

Public Exhibition - Planning Proposal - Green Square and Southern Areas Retail Review - Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 Amendment

File No: X084812

Summary

The Green Square and Southern Areas (City south) include all land in the City of Sydney local government area (LGA) south of Cleveland Street and east of the rail line between Redfern and St Peters. The area includes the Green Square urban renewal area and the City's southern enterprise areas, but also includes some land at the fringe of those areas, including parts of the Botany Road Precinct and the Waterloo Metro Quarter.

The urban renewal area is Australia's largest urban renewal area with the Green Square Town Centre (Town Centre) at its heart. The urban renewal area is forecast to grow to around 32,000 dwellings, housing around 60,000 to 70,000 people by 2036. This growth is being supported with substantial investment in local infrastructure including new roads, parks, community facilities such as Gunyama Park and Aquatic Centre and Green Square library and utilities upgrades. The aim is for the area to be self-sufficient and therefore minimise unnecessary vehicle movements.

The Greater Sydney Commission's Greater Sydney Region Plan identifies Green Square – Mascot as a strategic centre and an important contributor to the eastern economic corridor. The associated Eastern City District Plan says that 1.8 million square metres of additional retail will need to be accommodated across the Eastern City District by 2036. As a major growth precinct, much of this demand is likely to stem from the Green Square, which has implications for retail planning in the precinct.

Following a major review of retail in the City South area, in 2012, the City introduced a hierarchy of centres in its planning controls with the Green Square Town Centre being established as the primary commercial, retail and civic centre. The hierarchy is underpinned by planning controls in the Sydney Local Environmental Plan 2012 (LEP) that only allow larger retail premises in defined centres with smaller retail permitted throughout the City South area. This is to ensure that major retail, specifically supermarkets continue to locate in higher order centres which are the focus for activity and infrastructure investment.

Considerable growth and change has occurred in the City South area since the introduction of the retail planning framework. The City commissioned the Green Square and Southern Areas Retail Review (the Review) to understand the changes to demand and supply of retail floor space in the City South area since the retail planning requirements were introduced in 2012, and to recommend any required changes to planning controls to ensure the retail needs of the community will be met in future.

The Review identified a net shortfall in retail floor space across the City south area, finding that to 2041 an additional 15,000 square metres of retail floor space is needed close to the Town Centre to address the undersupply and meet retail demand. It found the greatest undersupply in hospitality and services, supermarkets, and other food retail.

Planning for full-line supermarkets will be a significant factor in meeting projected demand with over \$462 million out of \$1.4 billion expected to be supermarket spending by 2041. The Review found that there will be an undersupply of about 9,000 square metres of supermarket floor space with the largest supermarket under-supply emerging in the eastern parts of Waterloo, the Town Centre and North Alexandria areas.

The Review includes a capacity analysis to determine if there is sufficient capacity under existing planning controls to accommodate the identified shortfalls in retail supply. It found that while small format retail is widely accommodated under current planning controls, opportunity for larger retail tenancies is limited in the Town Centre. It also found more opportunity was needed to address the undersupply of large format retail, in particular supermarkets.

The Review recommended the City investigate options to create more opportunity for large format retail sites immediately adjacent to the Town Centre and remove areas from the City's restricted retail map. This would also be expected to create opportunities for smaller retail premises that prefer to co-locate with anchor retail such as supermarkets.

This report recommends Council approve ' Planning Proposal - Green Square and Southern Areas Retail Review ' (planning proposal) and draft Sydney Development Control Plan 2012: Retail Review of Southern Sydney Amendment (draft DCP) for public exhibition. The planning proposal and draft DCP are provided at Attachment A and Attachment B respectively.

The planning proposal will amend Sydney LEP 2012 to remove the restriction on the size of retail tenancies from an 'expanded retail area'. The expanded retail area is immediately adjacent to the west and the north of the Town Centre. The proposed change will allow for supermarkets to locate in the area so that demand can be met to 2041. Importantly, where large format retail locates in this area it will:

- continue to support the primacy of the Town Centre, rather than compete with it as a stand-alone centre;
- create opportunities for other retail (small format), that prefers to co-locate with anchor retail such as supermarkets;
- be located close to public transport at Green Square Station and Waterloo Metro Station, as well as multiple bus routes and cycle routes, reducing the need for private vehicle trips; and
- be located close to key community infrastructure including public plazas, libraries, schools and child care facilities, community centres and public recreation facilities.

The planning proposal also introduces a maximum parking rate for all large format retail in the local government area. The proposed change is to encourage active transport modes and to mitigate the impacts that large format retail may have on surrounding road networks.

The draft DCP includes supporting provisions that guide design, layout and placement of retail tenancies relative to the public domain in the expanded retail area.

If approved, the draft planning proposal after receiving a Gateway Determination from the Department of Planning and Environment, along with the draft DCP, will be publicly exhibited, giving the community and other stakeholders an opportunity to provide feedback.

