Gaintak Investment Pty Ltd seeks to amend Schedule 1 Additional Permitted Uses of the Fairfield Local Environmental Plan (FLEP) 2013 to formalise use of part of the ground floor and mezzanine level of the existing building at 1183-1185 The Horsley Drive, Wetherill Park (Greenway Supacentra) for retail (shops) and business uses respectively.

Currently the existing retail and business uses on part of the ground floor and mezzanine level of the Greenway Supacentra rely on existing use rights under the NSW Environmental Planning and Assessment (EP&A) Act 1979. It is noted that these uses were permitted under the previous LEP 1994 through a local clause, however the NSW Department of Planning and Environment (DP&E) did not support the transfer of these provisions to the current FLEP 2013 on the basis that they were too restrictive and would establish a 'sub zone'.

Given the previous decision by the DP&E not to allow the formalisation of the subject development during the preparation of the FLEP 2013, it is recommended that Council seek in principle support from the DP&E to the scope of the amendment sought to the FLEP 2013 as outlined in the recommendation to this report, prior to Council considering the Planning Proposal further.

As detailed further in this report assessment of the proposal also indicates that amendments would be required to State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 (SEPP) to ensure that the provisions of the SEPP do not override/compromise the proposed amendments to the LEP.

Upon receipt of this advice from the Department, a further report would be submitted to Council for its consideration with regard to whether the Planning Proposal should proceed.

EXISTING SITE

The site is the Greenway Supacenta (below), an existing industrial service centre, and comprises land known as Lot 1 in DP 1136897 No. 1183-1185 The Horsley Drive, Wetherill Park.

The site is located between The Horsley Drive, Elizabeth Street and Canley Vale Road. It comprises an area of approximately 5.75ha. Land uses consist of general retail, bulky goods retail, restaurants, food outlets, offices and associated car parking.

Land to the north, east and west of the site consists predominantly of low density bulky goods retail outlets on large lots. Land to the south comprises residential land uses, predominantly low density dwelling houses separated from the site by The Horsley Drive.

Figure 1 Site Location (Source – Urbis)



The existing shopping centre comprises 2 building components which are separated by at grade car parking:

- Greenway Supacenta bulky goods retail outlet: L-shaped building which wraps around the northern and western sides of the site accommodating large format retail tenancies which accommodate a range of bulky goods retail uses.

