

IRF21/2555

# **Gateway determination report – PP-2021-3686**

Liverpool Planning Proposal –Amendment 91 (10 Orange Grove Road and 5 Viscount Place, Warwick Farm)

June 21



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#### Table 1 Reports and plans supporting the proposal

Relevant reports and plans		
SGS Peer Review		
Ethos Urban Assessments		
Deep End Service Economic Analysis		
Traffic Report		
Council report and resolution		

Local Planning Panel Report and Minutes

## 1 Planning proposal

### 1.1 Overview

#### Table 1 Planning proposal details

LGA	Liverpool Local Government Area	
РРА	Liverpool Council	
NAME	Draft Liverpool LEP 2008 (Amendment 91) (0 homes, 85 jobs)	
NUMBER	PP-2021-3686	
LEP TO BE AMENDED	Liverpool LEP 2008	
ADDRESS	10 Orange Grove Road and 5 Viscount Place, Warwick Farm	
DESCRIPTION	Part of Lot 101 DP 1043160 and Part of Lot 23 DP 1190437	
RECEIVED	28/05/2021	
FILE NO.	IRF21/ 2555	
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required	
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal	

## 1.2 Objectives of planning proposal

The planning proposal (Attachment A) seeks amendments to Clauses 21 and 24 in Schedule 1 Additional Permitted Uses of the Liverpool LEP 2008 relating to the Grove Centre at Warwick Farm, Liverpool.

The two land parcels subject to the proposal are:

- 5 Viscount Place, Warwick Farm (part of 101 DP1043160 and part of Lot 23 DP 1190437), known as the Fashion Spree Factory Outlet. Both sites are owned by Gazcorp Pty Ltd; and
- 10 Orange Grove Road, Warwick Farm (part Lot 101 DP 1043160) known as the Grove Homemaker Centre.

The objective of the planning proposal is to amend the Liverpool Local Environmental Plan (LEP) 2008 to:

- Schedule 1, Clause 21 to:
  - o increase the current cap on retail premises from 19,000m<sup>2</sup> to 21,000m<sup>2</sup>: and
  - update the legal description of the site to remove Lot 121 DP876962 as it has since been subdivided, and insert 'part of Lot 23 DP 1190437'; and
- Schedule 1, Clause 24 to:
  - include *business premises* as an additional permitted use at 10 Orange Grove Road, Warwick Farm (part of Lot 101 DP 1043160).

Council advises the amendment is to provide greater flexibility and further expand the permissible uses of The Grove Centre to facilitate a development proposal. The development application (DA-416/2021) currently with Council for the site includes demolition and alterations, and to increase commercial floor space, reconfigure access roads, parking areas, landscaped areas and associated infrastructure works.

The DA is on exhibition from 8 June 2021 until 9 July 2021. The proposal is identified as 'Integrated Development' an requires general terms of approval from NSW Rural Fire Service and the Natural Resources Access Regulator. Liverpool City Council is the consent authority and the Sydney West Joint Regional Planning Panel has the function of the determining authority

The objectives of this planning proposal are clear and adequate. However, the land description and map diagrams in the planning proposal need to be amended to accurately reflect the subject site as identified on the LEP Key Sites Map\_010. A Gateway condition will require Council to amend the planning proposal to this effect.

### 1.3 Explanation of provisions

The amendment is to increase retail floor space and expand the permissible uses on the land identified in the existing Additional Permitted Uses Schedule applying to the Grove Homemaker Centre and the Fashion Spree outlet identified in **Figure 1** Key Sites Map (page 5), to facilitate a development proposal. The planning proposal seeks to amend Schedule 1 of the Liverpool LEP 2008 as identified in **Table 2** below.

Control	Current Provisions	Proposed Provisions (planning proposal)
Zone	B5 Business Development	No change to zoning
FASHION SPREE SITE		
Schedule 1: Clause 21 (1) (Amendment 22)	Land described as: 5 Viscount Place, Warwick Farm, part of Lot 101 DP1043160 and part of Lot 121, DP876962	Change land description to: part of Lot 101 DP1043160 and part of Lot 23 DP1190437
Clause 21 (2)(a)	Total gross area of all retail premises on the site does not exceed 19,000m <sup>2</sup>	Total gross area of all retail premises on the site does not exceed 21,000m <sup>2</sup>
THE GROVE HOMEMAKER CENTRE Schedule 1: Clause 24(1) (Amendment 61)	Land described as: 10 Viscount Place, Warwick Farm (part of Lot 101 DP1043160).	No change
Clause 24 (2)	Development for the purpose of "shops" is permitted with consent if the total gross floor area of "shops" on the site does not exceed 21,000m <sup>2</sup> .	Development for the purpose of both "shops" <u>and "business</u> <u>premises"</u> to be permitted with consent if the combined area for both uses do not exceed 21,000m <sup>2</sup>
JOBS	1,730 jobs	+85 jobs

#### Table 2 Current and proposed controls

The planning proposal contains an explanation of provisions that adequately explains how the objectives of the proposal will be achieved. The planning proposal was accompanied by an Economic analysis by Deep End Services (August 2020) which was peer reviewed by SGS Economics (February 2021) for Council. The proposal was supported by additional Economic Analysis by Ethos Urban (March 2021) on behalf of the proponents.

### 1.4 Site description and surrounding area

The Grove Centre is made up of:

- Lot 101 in DP1043160;
- Lot 23 in DP1190437;
- Lot 22 in DP1190437; and
- Lot 100 in DP1043160.

The Grove Homemaker Centre (part of Lot 101 in DP1043160) and Fashion Spree outlet sites (part of Lot 101 DP1043160 and part of Lot 23 in DP1190437), are zoned B5 Business Development (**Figures 2 and 4**, pages 5 and 7).