Recommendation

It is resolved that:

- (A) Council approve Planning Proposal - Green Square and Southern Areas Retail Review, shown at Attachment A to the subject report, for submission to the Department of Planning and Environment with a request for a Gateway Determination;
- (B) Council approve Planning Proposal - Green Square and Southern Areas Retail Review, for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway Determination;
- (C) Council approve the draft Sydney Development Control Plan 2012: Retail Review of Southern Sydney Amendment, shown at Attachment B of the subject report, for public exhibition concurrent with the planning proposal;
- (D) Council seek authority from the Department of Planning and Environment to exercise its delegation under section 3.36 of the Environmental Planning and Assessment Act 1979 to make the amending Local Environmental Plan; and
- (E) authority be delegated to the Chief Executive Officer to make any minor variations to Planning Proposal - Green Square and Southern Areas Retail Review and draft Sydney Development Control Plan 2012: Retail Review of Southern Sydney Amendment to correct any drafting errors or inconsistencies, or to ensure consistency with any condition of the Gateway Determination.

Attachments

- Attachment A.** Planning Proposal - Green Square and Southern Areas Retail Review
Attachment A1 - SGS - Green Square and Southern Areas Retail Review
- Attachment B.** Draft Sydney Development Control Plan 2012 - Retail Review of Southern Sydney Amendment

Background

1. The Green Square and Southern Areas (City south) include all land in the City of Sydney local government area (LGA) south of Cleveland Street and east of the rail line between Redfern and St Peters. The area is shown in Figure 1 below. The area includes the Green Square urban renewal area and the City's southern enterprise areas, but also includes some land at the fringe of those areas, including parts of the Botany Road Precinct and the Waterloo Metro Quarter.
2. The urban renewal area is Australia's largest urban renewal area with the Green Square Town Centre (Town Centre) at its heart. The urban renewal area is forecast to grow to around 32,000 dwellings, housing around 60,000 to 70,000 people by 2036. This growth is being supported with substantial investment in local infrastructure including new roads, parks, community facilities such as Gunyama Park and Aquatic Centre and Green Square library and utilities upgrades. The aim is for the area to be self-sufficient and therefore minimise unnecessary vehicle movements.
3. Following a major review of retail in the City South area, in 2012 the City introduced in its planning controls a hierarchy of centres with the Green Square Town Centre being established as the primary commercial, retail and civic centre. The hierarchy is underpinned by a restriction in the Sydney Local Environmental Plan 2012 (Sydney LEP 2012) on the size of retail tenancies that could locate outside of centres. This is to ensure that major retail, specifically supermarkets, continue to locate in higher order centres.
4. Considerable growth and change that has occurred in the City South area since the introduction of the retail planning framework. The City commissioned the Green Square and Southern Areas Retail Review (the Review) to understand the changes to demand and supply of retail floor space in the City South area since the retail planning requirements were introduced in 2012, and to recommend any required changes to planning controls to ensure the retail needs of the community will be met in future.
5. The Review identified a net shortfall in retail floor space across the City south area, finding that to 2041 an additional 15,000 square metres of retail floor space is needed close to the Town Centre to address the undersupply and meet retail demand.
6. The City has prepared Planning Proposal: Green Square and Southern Areas Retail Review (the planning proposal) to amend the Sydney Local Environmental Plan 2012 (Sydney LEP 2012). The purpose of the planning proposal is to provide capacity in the planning controls to meet demand for retail floor space in the southern part of the City of Sydney local government area (LGA). The planning proposal is supported by a draft amendment to the Sydney Development Control Plan 2012: Retail Review of Southern Sydney (draft DCP). The planning proposal and draft DCP are provided at Attachment A and Attachment B respectively.
7. The proposed planning controls apply, in the main, to the Green Square and Southern Area (City south area). The extent of the City south area is shown at Figure 1. The planning proposal mostly effects an 'expanded retail area' (outlined in orange).