OUTCOMES COMMITTEE

Meeting Date 12 May 2015

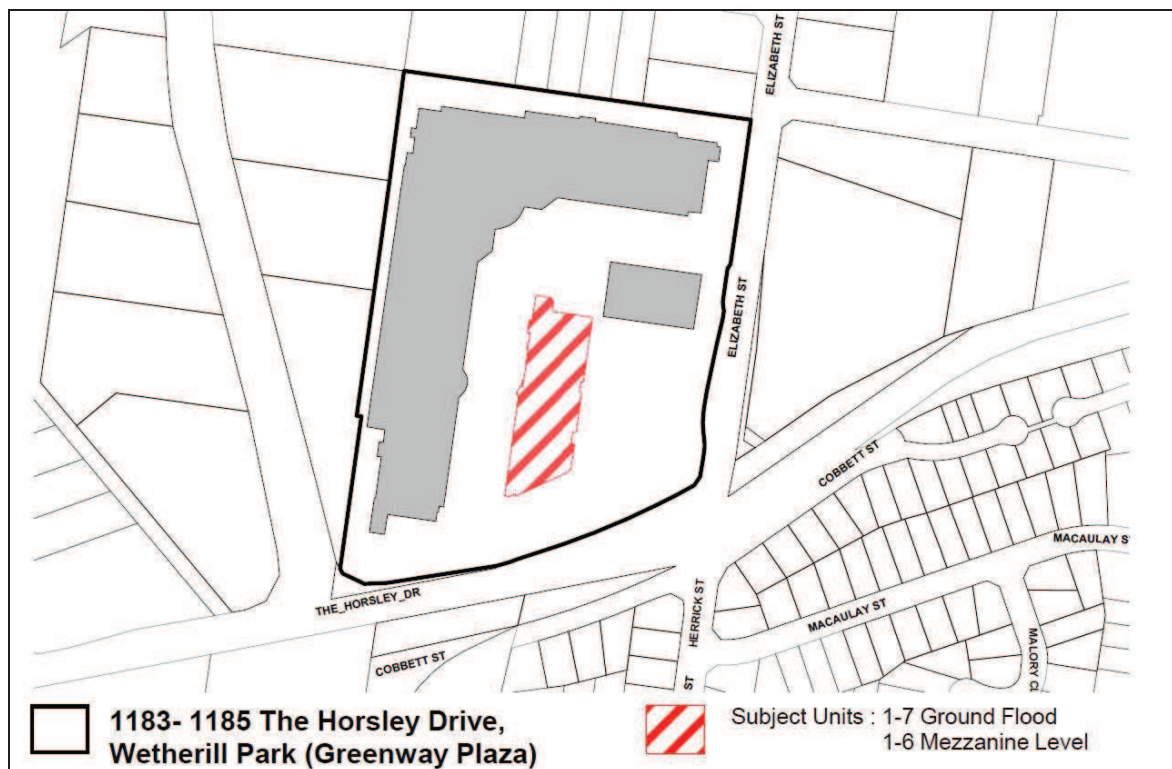
Item Number. 50

- **Greenway Plaza:** Centrally located within the site and comprising 2 wings:
 - Northern wing: Single storey building accommodating bulky goods uses.
 - Southern wing: 2- storey building. The ground floor of the building (Units 1-7) accommodates a mix of general retail and business uses. The mezzanine level (Units 1-6) accommodates commercial offices.

Greenway Plaza now forms part of the Greenway Supacenta site as the site has been amalgamated.

The proposal relates to the existing retail, business and offices tenancies situated at ground floor and mezzanine level of the southern wing of Greenway Plaza (Units 1-7 ground floor and Units 1-6 mezzanine level) as illustrated in Figure 2 below.

Figure 2 – Site Plan



Retail and commercial uses were first established on the site during the 1980's under a historic planning instrument and evolved further under a local clause included under the FLEP 1994. As detailed under the next section of this report, the DP&E did not support inclusion of this clause into the FLEP 2013 with the retail/commercial uses now relying on existing use right provisions of the EP&A Act 1979.

BACKGROUND – PLANNING CONTROLSFairfield Local Environmental Plan 1994

Under the previous FLEP 1994 the site was zoned 4(c) Special industrial. Under this zoning, retail and commercial uses were prohibited, however clause 25G of the LEP permitted “shops” and “business premises” within Units 1-7 ground floor level and “business premises” within Units 1-6 mezzanine level of that part of the site, shown in Figure 2 above.

This clause aimed to facilitate a mix of land uses on the land, including bulky goods salesrooms or showrooms, light industry, refreshment rooms, warehouses, business premises and shops, but specifically prohibited supermarkets.

Fairfield Local Environmental Plan 2013

The FLEP 2013 was gazetted on 17 May 2013 (replacing FLEP 1994) and rezoned the whole of the site to B5 Business Development. The B5 zone generally permitted the same range of bulky good, light industrial and associated uses on the site as the previous 4(c) Special Industrial zone.

However, under FLEP 2013 the NSW DP&E did not agree to transfer of the site specific provisions of Clause 25G (which permitted retail, business and office premises) to the site based on the view that the local clause created a ‘sub zone’.

As a consequence, existing retail and commercial uses established within Units 1-7 on the ground floor level and Units 1-6 on the mezzanine level now rely on existing use rights under the NSW EP&A Act.

As these uses are currently not permissible within the B5 zone the Applicant has submitted a Planning Proposal to amend the FLEP 2013 to permit the retail and commercial uses on the ground floor and mezzanine levels. The primary intention of this request is twofold and relate to:

- Avoiding the need to submit development applications to Council each time there is a change of retail or commercial use or need for internal fit outs or works on the ground floor or mezzanine levels of the building
- Allowing applications for change of use and internal works to be considered by private certifiers under the SEPP (Exempt and Complying Development Codes).

