

8.4 Planning Proposal - 1 Bugden Place Campbelltown

Reporting Officer

Manager Strategic Land Use Planning
City Planning and Environment

Community Strategic Plan

Objective	Strategy
2 Places For People	2.3.1 Ensure all people in Campbelltown have access to safe, secure, and affordable housing
4 Economic Prosperity	4.1.1 Provide high quality and diverse local job opportunities for all residents

Delivery Program

Principal Activity
2.1.1.3 Deliver effective land use planning to ensure community needs are met

Officer's Recommendation

1. That Council endorse the Planning Proposal at attachment 1 which seeks to amend the Campbelltown Local Environmental Plan 2015 as it applies to 1 Bugden Place, Campbelltown (Lot 1, DP 882496), by exempting the site from the requirements of clause 7.9 and including a local provision that requires 3,000 m² of non-residential land uses to be provided on the site at ground level.
2. That the Planning Proposal be forwarded to the Department of Planning, Housing and Infrastructure for a Gateway Determination.
3. That Council undertake community and public authority consultation of the Planning Proposal and the Draft Development Control Plan in accordance with Gateway Determination requirements.
4. That Council request delegation to make the local environmental plan under Section 3.36 of the *Environmental Planning and Assessment Act, 1979*.
5. That a report on the outcome of public exhibition of the Planning Proposal be presented to Council.

Executive Summary

- Think Planners Pty Ltd submitted a Planning Proposal Request (PPR) seeking an amendment to the Campbelltown Local Environmental Plan 2015 (CLEP 2015) in relation to the site known as 1 Bugden Place, Campbelltown.
- The PPR seeks to remove the application of Clause 7.9 (3) (b) of the CLEP 2015, which requires the site to only accommodate non-residential land uses on the ground floor. Clause 7.9 (3) (b) of the CLEP 2015 applies to all land in Zone E2 Commercial Centre and Zone MU1 Mixed Use within Campbelltown Local Government Area (LGA).
- A Market Retail Assessment and Urban Design Study were submitted with the PPR to justify and support the PPR.
- A detailed assessment of the PPR against the relevant regional and local strategic planning strategies has been undertaken. The proposed loss of employment land within the City Centre that would result from this PPR has required justification and detailed consideration.
- The Planning Proposal (the Proposal) at attachment 1 is based on the PPR, with an additional proposed amendment to the CLEP 2015 that ensures that a suitable amount of commercial space of (3,000 m²) be retained on site.
- It is recommended that the Proposal at attachment 1 be endorsed for referral to Department of Planning, Housing and Infrastructure (DPHI) for a gateway determination, and in due course, for public exhibition.

Purpose

The purpose of this report is to seek Council endorsement of the Proposal, for the purpose of seeking a gateway determination from the DPHI, and in due course, for placing the Proposal on public exhibition.

The Proposal is seeking to amend the CLEP 2015 by removing the application of Section 7.9 (3) (b) to the subject site and including a local provision that ensures that at least 3000 m². This site is within the MU1 Mixed Use zone and Clause 7.9(3)(b) requires the ground floor of a building in the MU1 zone to only accommodate non-residential land uses.

A part of the site adjacent to Menangle Road is zoned SP2 Infrastructure (classified road) however the Proposal does not seek to change any provisions relating to this part of the site.

Property Description	1 Bugden Place, Campbelltown (Lot 1, DP 882496)
Application No	3294/2023/E-PP
Applicant	Think Planners Pty Ltd
Owner	Dumarchand Holdings Pty Ltd and Dankaur Pty Ltd
Provisions	Environmental Planning and Assessment Act 1979 Campbelltown Local Environmental Plan 2015
Date Received	18 July 2023