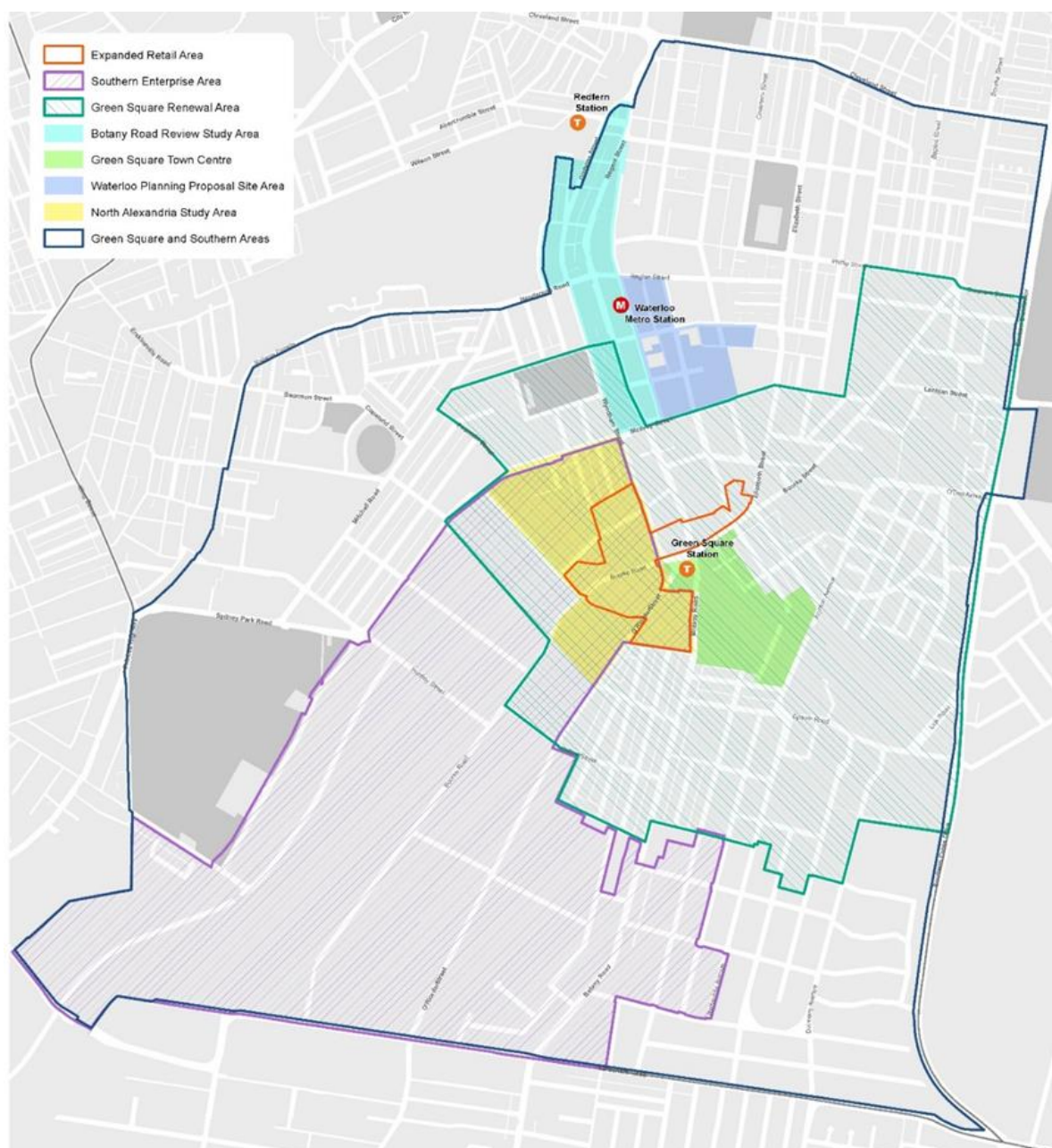


Figure 1: Green Square and Southern Areas

The City south area

8. The City south area includes the Green Square urban renewal area and the City's southern enterprise areas, but also includes some land at the fringe of those areas that has been the recent focus of significant planning changes, including parts of the Botany Road Precinct, the Waterloo Metro Quarter and the Waterloo Estate (South).
9. The urban renewal area is Australia's largest urban renewal area with the Green Square Town Centre (Town Centre) at its heart. The urban renewal area is forecast to grow to around 32,000 dwellings, housing around 60,000 to 70,000 people (depending on occupancy trends) at build out around 2036. This growth is being supported with substantial investment in local infrastructure including new roads, parks, community facilities such as Gunyama Park and Aquatic Centre and Green Square library and utilities upgrades.

10. The City's southern enterprise area, which forms part of the expanded retail area and is located to the west and south of the expanded retail area includes some of the most valuable and well-located industrial and urban services land in Australia. It is the only remaining expanse of business and employment zoned land in the City of Sydney and it plays a critical role in the City's economy. The City has recently completed a review of its planning controls in the southern enterprise areas with new planning controls implemented in North Alexandria to improve the amenity and permeability of the precinct and to create more opportunity for employment generating development.
11. The City's review of the Botany Road Precinct has also recently concluded with changes to the Sydney LEP 2012 being made to facilitate significant additional employment floor space. The future Waterloo Metro station and Waterloo Metro Quarter development is located to the north of the expanded retail area.
12. The approved State Significant Development concept proposal for the Metro Quarter is due to commence in late 2022, with three mid-rise buildings between 4 and 10 storeys along Cope Street, and three towers of 23, 25 and 29 storeys above a 3 to 4 storey podium along Botany Road, above an underground station on the Sydney Metro line currently under construction.
13. Waterloo Estate South is currently subject to a planning proposal. The proposal consists of about 230,894 square metres of residential floor space, with 3,067 dwellings, a large park adjoining Waterloo Metro station of two hectares, 13,000 square metres for retail and commercial uses and 5,000 square metres for community and ancillary facilities.
14. There are a number of centres in the City south area that service most of the retail demand. Key centres include Green Square Town Centre, Victoria Park (East Village) and Danks Street. These centres are important to not only service local retailing needs, but also are a focus of social activity where people meet.

The City's approach to retail planning in City South

15. With the introduction of Sydney LEP 2012, new planning controls were applied to the City south area that sought to locate large, consolidated retail, specifically supermarkets, in planned centres. This was achieved by introducing a 'restricted retail map' that limited consolidated retail spaces outside centres to 1,000 square metres.
16. These planning controls were underpinned by two major retail studies, including:
 - (a) the Green Square and Southern Areas Retail Study (2008), by JLL; and
 - (b) the Minor Retail Development in Green Square and the Southern Areas (2010), by SGS Economics and Planning.
17. Together the studies identified future demand for retail and recommended strategies of how this future demand could be met through coordinated retail development that encouraged the emergence of the Green Square Town Centre as a major centre.
18. This led to the City's planning controls establishing a hierarchy of retail centres with the Green Square Town Centre at the top, and with surrounding villages, small villages and neighbourhood centres sitting below.