THE PLANNING PROPOSAL

This Planning Proposal submitted by Urbis seeks to allow shops, business premises and office premises as additional permitted uses by amending Schedule 1 Additional Permitted Uses and the Key Sites Map of the FLEP 2013. The Applicant submits that there is a need to review the zoning of the site for the following reasons:

OUTCOMES COMMITTEE

Meeting Date 12 May 2015

Item Number. 50

- In its current form FLEP 2013 does not recognise the existing land uses on the site as reflected in the planning controls that applied under FLEP 1994.
- Existing and future tenancies must rely on “existing use right provisions” to operate. This is costly and creates difficulty for both the Applicant and Council to administer.
- The introduction of FLEP 2013, and in particular the repeal of site specific provisions which permitted commercial uses within the site, amounted to a significant “down zoning” of the subject land. This has resulted in adverse economic impacts on the land owners.

The proposed amendment to the LEP is detailed below:

20 Use of certain land at 1183-1185 The Horsley Drive, Wetherill Park

- 1) *This clause applies to part Lot 1 in DP 709356 being land identified as Site 21 on the Key Sites Map.*
- 2) *Development for the following uses is permitted with consent:*
 - a. *Commercial premises at ground floor level; and*
 - b. *Business and office premises at mezzanine level*
- 3) *If development for the purpose of a shop is permitted under this Clause, the retail floor area must not exceed 1500square metres.*

Issues

Economic Impact

The Applicant has submitted an economic impact statement which states that there is unlikely to be any adverse economic impacts associated with the proposed LEP amendment based upon the following key arguments:

- a) The amendment seeks to maintain an existing situation;
- b) There is projected significant growth in the City’s retail expenditure base, sufficient to support the entry of new retailers;
- c) The 2 closest centres (Stocklands and Wetherill Park) have plans to refurbish and/or extend;
- d) The Greenway Supacentra would continue to operate as a bulky goods centre; and
- e) Tenancies 1-7 primarily serve as a top-up (in addition to regular shopping trips) destination for bulky goods customers and the surrounding industrial workforce.

Supermarket Potential

The Applicant has acknowledged that the previous Clause 25G of the FLEP 1994 specifically prohibited a supermarket on the subject site.

The Planning Proposal (**Attachment B**) states that a supermarket is not proposed within the subject site. Furthermore, in order to alleviate Councils concern regarding this issue the Applicant has proposed a floor space cap limiting any single shop tenancy to not exceed 1, 500sqm.

OUTCOMES COMMITTEE

Meeting Date 12 May 2015

Item Number. 50

Peer Review

The economic impact statement submitted by the Applicant has been peer reviewed by Councils economic advisor - Norling Consulting. The peer review report (**Attachment A**) concluded that there is unlikely to be any adverse economic impacts associated with the proposed LEP amendment if it is supported (subject to the advice in relation to supermarket issues detailed under the next section of this report) as:

- a) The ongoing need for an industrial service centre within the Wetherill Park industrial precinct;
- b) The amendment perpetuating existing use rights; and
- c) Projected population growth in the City would increase its retail expenditure base.

The report also highlighted that the large scale of Joe's Fruit World (1,178sqm) operates more to a larger customer market rather than top-up shopping needs of bulky goods shoppers and the industrial workforce. It is more likely that it has developed its own clientele and competes more directly with Wetherill Park Market Town and Stockland Wetherill Park for the fruit and vegetable spending market.

The proposed floor space limitation provided by the Applicants planning consultant (of 1500sqm) was also reviewed with Norling providing the following advice:

Such a limitation would not be effective in preventing the operation of a supermarket from the subject site. The standard ALDI supermarket module in Australia commenced at around 1300sqm, although is now believed to have increased to about 1400sqm. Whilst the larger Supa IGA supermarkets are typically larger than 1500sqm, smaller IGA supermarkets can range from about 150sqm to 400sqm for IGA X-press convenience stores to between 500sqm and 1500sqm for mid-sized IGA supermarkets.

Whilst the operation of a supermarket from Greenway Supacenta is likely to adversely impact upon the operation of the existing Wetherill Park Market Town, the scale of impact is likely to be acceptable if its size is less than 500sqm and unacceptable if greater than 1000sqm.