Lot 22 in DP1190437 and Lot 100 in DP1043160 are along Orange Grove Road and are zoned B6 Enterprise Corridor (see **Figure 3**, page 6). The B6 sites have a variety of retail and warehouses such as Chemist warehouse, Dan Murphy, and fast-food outlets.

The Fashion Spree site area is  $48,190m^2$ . The maximum FSR for the site is 0.75:1, resulting in a maximum permissible floor space of  $36,142.5m^2$  on the site. The existing Fashion Spree development contains approximately  $14,000m^2$  GFA, with an additional  $4,260m^2$  approved in 2016.

The Grove Homemaker Centre site is  $99,420m^2$ . The maximum FSR is 0.75:1, resulting in a maximum permissible floor space of  $74,565m^2$ . The existing specialised retail centre on site contains approximately  $34,500m^2$  GFA. The proposed Development Application (DA) for reconfiguration and expansion of the existing Homemaker Centre is to provide a total GFA of 55,674m2 on the site with  $18,000m^2$  GFA of shop floorspace.

Directly to the north of the site is Cabramatta Creek and associated riparian corridor. Cabramatta suburb is across the creek.

Directly to the south of the site is IN1 General Industrial zoned land with large format warehouses and bulky goods retailing. The site is approximately 1.5km from Liverpool City Centre.

Cabramatta Creek and Dwyer Oval are located to the east of the site, which make up a larger open space corridor that extends to the Hume Highway. To the east is Warwick Farm residential area characterised by low density residential dwellings.

Orange Grove Road and Cumberland Highway are located to the west and Hume Highway is to the south of the site. Beyond Cumberland Highway to the west is Cabramatta Creek, Cabramatta Golf Club, and low-density residential dwellings.

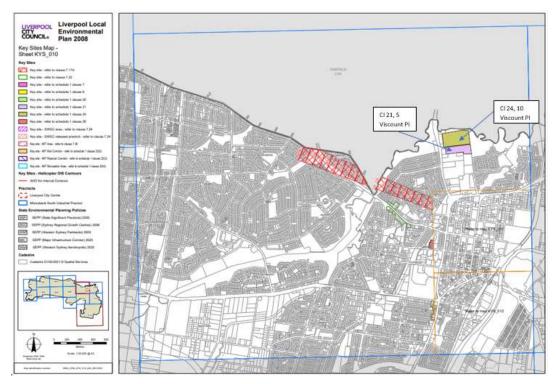


Figure 1 Key Sites Map \_010



Figure 2 Subject site (source: Google Maps)

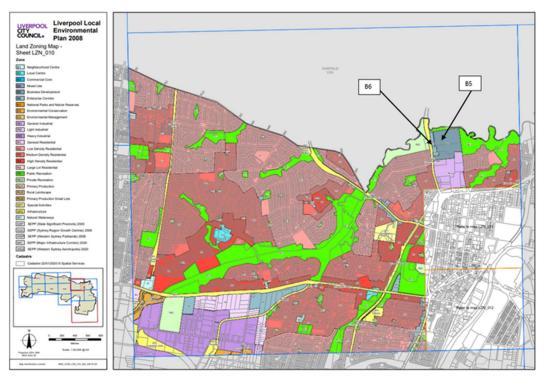


Figure 3 Land zoning map (source: LEP)

### 1.5 Mapping

The planning proposal includes maps showing the location, zoning and the key sites maps (**Figure 7**, page 8). The planning proposal will not make changes to the existing maps in the LEP.

However, the sites identified on the Key Sites Map\_010 (Figure 4, page 7) are part of Lot 101 in DP1043160 and part of Lot 23 in DP1190437 (Figures 5 and 6, pages 7 and 8). The planning proposal applies to land identified on the key sites map, however, the planning proposal mapping incorrectly identifies more land than what is identified on the key sites map, therefore the Gateway determination has been conditioned to require council to amend the planning proposal map so that it only applies to the areas already identified on the key sites map.



Figure 4 Extract from LEP Key sites map



Figure 5 Lot 23 in DP1190437 (Fashion Spree site) (source: Planning Portal)



Figure 6 Lot 101 in DP1043160 (Homemaker Centre) (source: Planning Portal)



Figure 7 Subject site as identified in the planning proposal

### 1.6 Background

#### Previous LEP amendments

The Grove Centre was previously zoned 4(b) Industrial under the Liverpool Local Environmental Plan 1997 (LLEP 1997). In 2001, Council approved a Development Application (DA) for a warehouse retail outlet on the Fashion Spree site. In 2003, this consent was challenged by Westfield in the Land and Environment Court. In 2004, the Court found that a warehouse retail outlet could not operate under the zone, and the outlet was ordered to close.

In 2008, the site was zoned B5 Business Development under Liverpool LEP 2008 to facilitate the development of the vacant warehouse retail outlet for 'weekend markets' only.

Subsequently, the LEP was amended in 2013 (Schedule 1 Clause 21, Amendment 22) and in 2019 (Schedule 1 Clause 24, Amendment 61), to allow additional permitted uses. The amendments allowed shops on the Homemaker Centre with a combined GFA of 21,000m<sup>2</sup>, and allowed retail premises on the Fashion Spree site with a combined total GFA of 19,000m<sup>2</sup> and individual retail premises restricted to 1,200m<sup>2</sup>.

When considering the planning proposal for Gateway determination for Amendment 61 to allow 21,000m<sup>2</sup> GFA for shops on the Grove Homemaker site, the Department referred the planning proposal to the Planning Assessment Commission (PAC) for an independent advice. The PAC in October 2016 recommended that the proposal proceed to Gateway determination.

The existing Clauses 21 and 24 of Schedule 1 Additional Permitted Uses is at Attachment O.

#### Initial Planning Proposal

Gazcorp Pty Ltd, the owners of the Grove Centre (the Grove), initially submitted the planning proposal on 7 September 2020, prepared by Ethos Urban. The Grove consists of four lots, however the planning proposal applies to the two large lots which comprise the majority of the centre, identified on the Liverpool LEP 2008 KYS map 009 (Figures 1 and 4, pages 5 and 7).