Retail review (2021)

19. In late 2021 the City commissioned SGS Economics and Planning to undertake the Green Square and Southern Areas Retail Review (the Review). The Review is appended to the planning proposal.
20. The objective of the Review was to understand the changes to demand and supply of retail floor space in the City south area, and to recommend any required changes to planning controls to ensure the retail needs of the community will be met to 2041 and beyond.
21. The Review includes the following analysis:
 - (a) a thorough literature review and analysis of the existing policy context;
 - (b) discussion of economic trends influencing planning for retail and other land uses, including
 - (i) growth of tertiary industries;
 - (ii) low growth in retail expenditure;
 - (iii) increased popularity of online retail;
 - (iv) growth in 'service-based' retail options which remain differentiated from online retail;
 - (v) changing business trading hours and increasing emphasis on the night-time economy; and
 - (vi) importance of local centres due to shift to working from home;
 - (c) summary of the local insights obtained as part of the stakeholder engagement;
 - (d) analysis of retail market data, including sales data, rents and vacancies;
 - (e) identification of supermarket walking catchments within the local high-density context;
 - (f) identification of the local implications of the changing retail climate;
 - (g) analysis of current supply of retail floor space and forecast demand to 2041; and
 - (h) a comparative advantage analysis, retail cluster profiling and capacity analysis.

Demand and supply forecasts to 2041

22. The Review identified a net shortfall in retail floor space across the City south area to 2041 where an additional 15,000 square metres of retail floor space is needed close to the Town Centre to address an undersupply and meet retail demand. It found the greatest undersupply in hospitality and services, supermarkets, and other food retail.
23. The Review identified the greatest retail expenditure, an indicator of where demand will come from, emerges from the Town Centre, central areas of the suburb of Waterloo (around Danks Street), the Ashmore Estate and the future Waterloo Estate redevelopment site. This is largely driven by the strong population growth in these areas.

24. Planning for full-line supermarkets will be a significant factor in meeting projected demand with over \$462 million out of \$1.4 billion expected to be supermarket spending by 2041. The Review found that there will be an undersupply of about 9,000 square metres of supermarket floor space. The largest supermarket under-supply will emerge in the eastern parts of Waterloo, the Town Centre and North Alexandria areas.
25. The 9,000 square metre shortfall assumes the delivery of an approved Coles supermarket at 284 Wyndham Street and 296-298 Botany Road Alexandria and an additional 2,000 square metres of supermarket floor space anticipated within the Town Centre. However, it does not assume a proposed supermarket at the corner of Bourke and McEvoy Streets, that is currently under consideration in Planning Proposal: 923 Bourke Road, Waterloo.
26. The Review includes a capacity analysis to determine if there is sufficient capacity under existing planning controls to accommodate the identified shortfalls in retail supply. It found that while small format retail is widely accommodated under current planning controls, opportunity for larger retail tenancies is limited in the Town Centre. It also found more opportunity was needed to address the undersupply of large format retail, in particular supermarkets.
27. The Review recommended that the City investigate options to remove areas from the City's restricted retail map immediately adjacent to the Town Centre to create more opportunity for large format retail. This would also be expected to create opportunities for smaller retail premises that prefer to co-locate with anchor retail such as supermarkets. The City has identified the 'expanded retail area' to facilitate opportunities for large format retail.

Expanded retail area

28. While applying to the City of Sydney LGA, the planning proposal and draft DCP has a particular focus on the 'expanded retail area', shown in Figure 2.



Figure 2: Expanded retail area

29. The expanded retail area is generally bound by Bowden Street to the west, the east-west connector road and Johnston Street to the south, Botany Road and Bourke Street to the east and the northern branch of Sheas Creek to the north. Excluding internal roads, the area is approximately 140,000sqm in area, comprising 49 lots.
30. Part of the expanded retail area forms part of the North Alexandria Precinct, which was the subject of a recent planning proposal (now finalised). These areas are generally zoned for employment uses only and are expected to redevelop over the medium term to facilitate a range of commercial, business and light industrial uses.
31. Other parts of the expanded retail area fall outside of North Alexandria to the north and north-west of the Town Centre. These areas are generally zoned for a mix of uses, including residential uses. It is anticipated that over time these sites, many of which still contain warehouses, will be redeveloped for high density residential uses above ground and first floor retail / commercial uses.

Current planning controls

32. Currently, the following controls apply to the expanded retail area in Sydney LEP 2012:
 - (a) B7 – Business Park zone applies to North Alexandria. The zone permits a broad range of enterprise uses including creative and knowledge-based uses and offers a buffer between industrial uses and residential areas.
 - (b) B4 – Mixed Use applies to lands along Bourke Street. This zone permits a broad range of residential and commercial uses.
 - (c) maximum mapped floor space ratios between 1:1 and 3:1, with higher controls permitted towards the south.
 - (d) in addition to the mapped floor space ratio, clause 6.14 community infrastructure floor space at Green Square applies. This allows for an additional floor space ratio of 0.25:1 and 2.2:1 above the mapped floor space ratio control. The clause allows for additional floor space where community infrastructure is provided.
 - (e) mapped maximum height of buildings controls range from 12 metres to 98.5 metres RL, with the highest controls focussed on Green Square Station.
 - (f) clause 7.13A of Sydney LEP permits affordable housing with consent in the B7 – Business Park zone where it is provided by or on behalf of a public authority or social housing provider and where it does not conflict with the employment focus of the zone.
 - (g) clause 7.13 of Sydney LEP requires development make an affordable housing contribution in the southern enterprise area. This contribution is equal to 3 per cent of residential and 1 per cent of non-residential floor area.
 - (h) clause 7.23 of SLEP 2012 (Large retail development outside of the Town Centre and other planned centres) currently applies to the extended retail area which limits the size of shops or markets to a gross floor area of 1,000 square metres.
 - (i) land zoned SP2 – Infrastructure applies to road reservations and classified roads; and