A limitation of 500sqm would allow for the operation of a smaller IGA X-press convenience store to operate at Greenway Supacenta, which is considered an appropriate use for that industrial service, whilst preventing the operation of mid- and larger-sized IGA supermarket as well as ALDI and full-line supermarkets. A limitation of 1000sqm would allow for the operation of smaller IGA X-press convenience stores and some mid-sized IGA supermarkets as well as ALDI and full-line supermarkets.

Officer Comments

Information submitted with the Planning Proposal indicates that the floor area of existing tenancies range between 23sqm and 451sqm except for Joes Fruit World, being the largest existing retail use currently on the site, is 1178sqm.

OUTCOMES COMMITTEE

Meeting Date 12 May 2015

Item Number. 50

If the maximum retail floor area is to be capped at 1500sqm as proposed by the Application, this would potentially enable Joe's Fruit World to expand by 322sqm. According to the Peer Review, this outcome would not be appropriate given that Joes Fruit World is already operating at a scale that service a larger catchment than intended for this industrial service centre.

By implementing a maximum floor area control of 500m² the new LEP 2013 controls would be more restrictive than the previous LEP 1994 provisions. However, by restricting the floor area of the retail shops on the site to an appropriate scale/size, it would ensure that future tenancies would not grow large enough to detract the viability of nearby town centres.

Notwithstanding the above, it is noted that the advice from Norling indicates that a maximum floor space cap of 500sqm would still enable the development of small convenience/retail stores which would meet the day to day needs of the immediate industrial workforce and would not impact on other centres in the Centre.

The only variation to this arrangement is in regard to Joe's Fruit world which has an existing floor area (1,178sqm) and services a larger customer market than juts the top-up shopping needs of bulky goods shoppers and the industrial workforce

In this regard, to ensure enhance certainty that the site remain a service centre it is proposed that Council again make a request to the DP&E that Supermarkets be listed as a prohibited use on the site. It is noted that Council's previous request for this measure was not supported by the Department.

However, recent LEPs implemented in other parts of the State indicate that the Department is now demonstrating some degree of flexibility in relation to the contents of local clauses/provisions. Conversely it is also acknowledged that currently there is no NSW Standard LEP definition of 'supermarket' (with this use falling under the definition of 'Shops') and could represent a critical obstacle to obtaining the Departments support to the listing supermarket as a prohibited use.

State Environmental Planning Policy (Exempt and Complying Development Code) 2008

It is important to note that the SEPP contains provisions that allow internal alterations and additions and change of a permitted use on a site to another permitted use without the need for development consent.

However the provisions of the SEPP do not apply to a site relying on existing use right provisions under the EP&A Act and is currently the case in relation to Greenway Plaza. In addition it is important to note that under State Legislation the provisions of the SEPP override provisions contained in an LEP.

OUTCOMES COMMITTEE

Meeting Date 12 May 2015

Item Number. 50

In this respect, it is considered that under the proposed terms of the Applicant's Planning Proposal scope would be created for establishment of a supermarket on the site by utilising the provisions of the SEPP (Exempt and Complying Codes) to undertake internal works and amalgamate the existing smaller tenancies into a larger area that could lead to establishment of a supermarket on the site.

In addition, should Council agree to considering the Planning Proposal further, it is recommended that it seek a variation to the SEPP for the Greenway site to ensure that the proposed LEP controls outlined previously in this report are not overridden by the provisions of the SEPP. It is noted that there is a precedent for this with the Schedule 3 of the SEPP listing variations to the SEPP for specific sites or locations.

CONCLUSION

It is concluded that the general intention of the Planning Proposal to amend provisions in the FLEP 2013 to formalise the existing retail/commercial uses that were permitted under the previous FLEP 1994 should be considered further. This is consistent with Council's original intention for the site which sought to transfer the relevant provisions in the FLEP 1994 into the FLEP 2013.

However, at this stage there are a number of unknowns relating to the range of LEP controls recommended by Council Officers including support from the NSW DP&E to the prohibition on supermarkets on the site and cap on maximum floor area for retail/commercial tenancies of 500m².