History

- Think Planners Pty Ltd submitted a scoping proposal to Council on 20 April 2023. The scoping proposal sought an amendment to the CLEP 2015 in relation to the site known as 1 Bugden Place, Campbelltown, which is the subject of this report to the LPP. The scoping proposal aimed to remove the CLEP's section 7.9 (3)(a) and (b) requirement to only accommodate non-residential land uses on the ground floor of a building in the MU1 zone. The applicant also briefed Council staff on details of the scoping report. The amount of retail/commercial ground floor area identified in the scoping report was 1500 m².
- On 13 June 2023, Council provided a response to the applicant's scoping proposal which advised that the requested amendment to Clause 7.9 of the CLEP 2015, in the manner proposed, was "potentially supportable" subject to several matters being addressed in any future PPR submitted for the subject site.
- On 18 July 2023, a formal PPR was submitted on the NSW Planning Portal for Council's consideration. The information submission to support the PPR included a Market Retail Assessment and Urban Design Study. The PPR proposed a retail/commercial floor area of 600 m² at ground floor.
- Upon reviewing the provided information, concerns were raised regarding the Retail Market Assessment (RMA) submitted in support of the proposal. Notably, the RMA failed to take into account the insights from the Council's Strategic Review of Employment Land Strategy, adopted on 8, December 2020, as well as the information outlined in the Reimagining Campbelltown City Centre Master Plan. Both strategic documents highlight the imperative for increased commercial floor space within the Campbelltown City Centre.
- Following a meeting with the applicant, on 23 October 2023 a revised RMA, with a revised commercial floor space of 1500 m² was submitted to Council by way of the NSW Planning Portal. No further justification was submitted to support the proposed commercial/retail area.
- On 13 December 2023, the Proposal was reported to the Campbelltown Local Planning Panel (LPP) for expert advice. The minutes from the LPP meeting are at attachment 3.
- Through engagement with the applicant, the PPR was amended to provide a minimum of 3,000 m² of preserved employment-generating floor space on the site. This approach achieves the desired employment outcomes while also accommodating the necessary housing. To accomplish this, the proponent proposed that approximately 1,000 m² of the required space will be distributed above the ground floor.
- The proponent has submitted an amended PPR in line with this agreement, and as such the proposal is reported to Council with a recommendation that the proposal be endorsed for forwarding to the DPHI for a gateway determination, and in due course, for public exhibition.

Report

1. Site

The site is located at 1 Bugden Road, Campbelltown (Lot 1 DP882496), east of the Macarthur Railway Station and north east of Macarthur Square. The site has an area of 25,500m² (including land reserved for Menangle Road widening)(refer to Figures 1 and 2).



Figure 1 - Aerial Photo of Site/Locality

The site has a frontage to 4 roads: Kellicar Road to the south (131.6 m frontage), Menangle Road to the north (119 m frontage), Bugden Place to the east (175 m frontage), and Gilchrist Drive to the west (175 m elevated frontage). The area has good connectivity with frontage to Menangle Road and access to several major arterial roads including Narellan Road, Oxley Street, Appin Road and M31 Hume Motorway, along with regular public transport services.

The land topography gradually falls from east to west and currently accommodates the old Bunnings Warehouse. The site is not at grade with any of the surrounding streets/roads. The site has a significant drop from Kellicar Road and Gilchrist Drive and is raised as it relates to Bugden Place and Menangle Road.

The site is largely cleared with only vegetation planted on the site boundary. Consideration will be given to retaining any trees that are in good health as part of the future development scheme. Opportunities exist on the site if redeveloped to enhance the natural character including vegetation, particularly along the site boundaries and through-site link.

2. Locality

The immediate vicinity of the site includes a commercial precinct comprising Macarthur Square and Bulky Goods stores. On the opposite side of Kellicar Road, the area is characterised by traditional one and 2-story residential dwellings, with the Campbelltown Private Hospital and Specialist Medical Centre located close by.

On the opposite side of Menangle Road is the train line, facilitating travel between Macarthur and Campbelltown stations. Access to the site is highly convenient, with Macarthur Station approximately 400 m away and bus stops within a 200 m radius. Macarthur train station

provides services to Campbelltown, Sydney CBD, and Sydney Airport. The interconnected train lines offer efficient transportation options to various areas of Greater Sydney.

The area is supported by educational institutions, including schools and tertiary establishments, as well as childcare centres, community services, recreational and sporting facilities, and an established commercial centre to the west. The future vision for the site is to consolidate existing educational, health and community services and expand to form a 'Cultural Heart Precinct' that will also attract cultural and arts facilities.

In addition to the extensive rail network, the site is within 200 m of bus stops on Kellicar Road, serving routes to Liverpool (bus route 872), Liverpool Station (bus route 870), Glenquarie Shops (bus route 872), and Campbelltown (bus route 887). This combination of rail and bus services ensures residents have diverse and convenient public transport options for accessing local and regional employment, services, and entertainment.

The area has good connectivity with Menangle Road and access to several major arterial roads including Narellan Road, Oxley Street, Appin Road and M31 Hume Motorway, along with regular public transport services.

3. Current Development application

A Development Application (3067/2023/DA-RA) has been submitted to Council which proposes the demolition of all existing structures on site prior to constructing a mixed-use commercial and residential development in 2 stages.

The DA is still currently being assessed and a has been subject to some minor amendments.