- (j) heritage items including Item 2278 Part of former William Brooks factory including interiors (723 Elizabeth Street Waterloo) and Item 2235 Former Standard Telephones and Cables industrial building.
33. Sydney LEP 2012 Clause 7.7 applies to all development for the purpose of retail premises. When less than 2,000 square metres of retail premises is proposed, a maximum parking rate is applied based on where in the LGA the development is located. This ranges between 1 space per 50 square metres and 1 space per 90 square metres. Clause 7.7(1) excludes retail development over 2,000 square metres from maximum car parking rates and instead, a parking study is required to accompany the development application to justify an amount of parking.

Proposed planning controls

34. The planning proposal is to amend the Sydney LEP 2012 and is provided at Attachment A. It is supported by the draft DCP, provided at Attachment B.

Creating capacity for retail in the right locations

35. The planning proposal amends the Special Character Areas Map - Retail Premises Map to remove from the expanded retail area the current 1,000 square metres restriction on the amount of consolidated floor space for 'shops' and 'markets'. This allows for single retail tenancies of greater than 1,000 square metres to be developed within the expanded retail area.
36. The expanded retail area has been identified as the most appropriate location to remove the restriction on retail because:
- (a) it responds to the recommendation of the Review that an additional 15,000 square metres of retail floor space (including supermarket floor space) is required near to the Green Square Town Centre to 2041 to address an overall anticipated retail shortfall across the City south area;
 - (b) its proximity to the Town Centre, as the major economic and social centre of the City South area, means any retail that locates in the expanded retail will support the primacy of the Town Centre, rather than compete with it as a stand-alone centre;
 - (c) the Town Centre is reaching development capacity and built and planned retail will not meet demand. Removing the restriction on retail will specifically create opportunities for supermarkets, and this in turn will create opportunities for other retail (small format), that prefers to co-locate with anchor retail such as supermarkets;
 - (d) it is located close to public transport at Green Square Station and Waterloo Metro Station, as well as multiple bus routes, reducing the need for private vehicle trips;
 - (e) the area is close to key community infrastructure including public plazas, libraries, schools and child care facilities, community centres and public recreation facilities;
 - (f) the form of retail development generally aligns with the expected built form in the area;

- (g) the area is close to significant areas of residential density, including major developments at the Town Centre, Waterloo Estate South, Waterloo Metro Quarter;
 - (h) for those parts of the expanded retail area that are within the City's enterprise land, recent changes to the planning controls, as part of the City's Planning Proposal: Enterprise Area Review (now finalised) are expected to:
 - (i) catalyse development, creating opportunities for retail floor space in new developments; and
 - (ii) result in more investment into the public domain and better pedestrians and cycling connections to the rail and other public transport in the near to medium term; and
 - (iii) for those parts of the expanded retail area that are outside of the City's enterprise land, these sites are generally expected to develop over the medium term, creating opportunities for retail development.
37. Other areas within the City south area will continue to provide opportunities for other retail development to provide greater amenity to residents, but not so much as to unreasonably impact on the Town Centre.

Prevention of shopping centres and private malls

38. The planning proposal will amend the Sydney LEP 2012 to require all retail in the expanded retail areas to front a public place and to locate the primary entry so that it is from a public place. The intent of the proposed control is to prevent 'inward' facing retail, such as shopping centres or malls.
39. The inclusion of this clause is consistent with the recommendations of the Review that the primacy of the Town Centre is to be supported. It is critical to ensure that new retail does not form clusters of such significance that it would:
- (a) potentially compete with the Town Centre as the destination retail centre in the area;
 - (b) generate significant impacts on the road network; and/or
 - (c) displace / conflict with other employment generating uses from the City's enterprise areas, that are intended to accommodate a range of economic activities.
40. The inclusion of the clause is also critical to support the objectives of the City's Planning Proposal: Enterprise Area Review (now finalised) that made significant changes to the planning controls in North Alexandria to encourage new development and deliver new and improved public domain. The proposed provision will ensure that retail contributes to the amenity and activation of the public domain.

Managing traffic and encouraging active and public transport

41. The planning proposal will amend Sydney LEP 2012 to remove the car parking provisions that currently apply to retail over 2,000 square metres, that allows the rate of parking to be established by a site-specific parking study. This will ensure that all retail development in the LGA will have a maximum parking rate that is consistent with those that apply to retail development less than 2,000 square metres.