The planning proposal (September 2020) in summary, was to achieve the following:

- Homemaker Centre Schedule 1 Clause 24 (Amendment 61)
  - Add business premises as a permissible use.
- Fashion Spree site Schedule 1 Clause 21 (Amendment 22)
  - Update legal description of the site.
  - Add business premises as a permissible use.
  - Remove the 19,000sqm GFA cap applying to all retail premises, and apply the cap to shops and business premises only. The maximum individual premises of 1,200sqm is retained for shops and business premises.
  - Increase the 19,000sqm GFA cap to 21,000sqm.

The proposal was exhibited, pre-Gateway from 15 September 2020 until 13 October 2020. Council received submissions concerning cumulative economic impacts of the proposal on other centres (i.e. Liverpool CBD and Westfield) and detract from the vision to activate the Liverpool CBD.

#### **Current Planning Proposal**

Following discussions between Council officers and Ethos Urban (for the proponent) (Attachment I), and Council's peer review of the economic analysis by SGS (Attachment E), the proponent on 25 March 2021, amended the planning proposal is outlined in sections 1.2 and 1.3 above.

The planning proposal report was considered by the Liverpool Local Planning Panel at its meeting on 6 April 2021 (Attachment J). The panel agreed (Attachment K) with Council and SGS peer review recommendation that the additional business premises together with shops within the GFA cap of 21,000m<sup>2</sup> is unlikely to have an adverse impact on the Liverpool Town Centre or contrary to the Council's Centres and Corridor Strategy. The Panel's further comments are discussed in paragraph 3.3 Local planning panel (LPP) recommendations on page 18.

Council considered the proposal (Attachment M) at its 28 April 2021 Council meeting supporting the proposal proceed to Gateway (Attachment N). Council concluded that:

- the additional 2,000m<sup>2</sup> is deemed to be a small proportion of the total retail floor space;
- the existing factory outlet retail offering is unique to the site and provides an appropriate location for such a use;
- the traffic impacts are likely to be minor in nature given the modest retail floor space increase and can be addressed in consultation with Council's traffic team and TfNSW; and

• the letter of offer provided by the applicant to ensure monetary contribution towards infrastructure is satisfactory to address the planning proposal.

## 2 Need for the planning proposal

### 2.1 Planning Proposal

Is the planning proposal a result of an assured local strategic planning statement, or Department approved local housing strategy, employment strategy or strategic study or report?

The planning proposal is not a result of any strategic planning statement, strategic study or report. Council advises the planning proposal aligns with all relevant state and regional strategic documents that set out goals seeking to protect, increase and enhance industrial and urban services land. The proposal is also aligned with Council's strategies and studies. Council's Strategic assessment of the proposal is in the planning proposal at **Attachment A**.

Council advises that:

- The legal description of the Fashion Spree site has been amended and therefore the clause needs to be updated to reference the current Lot and DP reference.
- The proposed 2,000m<sup>2</sup> increase to the Fashion Spree site's maximum permitted floorspace is sought to facilitate the provision of a greater experience for shoppers and a better urban design outcome. The additional floorspace will be beneficial to the entire site as it will:
  - Increase the amount of outlet retail premises floorspace whilst ensuring that food and drink retailing on the site continues to be provided in accordance with the centre hierarchy and role of the centre; and
  - Enable the sleeving of the northern side of Fashion Spree centre with additional tenancies, thereby activating the public domain and creating a better shopping experience for customers and workers.
- The introduction of business premises into Clause 24 in Schedule 1 as an additional permitted use will enable the provision of ancillary and complementary services for the convenience of the visitor and working population on the Homemaker Centre site. Business premises at the Homemaker Centre site will be subject to the proposed 21,000m2. In their peer review, SGS has confirmed that this element of the proposal is unlikely to have adverse impacts on the Liverpool City Centre.
- Council verbally advised that the address of the Homemaker site also needs to be updated. It is not part of the proposal submitted for Gateway determination. Council will amend the proposal prior to public exhibition.

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

Amendment to the LEP Schedule 1 Additional Permitted Uses as proposed is the best means to achieve the outcomes proposed as discussed below.

### 2.2 Proposed changes to Schedule 1

#### Pre-Gateway exhibition

As discussed above, Council has already exhibited the proposal.

Two objections were received (Attachment H). One submission raised concerns over traffic and a submission received from Scentre Group (owners of Westfield Liverpool) implied that the incremental increase of retail GFA on the site will lead to cumulative economic impacts on other centres (i.e. Liverpool CBD and Westfield), detract from the vision to activate the Liverpool CBD and is

inconsistent with the objectives of the zone for larger floor plates. The submissions are summarised and discussed in the SGS peer review at **Attachment E**.

Council advises the development proposal being considered on the site is to facilitate a higher degree of amenity for shoppers, a greater shopping experience and an improved urban design outcome. The indicative plan provided by Council (Figures 8 and 9, pages 13 and 14) shows that the proposed new layout will include the establishment of tenancies on the northern fringe of the building, integrated with the landscaping and future refurbishment and development with the Grove Homemaker Centre. As such, Council has proposed an increase in maximum permitted floorspace to 21,000m2 to accommodate additional retail floor space on the site.

The Fashion Spree site currently has a total retail GFA 18,916m<sup>2</sup>. The proposed additional retail floor space of 2,000m2 was supported by an economic analysis for the planning proposal by Deep End Services (31 August 2020) and Ethos Urban (25 March 2021) for the proponent, and a peer review was undertaken by SGS Economics for Council.

The floor space cap for individual retail premises at 1,200m<sup>2</sup> will not change.

Economic Impact Analysis:

A peer review of the planning proposal was carried out by SGS on behalf of Council in February 2021 (Attachment E) on the economic impacts of the proposal and the submissions received at the pre-Gateway exhibition.