4. Planning Proposal Request

Existing Provisions under CLEP 2015

The subject site is currently zoned MU1 – Mixed Use with a maximum permissible building height of 32 m but does not have any maximum floor space ratio control under the CLEP 2015. A part of the subject land is zoned SP2 Infrastructure (classified road) however this part of the site is not subject to any changes under the PPR.



Figure 2 - Existing Zoning - CLEP 2015

Objectives of zone MU1

- To encourage a diversity of business, retail, office and light industrial land uses that generate employment opportunities.
- To ensure that new development provides diverse and active street frontages to attract pedestrian traffic and to contribute to vibrant, diverse and functional streets and public spaces.
- To minimise conflict between land uses within this zone and land uses within adjoining zones.
- To encourage business, retail, community and other non-residential land uses on the ground floor of buildings.
- To encourage the timely renewal and revitalisation of centres that are undergoing growth or change.
- To provide a focal point for commercial investment, employment opportunities and centre-based living.

Clause 7.9 Mixed use development in Zones E2 and MU1

Clause 7.9 of the CLEP 2015 applies to the MU1 zoned land and states:

- (1) The objective of this clause is to promote employment opportunities and mixed use development in Zone E2 Commercial Centre and Zone MU1 Mixed Use.
- (2) This clause applies to land in Zone E2 Commercial Centre and Zone MU1 Mixed Use.

- (3) Development consent must not be granted to the erection of a building that will contain a residential component, or a change of use of a building, on land to which this clause applies unless the consent authority is satisfied that—
 - (a) the building will have an active street frontage after its erection or change of use, and
 - (b) the ground floor will only accommodate non-residential land uses, and
 - (c) if the land is in Zone E2 Commercial Centre—the building will have at least one additional level of floor space, immediately above the required non-residential ground floor, that is also set aside for non-residential land uses.
- (3A) Subclause (3)(a) and (b) does not apply to land at Goldsmith Avenue, Campbelltown, being Lot 1097, DP 1182558.
- (4) Despite subclause (3), an active street frontage is not required for any part of a building that is used for any of the following—
 - (a) entrances and lobbies (including as part of mixed use development),
 - (b) access for fire services,
 - (c) vehicular access.
- (5) In this clause—

active street frontage, of a building, means that all premises on the ground floor of the building facing the street are used for the purposes of business premises or retail premises.

non-residential land uses includes uses for the purposes of commercial premises, medical centres, recreation facilities (indoor) and other similar uses but does not include car parking.'

The Proposal seeks to amend CLEP 2015 by adding the following subclause to section 7.9:

- (3B) Subclause (3)(a) and (b) do not apply to land bound by Menangle Road, Budgen Place, Kellicar Road and Gilchrist Drive, Campbelltown, legally described as Lot 1 DP882496.

Consent must not be granted to the erection of a building on this land unless the consent authority is satisfied at least 3,000 m² of the gross floor area at ground floor will be used for non-residential land uses.

Notably, under the current provisions of the CLEP 2015, Residential Flat Buildings are permissible with consent in the MU1 Zone. However, Clause 7.9 provides further controls that prevent residential flat buildings in the MU1 zone, for most land zoned MU1 (there is one site excepted from the operation of Clause 7.9 which is also located north of Macarthur railway station).

The Proposal does not propose to amend any other development standards that apply to the site under the CLEP 2015.

The Retail Market Assessment (RMA) prepared by Urbis, dated 16 October 2023, is attachment 5.

5. State Environmental Planning Policies

An assessment of the Proposal against the various SEPP's has been conducted. A table summarising the results of this assessment can be found in the planning proposal document, included as attachment 1.

No inconsistencies with any SEPP have been identified as part of this assessment.

6. Local Planning Directions

An assessment of the Proposal against the various section 9.1 Local Planning Directions has been undertaken. A table summarising the results of this assessment can be found in the Proposal at attachment 1. Local Planning Direction 7.1 is of particular relevance to this Proposal and states:

- (1) A planning proposal must:
 - (a) give effect to the objectives of this direction,
 - (b) retain the areas and locations of Employment zones,
 - (c) not reduce the total potential floor space area for employment uses and related public services in Employment Zones.
 - (d) not reduce the total potential floor space area for industrial uses in E4, E5 and W4 zones, and
 - (e) ensure that proposed employment areas are in accordance with a strategy that is approved by the Planning Secretary.