42. The Public Transport Accessibility Map in the Sydney LEP 2012 maps all land within the LGA and categorises depending on its relative access to public transport. Car parking rates are more restricted where access is considered high, and less restrictive where access is lower. This recognises that public transport access is not distributed equally across the city, and that parking is necessary to ensure access for employees, customers and visitors to businesses in areas less well served by public transport.
43. The proposed change affects retail car parking rates across the LGA with the following rates to apply to all retail development:
- (a) category E: 1 space for each 60 square metres of gross floor area
 - (b) category F: 1 space for each 50 square metres of gross floor area
 - (c) category D with a floor space ratio of no more than 3.5:1—1 space for each 90 square metres of gross floor area of the building used for those purposes,
 - (d) category D with a floor space ratio greater than 3.5:1 the formula $M = (G \times A) / (50 \times T)$ applies where M is the maximum number of parking spaces, and G is the gross floor area of all retail premises in the building in square metres, and A is the site area in square metres, and T is the total gross floor area of all buildings on the site in square metres.
44. The proposed change is to address a perverse outcome of the current car-parking rates for retail greater than 2,000 square metres. Initially the intention of allowing for a site-specific study to determine the parking rate was to encourage the provision of parking rates lower than what was nominated for smaller retail, however that has not been the result in practice. Continuing to enable relatively high parking rates contradicts the strategic aim of the City in encouraging a broad modal shift from car use to active transport.
45. The absence of a cap for this type of development creates uncertainty around traffic generation for larger scale retail development. It also increases the risk of large, standalone shopping centres with large amounts of parking. This format of retail is incompatible with the City's local strategic planning statement and that envisaged by the Review.

Draft DCP

46. Section 3.4 of the Sydney DCP 2012, which generally applies to the City south area, currently includes a hierarchy of planned centres that establishes a framework for the delivery of appropriate retail in optimum locations.
47. The Sydney DCP 2012 provisions promote the Green Square Town Centre as the primary retail, community and entertainment centre in the City South area, while ensuring the wider network of supporting centres can be easily accessed by residents and workers, provides the day-to-day retail needs of the community and reduces the need for private vehicle use.
48. The draft DCP, provided at Attachment B, largely maintains the current intent and provisions in the Sydney DCP 2012, with some minor changes to update them in line with the outcomes of the Review and the planning proposal. The updated hierarchy of centres are shown at Figure 3, with their retail function described in Table 1.