In relation to cumulative impacts, SGS notes that previous economic impacts assessments during previous LEP amendments have detailed analysis of the overall turnover on nearby Regional Centres such as Liverpool CBD and Westfield, and other smaller centres, and have found that the effects on this turnover would not reduce to below an acceptable level. SGS also completed modelling for the Liverpool Centres and Corridor Strategy, considering the additional permitted uses on The Grove site, and found there have been an increase in retail floorspace demand in the Liverpool City Centre. However, SGS noted that the type of development at The Grove would have a limited impact on retail viability outside of Westfield and Liverpool Plaza.

SGS supported the restriction of 'food and drink premises' within the corresponding GFA caps for retail premises to ensure the 'food and drink premises' retailing on the site is in accordance with the centre hierarchy and role of the centre. The 'food and drink premises' (and restaurants and cafes) is a permissible use in the existing B5 zone.

SGS also found that the impact of additional 2,000m<sup>2</sup> is unlikely to have economic impacts on other centres due to the size of the increase, as long as the outlet clothing retail focus is retained.

In response to the submissions, Ethos Urban, on behalf of Gazcorp (Attachment I) considered that the economic impacts of all amendments have been tested by way of economic impact assessments in the past, and the additional 2,000m<sup>2</sup> would be negligible. Ethos Urban also noted that the Liverpool City Centre has a large offering of retail, and the addition of business premises at The Grove would be an ancillary function only.

Department comments:

As Council has stated in the proposal, the Grove has been the subject of numerous independent economic impact assessments and cost/benefit analysis to measure the potential impact of the growth of the centre anticipated under the Amendments 22 and 61 of the LEP for the Grove Centre. This included the Department's independent peer review by SGS Economics in 2013, as part of the Amendment 22 to allow retail premises on the Fashion Spree site for a permanent brand outlet centre.

The SGS peer review at the time noted that if more general retail uses (such as a supermarket or large department store) were permitted, the impact on nearby centres could increase significantly and that the ability of the controls to limit non-outlet retail is critical to trading impacts. As a result, a strict cap of 1,200 m<sup>2</sup> for individual tenant and a total GFA of 19,000m2 cap for retail premises was

imposed in the LEP. The intention of the caps was to prevent a supermarket or large department store from establishing and to retain outlet retailing the focus on the site.

There has been considerable population growth since the amendment 22 was made in 2013. Liverpool LGA's population has increased from:

- 191,401 in 2012,
- 227,312 in 2019 and
- 242,817 in 2021 (Liverpool LSPS forecast).

It is expected this population growth will lead to an increase in demand for additional retail floor space in the LGA. The recent SGS peer review for Council has also found that there has been an increase in retail floorspace demand in the Liverpool City Centre.

Previous studies and modelling have confirmed that with general retail uses restricted to minimum levels, the future retailing at The Grove will have very low turnover reduction/impacts on the surrounding Regional Centres such as Liverpool CBD, Westfield Liverpool, Fairfield Town Centre and Stockland Wetherill Park, as well as smaller Sub-Regional Centres of Casula Mall, Bonnyrigg Plaza and Carnes Hill Marketplace. The planning proposal will retain the individual floorspace cap controls, and as such it is not considered to have significant impact on the surrounding retail centres.

The recent technical studies for the site, including the current SGS (Attachment E), Deep End (Attachment F) and Ethos Urban assessments (Attachments G, I, and P) for Gazcorp Pty Ltd in March and April 2021 have implied that the increase of retail development on the site by 2,000m<sup>2</sup> is of minor nature, and can be developed without significant impact upon any other surrounding Regional and Sub-Regional centres.

The additional retail floor space of 2,000m<sup>2</sup> will facilitate a better urban design outcome and is not likely to detract the role and focus of the centre as an outlet centre.

#### The Grove Homemaker Centre - Schedule 1 Clause 24 (Amendment 61)

• Add business premises as a permissible use

The proposal seeks to introduce Business Premises (service-based uses such as shoe repairs, dry cleaners, tailors, hair and nail salons, hairdressers, or banks) as an additional permitted use together with shops on the Homemaker Site. The intention is to add ancillary services to workers and shoppers already visiting the site for other purposes. The 21,000m<sup>2</sup> area cap for shops on the Homemaker site will be retained but the cap will now apply to both shops and business premises.

SGS peer review for Council (Attachment E) has confirmed that this element of the proposal is unlikely to have adverse impacts on the Liverpool City Centre. SGS noted that the stand-alone centres at Chipping Norton, Hoxton Park Road, Prestons and Casula include business premises as a permitted use. The introduction of additional business premises uses into the existing developments on the Homemaker site would not convert the site into a mixed-use or local centre in the traditional sense.

Further, the Economic analysis report, prepared by Deep End Services (**Attachment F**) on behalf of the proponent considers that the small-scale businesses would rely on the visitation generated by the centre and would have a complementary or ancillary function that would improve the amenity for visitors and enable them and employees on site to obtain a limited range of personal or business services while experiencing the retail offer.

Deep End Services further states that economic impact assessments specifically exclude business premises when considering trading impacts on other centres, when defining the function and hierarchy of centres. Deep End Services consider that the inclusion of business premises as a permitted use within Clause 24, on the Grove site would:

- have no effect on the role of the operation of the centre,
- be immaterial to the classification of the centre within the hierarchy; and
- not adversely impact any other centres.

#### Department comment:

The Homemaker Centre currently has discount department store (Kmart), supermarkets, mini majors, a number of speciality shops and some commercial tenants. The intent of the proposed additional business premises on the Homemaker site is to be complimentary to the shop use on the site. The Homemaker site already permits additional permitted use of shops (capped at 21,000m<sup>2</sup>) under the existing clause 24 (Amendment 61) as well as warehouses, storage premises, office premises and some retail uses (i.e. food and drink premises, kiosks, specialised retail premises etc.) with consent under B5 zone.