With regard to direction (c), an exemption from the requirements of clause 7.9 could be considered to reduce the minimum required amount of area for employment uses, however it does not in any way reduce the total potential floor space for employment uses, as a range of commercial activities will remain permissible with consent on all floor space within the development, based upon the MU1 Medium Density zoning. This flexibility allows the provision of housing in the immediate while also enabling the conversion of residences into commercial tenancies in the future, should market demand increase.

The proposal is not inconsistent with any of the other directions within local planning direction 7.1.

As no change to the zoning of the MU1 Mixed Use site is proposed, the Proposal is considered consistent with the direction.

7. Regional, District and Local Plans

7.1 Greater Sydney Region Plan

The Greater Sydney Region Plan has been prepared by the NSW State Government to guide land use planning decisions over the next 40 years in order to achieve a common goal of having a metropolis of 3 cities, Eastern, Central and Western. The plan sets a strategy for accommodating Sydney's future population growth and identifies the need to deliver 725,000 additional homes and create 817,000 jobs by 2036. The plan identifies that the most suitable locations are close to jobs, public transports, community facilities and services.

Objective 22 (Investment and business activity in centres) of this Plan states that: -

As Greater Sydney's population grows over the next 20 years, there will be a need for over 5 million square metres of additional retail floor space and additional stand-alone office developments to accommodate a significant increase in office jobs. For Greater Sydney to remain competitive the market needs to be able to deliver this floor space in an efficient and timely manner.

An exemption requiring no less than 3,000 m² of non-residential floor space is considered to be aligned with objective 22 as it contributes to the amount of suitable floor space in a manner that responds to the location of the site, and the significant existing retail premises in the immediate vicinity. Additionally, the provision of well-situated housing, within walking distance to public transport, is also an objective of the plan (objectives 10 and 11).

7.2 Western City District Plan

Campbelltown is identified as a metropolitan cluster and health and education precinct in the Western City District Plan (WCDP). The plan provides guidance in relation to job creation, housing supply and sustainability.

The WCDP identifies (in part) the following priorities for the 'City Centre'.

- Encourage revitalisation of the commercial core.
- Identify, prioritise and deliver collaboration areas which includes the Campbelltown-Macarthur health and education precinct which contains Campbelltown public and private hospitals, Western Sydney University Campbelltown Campus, TAFE NSW Western Sydney, Macarthur Square and Campbelltown Mall.
- Enhance the centres civic, cultural and heritage role.
- Encourages new lifestyle and entertainment uses to activate streets and grow the night-time economy.
- Improve east-west pedestrian connectivity.
- Improve accessibility through walking, cycling and public transport.
- Support mixed use development and surrounding high quality apartments and medium density residential development.
- Capitalise on the Western Sydney Airport and Western Sydney City Deal.

Implementation of the WCDP could potentially be achieved through Planning Proposals that are submitted to Council for assessment, however, the subject Proposal appears to be inconsistent with the pathway of the WCDP for the 'City Centre' as it seeks remove section 7.9 (3)(b) of CLEP 2015 for the requirement to "only accommodate non-residential land uses" on the ground floor of a building in the MU1 zone. As discussed later in this report, this exemption, to a level no less than 3,000 m² is considered justified based upon the projected future demand for commercial floor space in the area, as well as the geographical nature of the site.

7.3 Glenfield to Macarthur Urban Renewal Corridor Strategy

The NSW Government finalised the plan for the Macarthur precinct in the Glenfield to Macarthur Urban Renewal Corridor Strategy (the Corridor Strategy) in late 2017. The Strategy aims to provide better connections between homes, jobs and open space close to 7 train stations between Glenfield and Macarthur.



Figure 3 - Glenfield to Macarthur Urban Renewal Corridor Strategy Mapping

The Strategy identifies Macarthur as being a precinct which is intended to compliment Campbelltown's status as a Regional City Centre with world class health facilities, integrated educational institutions, more diverse housing, a premier retail precinct and attractive public spaces. The vision encapsulates Macarthur as a precinct that will provide a range of building heights, with higher rise buildings located near the train station, which is also anticipated to maximise pedestrian activity and increase trade for local businesses.

The Strategy outlines that the vision would be initiated through the lodgement of planning proposals and Council initiated LEP amendments. The subject site is identified as being located within a Mixed Use Retail/Residential area under the Strategy.

Buildings in this location are identified as being able to accommodate a range of heights, close to local services and existing transport hubs. These buildings would also be appropriately setback from both Kellicar Road and Bugden Place to ensure the scale and feel of the surrounding public domain is maintained.

The precinct plan shows the subject land as 'mixed use retail and residential'.