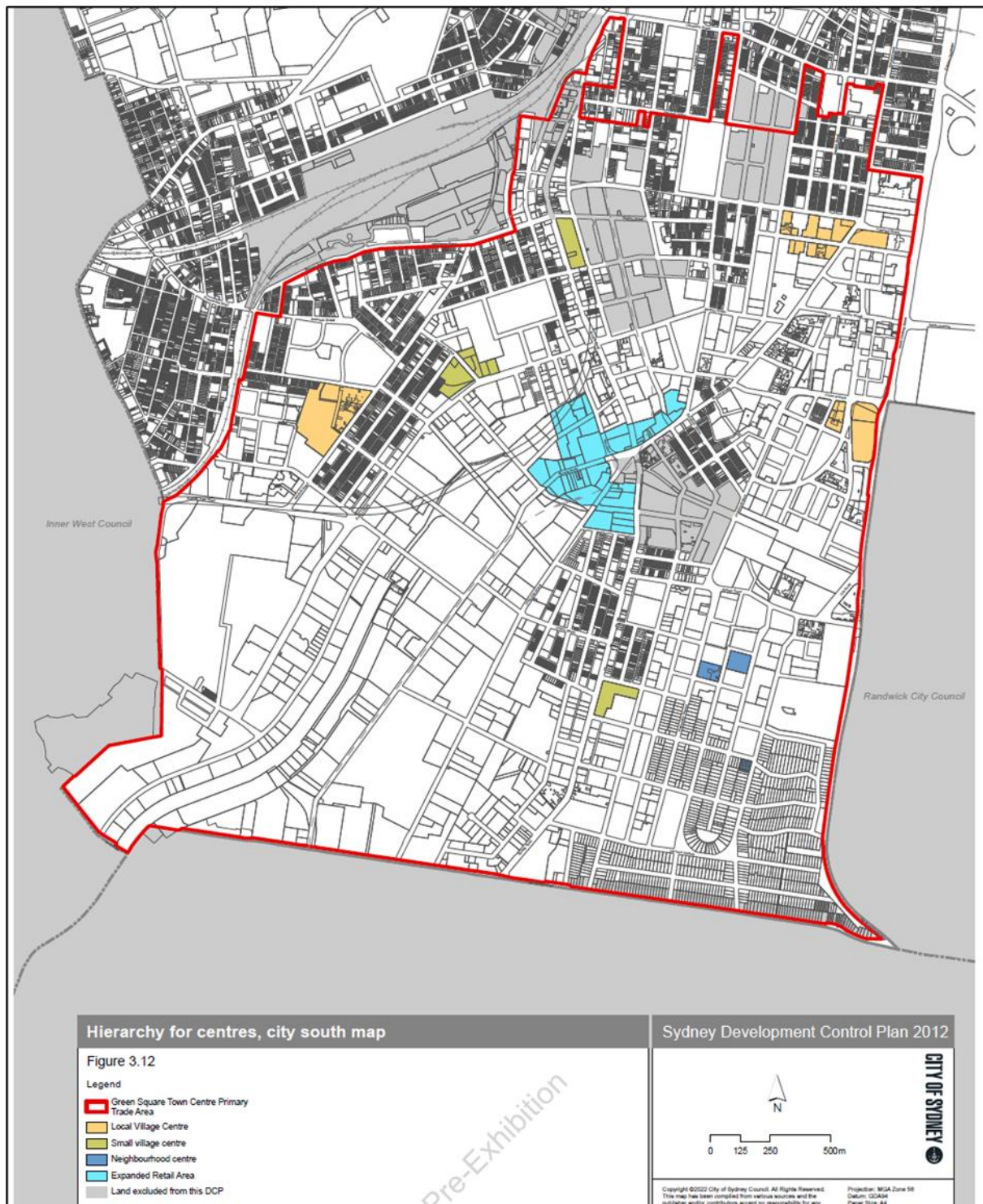


Figure 3: Proposed Hierarchy of centres, City South

Centre	Function
Major centre The Green Square Town Centre	The primary retail, commercial and community centre in the City South area. The range of retail and entertainment uses found in the Green Square Town Centre is to be greater than other centres and it should be the most highly visited and vibrant centre.
Local villages Victoria Park Danks Street Ashmore Estate George Street, Waterloo	Existing and future local village centres will meet local daily shopping in denser residential areas. These centres are to be accessible via public transport and bikeways and be supported by services and open space.
Small villages Botany Road, Rosebery Fountain Street, Alexandria Waterloo Metro	The small village will continue to service the convenience retail needs of local residents and workers. Additional specialty shops and services in this location will consolidate the small village as demand increases.
Neighbourhood centres Dalmeny Avenue, Rosebery Crewe Place, Rosebery Future locations to be determined by demand.	<p>A neighbourhood centre is a group of more than three neighbourhood shops that provide convenience shopping within walking distance of homes and workplaces. They should not provide so wide a range of groceries and food that people do not need to visit a village centre or the major centre.</p> <p>New neighbourhood centres may be developed where they are consistent with other planning controls and will not significantly detract from other centres. A neighbourhood centre is to be provided with minimal car parking spaces.</p>
Expanded Retail Area	A full range of retail uses is encouraged in the expanded retail area including full-line supermarkets, department stores, discount supermarkets, cinemas, markets, specialty shops, fashion, comparison shopping, homewares and fresh food.

Table 1 Proposed centre hierarchy and function - Draft DCP

49. The draft DCP also introduces additional provisions to guide appropriate retail development in the expanded retail area. These provisions primarily relate to built form dimensions for retail development and are to ensure retail spaces are fit for purpose, but also flexible and able to be used for other employment generating uses over time. This responds to the recommendation of the Review that flexible building formats are required which can adapt to different types of non-residential uses, which futureproof retail centres against uncertainty about the future of traditional retailing.
50. The draft DCP also includes provisions about retail floor space with a consolidated area of 2,000 square metres. These include:
- (a) additional requirements for the consideration of traffic impacts; and
 - (b) where a supermarket is proposed, provisions that promote the management of waste and promote schemes to encourage public recycling.

51. The draft DCP also introduces a new active frontage along a future street in North Alexandria. This will activate the northern edge of future public recreation space proposed at 25-43 Mandible Street.

Key Implications

Strategic Alignment - Sustainable Sydney 2030-2050 “Continuing the Vision”

52. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions to guide the future of the city, as well as 10 targets against which to measure progress. The planning proposal is aligned with the following relevant strategic directions and objectives:
- (a) Direction 4 - Design excellence and sustainable development, including:
 - (i) Objective 4.1 The city's liveability will be enhanced through well planned and designed development.
 - (ii) Objective 4.2 Productivity will be supported by planning for jobs, innovation, and enterprise activities.
 - (b) Direction 5 - A city for walking, cycling and public transport, including:
 - (i) Objective 5.2 Most people use the high-capacity, rapid and frequent public transport network that connects the city and the metropolitan area
 - (ii) Objective 5.3 More people walk more, because walking is the most attractive and convenient choice for short trips in the local area
 - (iii) Objective 5.4 More people ride more, because it is an attractive, convenient, and safe option for everyday transport

Strategic Alignment - Greater Cities Commission Region Plan and District Plan

53. A Metropolis of Three Cities – The Region Plan is the Greater Cities Commission's strategic plan for Greater Sydney. It is a 20-year plan with a 40-year vision, seeking to transform Greater Sydney into a metropolis of three distinct but connected cities: the Eastern Harbour City, the Central River City, and the Western Parkland City. The overarching aspirations of the strategy are:
- (a) Liveability
 - (b) Productivity
 - (c) Sustainability
 - (d) Infrastructure and collaboration
54. The planning proposal is consistent with the following objectives of the Region Plan:
- (a) Objective 7: Communities are healthy, resilient, and socially connected - the planning proposal focusses new retail floor space within and adjacent to centres, providing walkable places at a human scale with active street life while promoting local access to healthy fresh food.