The planning proposal is to facilitate business premises to be included as part of the proposed development for expansion of the centre. The provision of business premises uses, such as shoe repairs, dry cleaners, tailors, nail salons, hairdressers or banks would rely on the visitation generated by the centre and would have a complementary or ancillary function that would improve the amenity for visitors and enable them and employees on site to obtain a limited range of personal or business services while experiencing the retail offer.

Business uses, itself are not end of journey destinations, unlike some retail uses such as specialised retail premises which are already permissible on the site. The proposal is to cap the floor space for both shops and business premises on the site at 21,000m<sup>2</sup>. It is not considered that business premises as a permitted use within Clause 24, with a floor space capped together with the existing additional shops would transition the centre from stand-alone specialised retail outlet centre (identified in the Liverpool Centres & Corridor Strategy) to mixed-use or local centre in traditional sense. The proposal is unlikely to have additional and adverse impact on the role and retail function of surrounding centres that currently serves the communities in Liverpool and Fairfield.



Figure 8 Concept layout of the proposed DA (source: DA-416/2021)



Figure 9 The development proposal illustrative drawing (source: DA-416/2021)

## 3 Strategic assessment

### 3.1 Western City District Plan

The Western City District Plan applies to the site. The District Plan contains planning priorities and actions to guide the growth of the district while improving its social, economic, and environmental assets.

The planning proposal is consistent with the priorities for infrastructure and collaboration, liveability, productivity, and sustainability in the plan as outlined in **Table 3** on page 14, below.

The Department is satisfied the planning proposal gives effect to the District Plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*. The following table includes an assessment of the planning proposal against relevant directions and actions.

District Plan Priorities	Justification
LIVEABILITY	
Planning Priority W6 – Creating and	Action 22 Use place-based planning to support the role of centres as a focus for connected neighbourhoods.
renewing great places and local centres and respecting the	The Grove is a stand-alone centre that has provisions included within the LLEP 2008 that enables for a mix of specialised retail, traditional retail, and a specialised retail premises over approximately 15.6 hectares of land.
District's heritage.	Although it is not a local centre, the proposal will facilitate a DA that will provide a place-based outcome with a focus on the public realm, open space, improved active and public transport connections, and 85 local jobs.
	The proposal with an additional retail GFA of 2,000m <sup>2</sup> on Fashion Spree site and additional business premises, within the existing shops GFA on the Homemaker site, to service the employees/visitors to the centre is unlikely to move the site away from its stand-alone centre use or have adverse impact on the surrounding centres.
PRODUCTIVITY	
Planning Priority W9 - Growing and	Action 42 (g) Encourage a vibrant mix of uses, new lifestyle and entertainment uses to activate streets and grow the night-time economy.
strengthening the metropolitan cluster	The limited retail and business offerings resulting from the proposal is unlikely to have adverse impact on the planned Liverpool CBD metropolitan cluster where a vast range of retail opportunities exists.
Planning Priority W11 – Growing investment, business opportunities and jobs in strategic centres	The site is not identified as a strategic centre in the District Plan. However, it is identified as a stand-alone centre in the local strategic documents and Centres and Corridor Strategy. The planning proposal will enable additional 85 jobs, to the existing 1,730 jobs on the site and provide additional ancillary and complementary business uses to the range of existing and planned retail development. The proposal will facilitate a development proposal on the site for an improved urban outcome and greater shopping opportunities for residents, destination visitors and workers.
	The proposal is not likely to have adverse impact on the business opportunities and jobs in the identified strategic centres.
SUSTAINABILITY	
Planning Priority W12 - Protecting and improving the health and	The subject site is situated south of Cabramatta Creek, and are subject to flood constraints (Figure 10). The site is not used for residential and the additional 2,000m <sup>2</sup> of retail floor space is unlikely to adversely affect flood behaviour resulting in detrimental increases in the potential flood affectation of other development or properties.
enjoyment of the District's waterways	It is considered flood constraints can be appropriately considered at the DA stage, consistent with clause 7.8 Flood planning of the LEP.
,	It is recommended that EES Group is to be consulted during exhibition.
Planning Priority W14	Objective 27 Biodiversity is protected urban bushland and remnant vegetation is enhanced.

### Table 3 District Plan assessment

Protecting and enhancing bushland and biodiversity	The site has environmental constraints towards the north corner along Cabramatta Creek corridor, identified as Environmentally Significant Land/mapped under the LEP 2008. Any environmental considerations in relation to the impact on bushland can be appropriately addressed at the DA stage consistent with clause 7.6 Environmentally significant land of the LEP.	
A RESILIENT CITY		
Planning Priority W20 - Adapting to the impacts of urban and natural	Part of the site is subject to flooding and bushfire being within the vegetation buffer of Cabramatta Creek corridor. The additional retail space is of a minor nature and is unlikely to have significant adverse impacts. It is recommended that EES Group and NSW RFS are to be consulted on the proposal.	

### 3.2 Local

hazards and climate change

The proposal states that the planning proposal is consistent with the following local plans and endorsed strategies as well as the local strategic direction and objectives, as stated in the Table 4 below:

Local Strategies	Justification
Local Strategic Planning Statement	The Grove is identified as a bulky goods and retail precinct on the LSPS Structure Plan within the rationale of Local Planning Priority 11 - An attractive environment for local jobs, business, tourism, and investment
	The Grove is a stand-alone centre that provides a diverse mix of types of retail uses and a range of gathering places (especially once the Fashion Spree and Homemaker Centre expansion developments are complete). The planning proposal provides only a greater flexibility in the operation of the existing site, which will not compromise the retail hierarchy or generate significant impacts on other centres.
Liverpool Economic Development Strategy 2019- 2029	Liverpool Council's Economic Development Strategy 2019-2029 identified The Grove, Liverpool as an important retail precinct. Within the accompanying retail profile, the site is identified as the third largest retail centre within the Liverpool LGA with 44,500m <sup>2</sup> of floor space. With the delivery of an additional 21,000m <sup>2</sup> (as proposed under Amendment 61) The Grove is the second largest retailer in the Liverpool LGA. Accordingly, the proposed changes to Clauses 21 and 24 in Schedule 1 of the LEP encourage the orderly economic development of the site and demonstrates the importance of preserving and utilising existing and appropriately sited land.
Liverpool Centres and Corridors	<ul> <li>Proposals must not have a significant negative impact on the retail operation of the Liverpool City Centre, town centres and local centres (including planned future centres).</li> <li>The planning proposal will not result in any significant negative impact on the retail operation of the Liverpool City Centre, or any other town and local centres.</li> </ul>

#### Table 4 Local strategic planning assessment (source: Planning Proposal)

Strategy – Guiding criteria	• The creation of new out of centre retail developments are not encouraged. The Grove has been a stand-alone centre since 2012 and remains so. This planning proposal does not seek to create any new out of centre retail developments. It only seeks minor amendments to the existing site-specific development controls that relate to The Grove.
	<ul> <li>In all centres (except neighbourhood centres), proposals must retain the existing amount of retail and commercial floorspace as part of a mixed-use development.</li> <li>This planning proposal does not seek to reduce the volume of retail floorspace that can be developed on the site.</li> </ul>
	• Proposals for redevelopment or expansion of town centres and local centres must demonstrate improved integration with the public domain and with nearby open space, social infrastructure, and other services.
	This planning proposal along with and the future development application will to help facilitate an outcome on the site that provides a better urban design outcome, and a greater shopping experience which improves its integration with the public domain, nearby open spaces, public transport infrastructure and other services.
	• Allow additional retail uses in the B5 zone if it can be demonstrated they could not reasonably locate in another centre and they constitute a small proportion of the total retail floorspace.
	An additional 2,000m <sup>2</sup> of floorspace for shops on the Fashion Spree site will not make a significant change to the overall structure of the centre and the impact on other Centres.

## 3.3 Local planning panel (LPP) recommendation

The Liverpool Local Planning Panel considered a report dated 29 March 2021 and the amended planning proposal by Ethos Urban. The Panel, in its advice dated 8 April 2021 (Attachment K) was supportive of the proposal proceeding to Gateway determination subject to the additional retail premises on the Fashion Spree site only be supported if it is for additional outlet retailing. The Panel was concerned that:

- the outlet retailing on the Fashion Spree site is unique to the site and the proposed additional retail floor space might lead the centre to transition away from the current operation of the centre; and
- the site may become a destination food and drink location, as opposed to providing food and drink premises as ancillary to other shopping visits.

The Panel concluded that there were no other strategic or site-specific matters that warranted the planning proposal not proceeding. However, if the proposal is to proceed, the Panel wanted Council to explore an enforceable mechanism to ensure:

- the site retains its unique outlet retail role and does not transition to a more traditional retail offering similar to Liverpool CBD and potential to compete with the CBD; and
- that any food and drink premises at both the Homemaker site and Fashion Spree site are ancillary to the other uses rather than becoming destinations in themselves.

#### Council views

Following the Panel's advice, Council staff reviewed the Panel's advice and assessed the proposal against the Centres and Corridor Strategy criteria **(Table 4**, on page 16) for stand-alone centres in relation to 2,000m<sup>2</sup> retail space proposed for Fashion Spree site. Subsequently, Liverpool Council considered the proposal at its 28 April 2021 to proceed to Gateway, subject to amendments to include business premises on the Homemaker Centre and increase the current cap by 2,000m2 on the Fashion Spree Outlet Centre. Council concluded that:

• the additional 2,000m<sup>2</sup> is deemed to be a small proportion of the total retail floor space; and

• the existing factory outlet retail offering is unique to the site and provides an appropriate location for such a use.

Council Staff's memorandum dated 31 April 2021 (Attachment L) which was submitted to the Panel addressing the Panel's concerns are as follows:

- the Fashion Spree site currently offers a unique factory outlet retail offering. It is deemed that there is limited capacity in the immediate vicinity for this type of use;
- the Fashion Spree site is not proposed to act as a local or town centre but rather retain the stand-alone centre designation assigned to the broader The Grove site;
- with the retention of the broad retail premises cap applying to the Fashion Spree site, Council foresee that the existing stand-alone centre designation will remain despite the proposed 2,000m<sup>2</sup> addition proposed; and
- Council notes that the economic impacts of this addition retail negligible in isolation, as stated by Deep End Services and confirmed by SGS in their Peer Review.

### 3.4 Section 9.1 Ministerial Directions

The planning proposal's consistency with relevant section 9.1 Directions is discussed below in **Table 5**:

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
1.1 Business and Industrial Zones	Consistent	This Direction applies to business or industrial zoned land.
The objectives of this direction are to encourage employment growth in suitable locations and support the viability of identified centres.		The planning proposal does not amend the existing zone or reduce the available land zoned for business use. It will allow for greater flexibility in the permissible uses on the site and facilitate a minimal amount of additional retail floorspace on the Fashion Spree site. 85 additional jobs will be created. The development facilitated by the planning proposal will not have an unacceptable impact on the economic viability of the Liverpool City Centre or other surrounding centres.