The subject Proposal proposes a residential precinct with a minimum of 3,000 m² of non-residential floor space and is considered to be consistent with the strategy.

7.4 Campbelltown Local Strategic Planning Statement

The Campbelltown Local Strategic Planning Statement (LSPS) came into effect on 31 March 2020. All Planning Proposals are now required to demonstrate consistency with the LSPS.

Several actions within the LSPS are relevant to the proposal, and an assessment of the PPR against these actions is contained in the following table: -

LSPS Priorities	
Priority	Response
Theme 1 – A vibrant, liveable city	
Priority 1: Creating a great place to live, work, play and visit	The provision of 3,000 m ² of non-residential floor space, is considered to achieve the goal of priority 1. The proposal facilitates the delivery additional housing in an area with good access to public transport, retail and health services.
Priority 2: Create high quality, diverse housing	The Proposal is consistent with this priority as it has the potential to provide additional housing close to existing amenities.
Theme 3 – A thriving, attractive City	
Priority 10: Creating strong and vibrant centres	The subject site is located within the 'City Centre' and is anticipated to provide additional housing close to existing amenities and transport hubs. A requirement of no less than 3,000 m ² of, non-residential floor space, balances the requirement for 'City Centre' employment lands against the risk of unoccupied tenancies thus contributing to the strong and vibrant nature of the city centre.
Theme 4 – A successful city	
Priority 14: Ensuring infrastructure aligns with growth	The Proposal will require careful consideration relating to existing and proposed infrastructure to service the proposed increase in population. Should the Proposal proceed to Gateway Determination, consultation would occur with relevant State Agencies. It is however noted that shop top housing is an existing permitted use on the site and no increase to maximum floor space ratio or maximum height of building is proposed. Infrastructure needs based upon the potential of the site have therefore been considered in historical calculations for the area.

7.5 Re-imagining Campbelltown City Centre Master Plan

The subject site is located within the boundaries of Re-imagining Campbelltown City Centre Master Plan (RCCCMP). The 6 key pillars in the RCCCMP that inform decision making around the evolution of the Campbelltown City Centre are:

- Confident and Self Driven
- Connected Place
- Centre of Opportunity
- No Grey to be Seen
- City and Bush

- The Good Life



Figure 4 – extract from Re-imagining Campbelltown City Centre Master Plan

With a minimum requirement for 3,000 m² of, non-residential floor space, the Proposal is considered consistent with the RCCCMP as it balances the competing needs of increased housing, employment opportunities and a desire to minimise vacant commercial tenancies within the City Centre.

7.6 Draft Greater Macarthur 2040

Draft Greater Macarthur 2040 is a land use and infrastructure implementation plan to set a vision for the Growth Area as it develops and changes. The plan provides a framework for the future of the 2 elements of the Greater Macarthur Growth Area, in the north, urban renewal of the rail corridor from Glenfield to Macarthur and in the south, the development of land release areas from Menangle Park to Appin. This Proposal is located within the urban renewal section of the plan.

The site is identified as mixed use in the plan. The PPR does not seek a change to the current zone.

7.7 Campbelltown Community Strategic Plan 2032

The overarching Community Strategic Plan (CSP) represents the principal community outcome focused strategic plan guiding Council's policy initiatives and actions.

The following strategies which are respectively highlighted in 'Outcome' 2 (Places for People) and 4 (Economic Prosperity) of the CSP are considered relevant to this PPR. There are minor inconsistencies with these provisions.

- **2.3 Housing a growing city:** The subject Proposal will ensure that more people in Campbelltown have additional access to safe, secure and affordable housing by providing residential accommodation by making increasing the feasibility of residential development on a site previously used for retail.
- **4.3 Revitalise the city:** The PPR is not considered fully to align with strategy No. 4.3.2 "Strategies" of the CCPS 2032 which aims to create a: -
4.3.1 unique and lively city which will promote Campbelltown as an appropriate destination for business, social, event and leisure activities; or

Whilst the Proposal has the potential to provide a very small increase in population in the Campbelltown CBD, it is considered that the removal of potential retail, commercial and community space is partially inconsistent with the expected outcomes of the CSP. This however needs to be balanced against the context of the particular site including proximity to the regional shopping centre at Macarthur Square and having regard to the additional housing that will be supplied.

7.8 Campbelltown Strategic Review of Employment Land Strategy

On 8 December 2020, Council endorsed the Campbelltown Strategic Review of Employment Lands which identified the future centres demand and predictions for retail and businesses across the Campbelltown LGA. This strategy is still waiting on endorsement from DPHI.