- (b) Objective 12: great places that bring people together - the planning proposal ensures parking availability for retail greater than 2,000 square metres takes into account the level of access by public transport.
 - (c) Objective 14: A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities - the planning proposal supports this objective by enabling additional retail floor space adjacent to Green Square Station and supporting the role of the Town Centre.
 - (d) Objective 15: The Eastern, GOP and Western Economic Corridors are better connected and more competitive – the planning proposal strengthens the economic competitiveness of Green Square by supporting increased concentration of retail floor space on the western edge of the centre.
 - (e) Objective 22: Investment and business activity in centres – the proposal facilitates investment in retail floor space in strategic centres, essential to attracting jobs to the area.
 - (f) Objective 23: Industrial and urban services land is planned, retained and managed – the proposal provides capacity for large scale retail floor space reducing demand pressure on nearby industrial lands.
55. The Greater Cities Commission released the District Plans for the Greater Sydney Metropolitan Region in March 2018. The City of Sydney is in the Eastern City District. The District Plans set out how A Metropolis of Three Cities – the Greater Sydney Region Plan applies to local areas. The district plan has set a 20-year strategic target for housing and employment growth within the district, including a 2036 target of 157,500 dwellings and a short-term (5 years) housing target of 46,550 new dwellings. In the City of Sydney LGA, 18,300 dwellings are to be delivered.
56. The planning proposal is consistent with the following planning priorities of the Eastern City District Plan:
- (a) Planning Priority E6: Creating and renewing great places and local centres and respecting the district's heritage - sets out actions and principles for place making and local centres. It addresses amenity, accessibility, and connectivity. Principles for local centres include the ability to adapt to meet community needs such as housing, services, goods, and recreation. The planning proposal uses place-based planning to support the role of centres as a focus for connected neighbourhoods. Retail restrictions are proposed to be removed from sites that allow for retail floor space to flow seamlessly into the Town Centre while also being close to Green Square Station. The planning proposal ensures that parking provision takes account of access to public transport, walking and cycling connections.
 - (b) Planning priority E11: Growing investment, business opportunities and jobs in strategic centres. The planning proposal will grow retail floor space in the Green Square-Mascot strategic centre, making it a more appealing location for businesses to locate. Making this strategic centre more appealing to business will help the centre reach the target set by the Eastern City District Plan for between 75,000 and 80,000 jobs in this precinct by 2036, up from a baseline of 59,500 in 2016.

- (c) Planning priority E12: Retaining and managing industrial and urban services land. This priority specifies that all industrial land should be retained and safeguarded from competing pressures, especially residential and mixed-use zones. The value of industrial land is discussed, extending beyond simply the number of jobs the land provides. The planning proposal proposes to remove retail restrictions on land close to Green Square station. This will reduce retail demand pressure on other parts of the southern enterprise area.

Strategic Alignment - Local Strategic Planning Statement - City Plan 2036

- 57. The City's Local Strategic Planning Statement - City Plan 2036 sets the land use planning strategy for the city which is required to align with the Region and District Plans. The City's planning controls are then required to give effect to the strategic plans. The plan is aligned with the following priorities and actions:
 - (a) Priority L1 - Movement for walkable neighbourhoods and a connected City
 - (i) Action L1.9 - continue to implement, review and update the car parking policies and controls to support the transition to a net-zero carbon and energy-efficient transport system by 2030, continue promoting more efficient modes of transport including walking, cycling and public transport and manage congestion, including planning controls for car parking and servicing, including accessibility mapping, parking rates and market mechanisms to manage parking supply.
 - (b) Priority L2 - Creating Great Places
 - (i) Action L2.1 - plan for local communities to be able to access daily needs and essential services including fresh food and health and personal services, within walking distances by providing an appropriate mix of uses, including local retail, services, infrastructure and recreation in local and neighbourhood centres and mixed-use zones supported by adequate floor space on the ground floor (and adjacent floors where appropriate)
 - (c) Priority P3 - Protecting industrial and urban services in the Southern Enterprise Area and evolving businesses in the Green Square-Mascot Strategic Centre
 - (i) Action P3.1 - enable economic and specialised sector growth which supports Central Sydney, the Eastern Economic Corridor and the international trade gateways, and contributes towards the jobs targets for the Green Square-Mascot Strategic Centre by retaining and managing the southern enterprise area for industrial and urban services uses while enabling new business opportunities which reinforce the economic role of the Strategic Centre;

Relevant Legislation

- 58. Environmental Planning and Assessment Act 1979
- 59. Environmental Planning and Assessment Regulation 2000

Public Consultation

Consultation with key landowners

60. The insights of key large retailers were sought during the preparation of the Review to understand what the observed changes in the retail ecosystem are, the obstacles to retail operation in the area, and key opportunities for enhanced operations of the retail sector.
61. General feedback included:
 - (a) Large supermarkets are important for the activation of mixed-use areas and to meet the needs of local residents
 - (b) Parking availability and the floor space cap are the most challenging issue but that demographics in the area are shifting away from vehicle ownership
 - (c) Greater diversity of retail is needed to activate green square and support the night time economy
 - (d) COVID-19 was a massive shock to the Green Square retail economy

Public exhibition

62. If approved, the planning proposal and draft DCP will go on public exhibition subject to Gateway Determination from the Department of Planning and Environment. The minimum public exhibition process for the planning proposal will be determined by the Department and is likely to be for at least 20 working days, consistent with the Department's LEP Making Guidelines for standard planning proposals. It is proposed that the public exhibition of the planning proposal and draft DCP will run concurrently. The consultation will be in accordance with the requirements of:
 - (a) the Gateway Determination issued by the Department of Planning and Environment under section 3.34 of the Act;
 - (b) the Environmental Planning and Assessment Regulation 2000; and
 - (c) the City of Sydney Community Participation Plan 2022.
63. The planning proposal and draft DCP will be publicly exhibited online on the City of Sydney website.

GRAHAM JAHN AM

Director City Planning, Development and Transport

Gibran Khouri, Specialist Planner