#### Table 5 9.1 Ministerial Direction assessment

2.1 Environmental Protection Zones This Direction requires the protection and conservation of environmentally sensitive areas. The direction requires a planning proposal to include provision which facilitate the protection and conservation of environmentally sensitive areas.	Inconsistency is of minor significance	A slither of land to the northern edge of the Homemaker site is identified as Environmentally Significant Land in the LEP 2008 will not be removed. The specific development controls in Clause 7.6 Environmental significant land of the LEP 2008 will apply to any development on the land to protect the land. This clause will ensure there is no adverse impact on the ESL land. The proposed additional 2,000m <sup>2</sup> of floorspace on the Fashion Spree site has no Environmentally Significant Land on it. The planning proposal would not reduce the development standards applying to the land containing ESL land on the site. The additional business premises on the Homemaker site will facilitate the proposed development on the site in accordance with the LEP requirements. It is unlikely the proposal will have any significant impact on the ESL land. The inconsistency with the direction is of minor
2.6 Remediation of Contaminated Land The objective of this direction is to reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered when making the planning proposal.	Consistent	significance. The site is not known to have been used for any contaminating uses in the past. The proposal will facilitate partial redevelopment of the existing development on the land. It is not considered to have further risk or harm to human health.

<ul> <li>3.4 Integrating Land Use and Transport</li> <li>The Direction encourages new development in locations that are accessible to public</li> </ul>	Consistent	The Grove has good access to a main arterial road network. The site can be accessed through existing pedestrian, public transport access and vehicular access. This level of access is also to be improved through an imminent DA which will seek to provide a new public thoroughfare to the east of the site in conjunction with the purchase, upgrade, and dedication of Homepride Avenue.
and active transport.		Council advises bus services are provided and the proponent is in discussions with Transit Systems (TfNSW private operator) in regard to the provision of additional bus services within the existing bus network, as part of Amendment 61. The development facilitated by this planning proposal will provide a greater level of flexibility in regard to the uses and services provided within the site and enable a better urban design outcome.
		The VPA for the site will facilitate better access and upgrades to the surrounding road network, including intersections.
		The Planning Proposal is considered to be consistent with the objectives and principles of the direction as the proposal is of a minor nature and the Traffic Report <b>(Attachment D)</b> considered that the proposal will have negligible impacts on traffic and associated infrastructure. There would be negligible changes to the performance (level of service and delays) of the surrounding intersections.
4.3 Flood Prone Land This direction applies when a relevant planning authority prepares a planning proposal that creates, removes, or alters a zone or a provision that affects flood prone land.	Inconsistency is of minor significance	<ul> <li>The site is identified as being flood prone.</li> <li>Clauses 7.8 Flood Planning and 7.8A Floodplain risk management of the LEP will apply to any development on the land. Council advises that any development for additional floorspace facilitated by planning proposal will be supported by a Flood Assessment that will confirm that all future development will be located above the flood planning level. Council advises any development facilitated by the Planning Proposal will: <ul> <li>not result in development within floodway areas;</li> <li>not result in significant flood impacts to other properties;</li> <li>not facilitate a significant increase in the amount of development on the site;</li> <li>not increase the requirement for government spending on flood mitigation measures, infrastructure or services; and</li> <li>will not permit development to be carried out without development consent.</li> </ul> </li> </ul>
		It is considered that the proposed development facilitated by the planning proposal will be in accordance with the requirements in the LEP and its likely impact is of minor significance.

4.4 Planning for Bushfire Protection The Direction seeks to ensure that future uses are in line with the level of flood risk applying to the land. The Direction also requires consideration of the impact of the proposal to flood risk of both the site and off site.	NSW RFS to be consulted for consistency	The northern part of the site is identified as being vegetation buffer within the bushfire prone land classifications. Given the site is already zoned for urban purposes and the fact that the bushfire report supporting the proposal states the bushfire hazard is acceptable and that risk can be minimised, therefore it is considered consultation with NSW RFS can occur during public exhibition.
6.3 Site Specific Provisions The objective of this Direction is to discourage unnecessarily restrictive site- specific planning controls.	Consistent	The planning proposal seeks an additional 2,000m <sup>2</sup> of floorspace and allow additional use on the site by expanding the existing site-specific control on the land. The proposal is of a minor nature and will not make changes the existing restrictions applying on the land.

## 3.5 State environmental planning policies (SEPPs)

The planning proposal is consistent with all relevant SEPPs.

# 4 Site-specific assessment

### 4.1 Environmental

The following table provides an assessment of the potential environmental impacts associated with the proposal.

#### Table 6 Environmental impact assessment

Environmental Impact	Assessment
Flood Impact	The site is identified in the LLEP 2008 as flood prone land and its northern and eastern edges are located within the Flood Planning Area. Clause 7.8 and 7.8A of the LEP sets out relevant flood planning controls to be considered as part of any future development application on the site. It is considered that proposal is of a minor nature and the controls will ensure any future development will not result in development within floodway areas, not result in significant flood impacts to other properties and not facilitate a significant increase in the amount of development on the site.
	Consultation with the SES is, however, recommended.
Environmental Sensitive land	A small portion of land within the northern boundary of the site is mapped as being environmentally significant. The proposed additional use on the Homemaker site does not involve additional floor space to what is currently permissible. It is considered that the proposal will not have any adverse impact on the site's environmental significance or any critical habitat, threatened species populations, or ecological communities. It is recommended the EES Group is consulted.
Bushfire Prone Land	The northern part of the site is identified as being vegetation buffer within the bushfire prone land classifications. Given the site is already zoned for urban purposes and the fact that the bushfire report supporting the proposal states the bushfire hazard is acceptable and that risk can be minimised, consultation with NSW RFS will be required during public exhibition.

### 4.2 Social and economic

The following table provides an assessment of the potential social and economic impacts associated with the proposal.