This review sought to ensure an adequate supply of appropriately zoned land is available to accommodate the future employment needs of the Campbelltown Local Government Area. This Strategy has also been endorsed by Council but is waiting on approval from the Department of Planning and Environment (DPE).

The forecast demand for retail space by centre was derived using resident and worker expenditure modelling. Two scenarios were undertaken: one based on the Forecast ID. Population projections and the other based on the NSW Transport, Analytics and Performance (TPA) projections and distribution. The estimated net increase in floor space across the centres under both scenarios is outlined below.

Centre	Supply in 2019	Demand in 2019	Current over/under-supply	Additional demand in 2031	Additional demand in 2041
Campbelltown	165,120	159,623	-5,497	73,566	106,742

Centre	Super-markets	Specialty foods	Food services	Department Stores	Apparel Stores	Other Non-Food Goods	Selected Personal Services	TOTAL
Campbelltown	38,561	8,658	25,106	61,824	32,378	97,155	8,179	271,862

Figure 5 – Projected retail floorspace demand

As indicated in Tables 17 and 18 of this Strategy, there is further demand for an additional 271,862 m² of leasable retail floorspace in Campbelltown by 2041 while 'Forecast ID' estimates that an additional 73,566 m² will be required by 2031 and 106,742 m² in 2041. The strategy recommends retaining businesses close to train stations.

Based on the location and constraints of the site in question, it has been determined that a minimum figure of 3,000 m² of commercial space should be retained in order to suitably contribute to meeting the above targets, while also balancing competing need of housing supply. The supply of employment generating floor space has been distributed across the 4 levels of the Proposal.

7.9 Campbelltown Local Housing Strategy 2041

The Campbelltown Local Housing Strategy 2041 (LHS) was endorsed by Council on 11 April 2023 and has been referred to DPHI for endorsement. DPHI has provided draft approval conditions. This document seeks to ensure an adequate supply of appropriately zoned land is available to meets the future housing needs of Campbelltown.

The LHS seeks to contain urban development within the urban areas defined by existing strategies such as the Glenfield to Macarthur Urban Renewal Corridor Strategy.

The Proposal is generally consistent with the LHS as the subject site is located within Campbelltown City Centre and would provide additional housing located close to existing amenities and transport hubs.

7.10 City Centre Planning Proposal

Council has engaged a consultant to oversee specialist technical studies to inform the preparation of a planning proposal for the Campbelltown City Centre. The studies will comprise a suite of technical and site-specific studies including traffic and access, urban design analysis, heritage, open space.

This site forms part of the broader study area and the studies are anticipated to be completed by December, 2024. At present, there is no apparent conflict between the City Centre Planning Proposal and the subject Proposal.

8 Key Issues and Concerns

8.1 Preservation of employment land

In 2022, the Greater Cities Commission (GCC) led a multi-agency review of the Industrial and Urban Service Lands Retain and Manage policy (the Policy) under the Greater Sydney Regional Plan – A metropolis of Three Cities. On 30 June 2022, the Commission released the Industrial Lands Policy Review Findings Paper, which reports the final outcomes of the Review. The key outcomes of the Review were:

- a 'Retain and Manage' Policy is needed for the protection of industrial lands in Greater Sydney. The existing Policy will continue to apply, and
- draft Guiding Principles will strengthen and support the continued implementation of the 'Retain and Manage' Policy. The next Region Plan will consider the findings of this Review and include the vision, objectives and draft Guiding Principles for industrial lands.

On 26 April 2023, five new employment zones and four new supporting zones took effect in local environmental plans (LEPs) across NSW, replacing the former Business (B) and Industrial (IN) zones:

Employment zones in which the 'primary objective is to promote employment-generating activities', including:

- E1 – Local Centre,
- E2 – Commercial Centre,
- E3 – Productivity Support,
- E4 – General Industry, and
- E5 – Heavy Industry.

Supporting zones which intend to 'accommodate land uses in existing B or IN zones that are not primarily productivity related', including:

- MU1 – Mixed Use,
- W4 – Working Waterfront,
- SP4 – Enterprise, and
- SP5 Metropolitan Centre.

The DPHI's Employment Zones Reform Implementation Report provides further information on the strategic intent of the MU1 Mixed Use zone which is:

- To support a mix of compatible land uses including residential, commercial and light industrial,
- To transition between uses (e.g., a centre and another land use such as residential),
- To apply to mixed use centres, along corridors, or surrounding centres where genuine mixed uses are sought, and
- Can continue to be applied to existing B4 areas that are primarily residential.