Most importantly, it is noted that an amendment is required to the SEPP (Exempt and Complying) to ensure that the units benefitting from existing use rights on the ground and mezzanine levels of the building cannot be expanded to facilitate establishment of larger retailing formats on the site including a supermarket. This would be an unacceptable planning outcome and beyond the current industrial service function of the site.

In this regard, given these uncertainties, it is recommended Council first write to the DP&E seeking their in-principle support to the proposed scope of LEP amendments detailed in the recommendation to this report and associated exemption from the SEPP prior to Council considering the Planning Proposal any further.

A further report will be submitted to Council upon receipt of the advice from the DP&E and consideration of whether Council should support the Planning Proposal.

Andrew Mooney

OUTCOMES COMMITTEE

Meeting Date 12 May 2015

Item Number. 50

Acting Manager Strategic Planning

Authorisation:

Group Manager City & Community Development

Outcomes Committee - 12 May 2015

File Name: **OUT120515_22.DOC**

***** END OF ITEM 50 *****

Norling Consulting^{Pty Ltd}

Business & Property Economics

Our Ref: 15003/230115.JN

23 January 2015

Mr Andrew Mooney
Acting Manager
Strategic Land Use Planning
Fairfield City Council
86 Avoca Road
Wakeley NSW 2176

Email: amooney@fairfieldcity.nsw.gov.au

Dear Andrew,

RE: PEER REVIEW OF ECONOMIC STATEMENT – GREENWAY SUPACENTA

Following receipt of your letter dated 17 December 2014 and direction to proceed with the Peer Review, I am pleased to present this Peer Review.

Background

Greenway Supacenta is an existing mixed use development located within the large industrial precinct at Wetherill Park. It provides a mix of (predominantly) showroom tenants and industrial service centre tenants.

Development to date has been in accordance with the Fairfield LEP 1994, which provides amongst other things, for the central building on the site (containing tenancies 1-7) to allow Shops and Business Premises on the ground floor (although a supermarket is prohibited) and Business Premises on the mezzanine level. The new Fairfield LEP 2013 provides for the whole site to be contained within the B5 zone, which prohibits the equivalent uses of Commercial Premises, Business Premises, Office Premises and Shops.

It is understood that existing use rights allow existing tenants to continue their operations lawfully, but that, upon the extinguishment of any of the above uses within a tenancy, the Fairfield LEP 2013 would then apply prohibiting a new tenancy from operating. I have been advised that the relevant Act provides that a use is extinguished if it ceases to be used for a period of 12 or more months.

Shopping centres are typically presented with various tenancy changes, such as by a tenant selling its business to a new operator or by a tenant leaving the tenancy. Whilst it would appear that many of these changes would not trigger the extinguishment of existing use rights, centre management and new tenants would experience difficulties in circumstances where the existing use rights have been extinguished.

You have sought a Peer Review of the short Economic Statement prepared by Urbis and specific advice relating to the risk of a supermarket being developed on the site.

Economic Statement

The short Economic Statement concludes that there is unlikely to be any adverse economic impacts associated with the proposed LEP amendment based upon the following key arguments:

- (a) The amendment seeks to maintain an existing situation;
- (b) There is projected significant growth in the City's retail expenditure base, sufficient to support the entry of new retailers;
- (c) The two closest centres have plans to refurbish and/or extend;
- (d) The Greenway Supacentra would continue to operate as a bulky goods centre;
- (e) Tenancies 1-7 primarily serve as a top-up destination for bulky goods customers and the surrounding industrial workforce; and
- (f) There are several economic benefits that would be derived from the LEP amendment.

The following comments are raised with respect to the issues raised by the Economic Statement:

- (a) Whilst the estimated annual increase in the City's retail expenditure base is supported, it is our view that Urbis has understated population growth and overstated real expenditure increases (with these differences effectively neutralising each other); and
- (b) The large scale of Joe's Fruit World (1,178m²) indicates that it operates to a larger customer market than the top-up shopping needs of bulky goods shoppers and the industrial workforce. It is more likely that it has developed its own clientele and competes more directly with Wetherill Park Market Town and Stockland Wetherill Park for the fruit and vegetable spending market.