Social and Economic Impact	Assessment
2,000m <sup>2</sup> additional retail floor space and additional business premises	The Economic Analysis prepared by Deep End Services (Attachment F) identified that the addition of 2000m <sup>2</sup> retail floor space represents an approximate 10% retail increase for the Fashion Spree site and a 2.5% increase in terms of all permitted development at The Grove.
	The Deep End Services report reiterated the findings of the previous Economic Impact Assessments for the site, and considers that in the context of these findings, the proposed minor increase in floorspace of 2,000m <sup>2</sup> would have commensurately low trading effects on the surrounding centres. Ethos Urban (Attachment P), on behalf of Gazcorp further noted that the Liverpool City Centre has a large offering of retail, and the addition of business premises at The Grove would be an ancillary function only and will be restricted to the existing floor space of 21,000m <sup>2</sup> for shops.
	A peer review was undertaken by SGS for Council (February 2021) (Attachment E) on the economic impacts of the proposal and the submissions received at the pre-Gateway exhibition. SGS also found that the impact of additional 2,000m <sup>2</sup> is unlikely to have economic impacts on other centres due to the size of the increase, as long as the outlet clothing retail focus is retained.
	It is agreed that the additional Business premises and retail floor space are of a minor nature and will not have significant impact on the other centres and is unlikely to remove the role of the Grove as a stand-alone centre.
	The development proposal being considered on the site will facilitate 85 additional local jobs, a higher degree of amenity for shoppers, a greater shopping experience and an improved urban design outcome.

### 4.3 Infrastructure

The following table provides an assessment of the adequacy of infrastructure to service the site and the development resulting from the planning proposal and what infrastructure is proposed in support of the proposal.

Infrastructure	Assessment
Traffic	The proposed addition of 2,000m <sup>2</sup> retail floor space will have some minor implications in terms of additional traffic impacts. The site has good access to main arterial road network. The VPA for the site will facilitate better access and intersections outcomes. The Traffic Report <b>(Attachment D)</b> considered that subject to the identified treatments the proposal will have negligible impacts on traffic and associated infrastructure and there would be negligible changes to the performance (level of service and delays) of the surrounding intersections.
	Council advises that an existing planning agreement applies to the subject site to enable necessary road upgrades to occur in support of The Grove.

#### Table 8 Infrastructure assessment

Public Infrastructure The site is within an established urban area and has access to a range of existing services. The proposal facilitates minor administrative changes, additional permitted uses and minor additional floorspace, which is unlikely to result in any significant changes to the site and its operation. It is also unlikely to require additional public infrastructure to facilitate the proposal.

Council advises that an existing planning agreement applies to the subject site to enable necessary road upgrades to occur in support of The Grove. A letter of offer has been received to ensure that any monetary contribution towards public infrastructure under the existing planning agreement will be applicable to both shop and business premises land uses on both sites, as well as the additional 2,000m<sup>2</sup> of retail premises that is being requested on the Fashion Spree site.

## 5 Consultation

### 5.1 Community

Council proposes a community consultation period of 28 days.

The exhibition period proposed is considered appropriate, and forms the conditions of the Gateway determination.

### 5.2 Agencies

Except for TfNSW, the proposal does not specifically raise which agencies will be consulted.

It is recommended the following agencies be consulted on the planning proposal and given 28 days to comment:

- EES Group
- TfNSW
- SES
- NSW RFS

## 6 Timeframe

Council proposes approximately 8 month time frame to complete the LEP.

The Department recommends a time frame of 12 months given the time surrounding council elections. It is recommended that if the gateway is supported it also includes conditions requiring council to exhibit and report on the proposal by specified milestone dates.

A condition to the above effect is recommended in the Gateway determination.

## 7 Local plan-making authority

Council has advised that it would like to exercise its functions as a Local Plan-Making authority.

As the planning proposal is of a minor nature, the Department recommends that Council be authorised to be the local plan-making authority for this proposal.

### 8 Assessment summary

The planning proposal is supported to proceed with conditions for the following reasons:

- the additional retail space of 2,000m<sup>2</sup> is of a minor nature and constitute a small proportion of the existing retail floor space on the site and is unlikely to compromise its stand-alone centre role;
- the additional business premises use will be restricted within the existing 21,000m<sup>2</sup> GFA permissible for the Homemaker site and is ancillary to the existing uses on the site;
- the various Economic Impact studies for the site have indicated that the proposed retail floor space is unlikely to have significant impact on the role and retail function of surrounding centres that currently serves the communities in Liverpool and Fairfield, and the retail offering in the Liverpool CBD;
- the traffic impacts are likely to be minor in nature and can be addressed by Council in consultation with TfNSW;
- necessary infrastructure upgrade, including road network improvements can be satisfactorily addressed;
- the proposal will create 85 additional local jobs and facilitate development of the site that provides a better urban design outcome, and a greater shopping experience which improves its integration with the public domain, nearby open spaces, public transport infrastructure and other services; and
- the proposed amendment is consistent with the Western City District Plan and the Liverpool Local Strategic Planning Statement.

As discussed in the previous section 1.5 of this report on page 6, the proposal should be updated, prior to public exhibition to:

 accurately identify the subject sites and land descriptions, and reflect the sites identified and as shown on the Key Sites Map \_010 of the LEP.

## 9 Recommendation

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

- 1. The planning proposal should be made available for community consultation for a minimum of 28 days in accordance with the guide to preparing local environmental plans.
- 2. The timeframe for completing the LEP is to be 12 months from the date of the Gateway determination.
- 3. Given the nature of the proposal, Council should be authorised to be the local plan-making authority.

Tholmon 29 June 2021

(Signature)

Thomas Holmes A/Manager, Western District

1 July 2021

Adrian Hohenzollern Director, Western Central River City and Western Parkland City

Assessment officer Cho Cho Myint Senior Planner, Western District 98601507

Attachment	Title
Report	Gateway determination report
А	Planning proposal
В	Gateway determination
С	Letter to Council
D	Traffic Report
E	SGS Peer Review
F	Deep End Services Economic Analysis
G	Gazcorp response to SGS Peer Review
Н	Redacted of Submissions
	Gazcorp amendment to planning proposal
J	Local Panel Report
К	Local Panel Minutes
Μ	Council Report
Ν	Council Minutes
0	Existing Clauses 21 and 24 of LEP Schedule 1
Р	Gazcorp response letter to Panel issues and Council position

### Attachments