Additionally, this report states that the desired characteristics of the MU1 Mixed Use zone is for

- Activities at ground floor and on street fronts,
- Differentiation between a centre and urban support areas in a mix of zones to manage the impacts of out of centre development, and
- Well-designed mixed-use developments are vibrant and support community needs.

Longer-term considerations for the MU1 Mixed Use zone are to manage out of centre development and to use permitted land uses to shape the intent and desired outcome of the area.

The site is subject to the 'retain and manage' policy direction and is located within the MU1 – Mixed Use zone, a supporting zone. As the Proposal proposes that only part of the site accommodate non-residential land uses, justification is required to support departure from the established policy position and a minimum square metre threshold adopted. However, the Proposal does align with strategic intent of the zone in the context of the industrial land policy by providing a mixture of supporting compatible land uses i.e. residential and commercial together.

Council's Economic Analytics and Policy Coordinator raised several issues in response to the original Retail Market Assessment (RMA) submitted with this Proposal. The RMA originally stated that the development could not sustain greater than 600 m² of non-residential (commercial) floor space.

A revised proposal from the proponent is that a minimum threshold of 3,000 m² of non-residential land uses be provided to balance the various requirements of the proposal including:

- a mixture of residential and commercial uses at ground level providing vibrancy to the site.
- a pedestrian plaza lined with retail and commercial sites as noted by Council's Economic Analytics and Policy Coordinator.
- a suitable contribution towards the employment targets outlined in Council's Employment Land Strategy.
- a diverse range of potential commercial tenancies, distributed across multiple levels, facilitating a wider range of commercial uses than an exclusively ground floor approach would.
- a more diverse range of potential job creation opportunities, than the sites previous and current uses.

It is considered that there are the following reasons to support a mixed-use development and departure from the industrial lands policies retain and manage direction based on merit and assessment against current policy directions and guiding strategic documents as the proposal:

- Supports the development of housing in Greater Sydney in accordance with the NSW State Government's Housing Policy Reforms by addressing key priorities such as increasing housing supply, promoting affordability, and fostering sustainable communities. This project enhances the state's strategic objectives by incorporating a mix of housing types and densities that cater to diverse needs.
- Supports the Corridor Strategy by contributing to Campbelltown's status as a Regional City Centre and the vision intent to provide more diverse higher-rise buildings located near train stations and maximising pedestrian activity and trade for local businesses. The PP balances the competing needs of increased housing, employment opportunities and a desire to minimise vacant commercial tenancies within the city centre.
- Supports the Campbelltown LSPS priorities to create a great place to live, work, play and visit and creating high quality, diverse housing in the LGA.
- Supports the delivery of the Reimagining Campbelltown City Centre Master Plan, 'Core CBD' precinct intent to be the commercial and civic heart of the city by providing on-going activation of the site into the evening with a mixture of residents, workers and visitors being on-site all day and night. Activation of the site would not occur if it was solely commercial uses.
- Supports the Draft Greater Macarthur 2040 by providing a mixed-development within the identified urban renewal area of the rail corridor from Glenfield to Macarthur.
- Supports the delivery of the Campbelltown Community Strategic Plan 2032 strategy to provide 'housing in a growing city' and 'revitalise the city' through ensuring that more people in Campbelltown have additional access to safe, secure and housing.
- Supports the Campbelltown Local Housing Strategy by providing residential housing in an appropriate zone to meets the future housing needs of Campbelltown.

8.2 Urban Design and interface with road frontages

The proposed adjustment to the application of Clause 7.9 of the CLEP 2015 would have an indirect impact on the future urban design and layout of the site, in particular its connectivity

and permeability to surrounding land uses. These aspects should be fully investigated and analysed as part of the urban design study.

Further, the site experiences a cross fall of approximately 13 m from south-west to north-east. Relative design responses have been investigated by the Proponent and given the site fall and physical constraints it is considered that road frontage activation should only occur on Kellicar Road and Bugden Place.

An urban design plan titled "Planning Proposal Street Interface" was submitted on 23 October 2023 which included: -

- A site plan which describes the pedestrian movement and activation in and around the subject property.
- A street activation plan that nominates the existing "active" and "non-active" frontages on Kellicar Road.
- Several Kellicar Road and Bugden Place elevations which indicate how the residential apartments, proposed on the ground floor, will present and interface with both street frontages.

A copy of the Planning Proposal Street Interface plan, dated 16 October 2023, has been included as attachment 6.