There are several other issues that are considered relevant to an economic analysis, that have not been addressed by the Economic Statement:

- (a) Fairfield City has an undersupply of bulky goods stores;
- (b) The Economic Statement indicates that the applicant has recently obtained approval to convert 12,000m² of vacant bulky goods tenancies to a very large medical centre. Whilst a medical centre should be included as part of an industrial service centre, the scale of the proposed medical centre clearly transcends that role and would serve a very large residential catchment. Ideally, such a use should be located within a centre and/or major health precinct (such as at Prairiewood). The consequence of this approval is that 12,000m² of buildings suitable for bulky goods tenancies (and originally constructed for that use) have been removed from Fairfield City, thereby increasing its level of undersupply in that sector;
- (c) There is a need for the existing industrial service centre to continue to provide a service to the Wetherill Park industrial precinct;
- (d) The proposed amendment would, in the longer term (as tenancies change), not result in an increase in the bulky goods provision at the Greenway Supacentra. However, this shortfall is considered to be minor compared to the approved medical centre, noted above; and
- (e) The potential location of a 1,500m² supermarket at Greenway Supacentra could elevate its function in the hierarchy and result in unacceptable economic impacts upon Wetherill Park Market Town (see section below).

On balance, the conclusion of the Economic Statement that there is unlikely to be any adverse economic impacts associated with the proposed LEP amendment is supported (subject to supermarket comments in the next section) due mainly to:

- (a) The ongoing need for an industrial service centre within the Wetherill Park industrial precinct;
- (b) The amendment perpetuating existing use rights; and
- (c) Projected population growth in the City would increase its retail expenditure base.

Supermarket Potential

The Fairfield LEP 1994 provided that a supermarket was prohibited on the subject site.

The Applicant has indicated that a supermarket is not proposed within the central building tenancies. In order to provide Council with comfort that a supermarket would not be developed, it has proposed a limitation of the floorspace devoted to any single Shop tenancy to not exceed 1,500m².

It is my opinion that such a limitation would not be effective in preventing the operation of a supermarket from the subject site. The standard ALDI supermarket module in Australia commenced at around 1,300m², although is now believed to have increased to about 1,400m². Whilst the larger Supa IGA supermarkets are typically larger than 1,500m², smaller IGA supermarkets can range from about 150m² to 400m² for IGA X-press convenience stores to between 500m² and 1,500m² for mid-sized IGA supermarkets. There have also been frequent attempts by non-bulky goods stores from operating within bulky goods store centres in Australia.

It is recommended that the floorspace limit be reduced from 1,500m² to between 500m² and 1,000m². A limitation of 500m² would allow for the operation of a smaller IGA X-press convenience store to operate at Greenway Supacenta, which is considered an appropriate use for that industrial service centre, whilst preventing the operation of mid- and larger-sized IGA supermarkets as well as ALDI and full-line supermarkets. A limitation of 1,000m² would allow for the operation of smaller IGA X-press convenience stores and some mid-sized IGA supermarkets, whilst preventing the operation of larger-sized IGA supermarkets as well as ALDI and full-line supermarkets.

Whilst the operation of a supermarket from Greenway Supacenta is likely to adversely impact upon the operation of the existing Wetherill Park Market Town, the scale of impact is likely to be acceptable if its size is less than 500m² and unacceptable if greater than 1,000m². Between those two sizes, the impact is likely to be noticeable. Whether it is also unacceptable depends upon whether Market Town is refurbished and expanded (acceptable) or not (unacceptable). It is therefore considered appropriate that a limitation of between 500m² and 1,000m² be negotiated between Council and the Applicant.

Alternately, it may be appropriate to return to the former limitation of a supermarket being prohibited (and defining a supermarket use).

Conclusion

From a need and economic perspective, the proposed amendment to the LEP is supported subject to the limitation of the Shop floorspace being reduced to between 500m² and 1,000m².

I trust that this advice sufficiently addresses the issues raised by Council. Please contact the author or Hannah Seymour should you have any further queries.

Yours faithfully
Norling Consulting Pty Ltd

A handwritten signature in blue ink, appearing to read 'Jon Norling', is positioned above the printed name and title.

Jon Norling
Director

Appendix F

Correspondence dated 21 May
2015 between Council and Urbis