8.3 Future Road Widening

As part of the feedback of Council to the scoping report, the applicant was advised that Transport for NSW (TfNSW) are working on plans of proposed upgrades to Menangle Road from Tindall Street, Campbelltown to Menangle Park. Consultation will need to be undertaken with TfNSW in this regard and can be undertaken post gateway determination.

8.4 Traffic and Access

A traffic assessment report was not submitted with this Proposal. Feedback was sought from Council's traffic engineers on the Transport Impact Assessment, prepared by JMT Consulting, which was submitted in support of the recently lodged DA (3067/2023/DA-RA) on the subject site.

The comments related to the Proposal are as follows:

Section 2.7 provides the existing Traffic volumes generated for previous Bunnings site which is higher than the traffic volumes generated for the proposed development provided in Section 3.6 Table 2.

It is also noted that TfNSW has advised that they have no concerns with the submitted development application.

8.5 Local Planning Panel Advice

On 13 December 2023, the Campbelltown Local Planning Panel (the Panel) met and provided advice on the Proposal. The minutes from the Panel meeting have been included as attachment 3.

The Panel acknowledged that development of the site in accordance with the MU1 zoning would provide additional housing and employment floor space within the Campbelltown city centre

and close to public transport and a regional shopping centre. The Panel supported the redevelopment of the site in accordance with objectives of the MU1 zoning and considers this site to be of high strategic value as a mixed-use site.

The Panel also noted that the Proposal was not consistent with all Local and Regional Strategies due to the potential reduction in employment land uses. This includes:

- The Campbelltown Strategic Review of Employment Lands, which recommends an increase in employment land uses to meet the demand of a growing population.
- The Western City District Plan
- The Reimagining Campbelltown city centre Master Plan
- The Glenfield to Macarthur Urban Renewal Corridor Strategy
- The Campbelltown Local Strategic Planning Statement
- The Campbelltown Community Strategic Plan 2032.

Given the site context, the Panel accepted that there may be some potential for a redistribution of the retail and commercial floor space from ground level to ensure that there is an appropriate interface with the adjoining public roads, noting that an active street frontage is not desirable for all street frontages.

The Panel concluded that the minimum existing quantum of employment ground level floor space should be delivered on the site. As an alternative to providing all of this on the ground floor, it could be achieved by providing commercial levels above the ground floor or by providing a building that is commercial only in a suitable location on the site. It should not be automatically assumed that residential land uses are the better use in these locations.

Additionally, the Panel found that the existing controls provide the opportunity for the urban revitalisation of the site within the Campbelltown City Centre, close to transport, health and retail facilities as well as assisting in creating an activated pedestrian link between the site and Macarthur Station.

The Panel concluded that the Proposal did not demonstrate strategic and/or site-specific merit. It recommended that the applicant reengage with Council to determine the best way to achieve the employment outcomes anticipated for the site while concurrently delivering the important housing outcomes.

In response to the above, the proposal has been amended to significantly increase the commercial floor space from approximately 1600 m² to 3000 m².

Conclusion

The Planning Proposal seeks to amend the Campbelltown Local Environmental Plan 2015 by exempting 1 Bugden Place, Campbelltown (Lot 1, DP 882496) from the provisions of Subclause (3)(a) and (b) of Clause 7.9 of the Campbelltown Local Environmental Plan 2015. The proposed exemption will be subject to a requirement that 3,000 m² of building floor space is set aside for non-residential purposes at ground floor.

The proposed amendment to the Campbelltown Local Environmental Plan 2015 will facilitate the development of a mixed used precinct featuring approximately 750 dwellings, while also contributing a diverse mix of employment supporting floor space in the Campbelltown City

Centre. Both the residences and the commercial tenancies will be well located in proximity to public transport.

A number of issues have been addressed including the preservation of employment land, the quality of the urban design and interface with road frontages, the proposed future road widening, and traffic and access challenges. All challenges have been resolved to the point where a referral for a gateway determination is justified.

It is recommended that Council endorse the Planning Proposal and that it be sent to the Department of Planning, Housing and Infrastructure for a Gateway Determination.

Attachments

- 8.4.1 Planning Proposal (contained within this report) [↓](#)
- 8.4.2 Scoping Report Response (contained within this report) [↓](#)
- 8.4.3 Local Planning Panel Minutes (contained within this report) [↓](#)
- 8.4.4 Design Excellence Panel Minutes (contained within this report) [↓](#)
- 8.4.5 Retail Market Assessment (contained within this report) [↓](#)
- 8.4.6 Street Interface Plan (contained within this report) [↓](#)
- 8.4.7 Proponent Planning Proposal (contained within this report) [↓](#)