

## Report to Sydney West Joint Regional Planning Panel

<b>JRPP No.</b>	<b>2014SWY089</b>
<b>DA No:</b>	<b>JRPP-14-1343</b>
<b>Local Government Area:</b>	<b>Blacktown</b>
<b>Proposed Development:</b>	<b>Construction of a Costco wholesale and retail premises</b>
<b>Development Type:</b>	<b>Regional Development – Capital Investment Value &gt;\$20 million</b>
<b>Lodgement Date:</b>	<b>11 July 2014</b>
<b>Land/Address:</b>	<b>Lot 1082 DP 1189044 Richmond Road, Marsden Park</b>
<b>Land Zoning:</b>	<b>B5 Business Development pursuant to State Environmental Planning Policy (Sydney Region Growth Centres) 2006</b>
<b>Capital Investment Value of this Development:</b>	<b>\$34,085,000</b>
<b>Applicant:</b>	<b>Costco Wholesale (Australia) Pty Ltd</b>
<b>Report Author:</b>	<b>Sara Smith, Assistant Team Leader</b>
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<b>Date Submitted to JRPP:</b>	<b>5 August 2015</b>
<b>Date Considered by JRPP:</b>	<b>20 August 2015</b>



**Figure 1 Photomontage**

## ASSESSMENT REPORT

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### ATTACHMENTS

- Attachment 1 – Proposed conditions of consent
- Attachment 2 – Location plan
- Attachment 3 – Development Application plans
- Attachment 4 – Section 79C heads of consideration
- Attachment 5 – Compliance table with Growth Centres SEPP
- Attachment 6 – Compliance with SEPP 64 – Advertising and Signage
- Attachment 7 – Planning Proposal Council report
- Attachment 8 – List of services and products available
- Attachment 9 – Costco company overview



## 1. Summary

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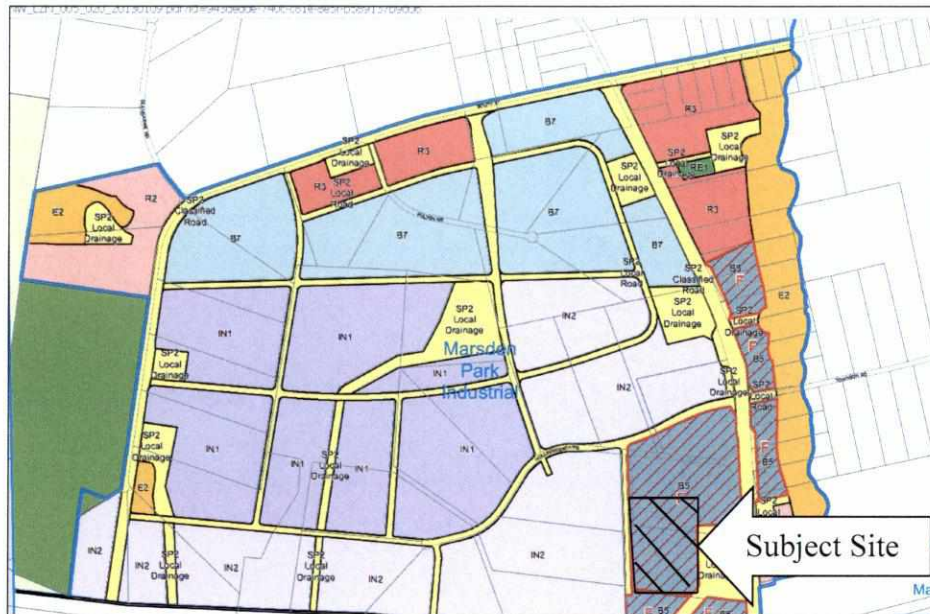
- 1.1 Council is in receipt of a Development Application (DA) from Costco Wholesale (Australia) Pty Ltd for the construction of a 13,575 sqm Costco wholesale and retail premises. The development has a Capital Investment Value of \$34,085,000.
- 1.2 The proposed development is located on the western side of a partially constructed estate road in Sydney Business Park, off Richmond Road, Marsden Park. The construction of the estate roads will be finished in conjunction with the construction of the building.
- 1.3 The subject site is zoned B5 Business Development pursuant to State Environmental Planning Policy (Sydney Region Growth Centres) 2006. The proposed uses including bulky goods premises, business premises, retail premises, service station and vehicle repair station, all of which are now permissible within the zone with development consent.
- 1.4 The application was lodged concurrently with a Planning Proposal to permit additional uses on the site, being retail premises and vehicle repair station. The Planning Proposal was gazetted by the Department of Planning and Environment on 11 May 2015. Development for the purposes of retail premises and vehicle repair station is now permitted on the subject site, where the site has an area of 20,000 sqm, the gross floor area is at least 13,000 sqm and the development is to be managed by a single operator. The proposal satisfies all of these requirements.
- 1.5 The proposal complies with the Growth Centre Precincts Development Control Plan 2010 including the provisions in Schedule 3 – Marsden Park Industrial Precinct, with the exception of the amount of communal area required for staff.
- 1.6 The Applicant seeks a departure from the communal area required for staff and visitors on the basis that the controls for the area did not envisage the large scale building footprints proposed here and that a communal area of 1,804 sqm is considered excessive. The proposal provides only 199 sqm, which is a shortfall of 1,605 sqm. The proposal provides a similar sized area for staff to that of IKEA, where 200 sqm is provided. The variation to the control is considered reasonable and is consistent with other existing similar developments in Sydney Business Park.
- 1.7 The DA was notified to adjoining and neighbouring owners for a period of 30 days between 29 July and 28 August 2014. During this period 2 submissions were received. The issues raised in the submissions are addressed in Section 10. The primary concerns related to drainage, site compatibility, economic impact, noise and traffic, but these are not considered to be sufficient to warrant refusal of the DA.
- 1.8 The proposed development has been assessed against the relevant matters for consideration under Section 79C of the Environmental Planning and Assessment Act 1979, including site suitability and the public interest, and is considered satisfactory. The proposed development satisfies key issues such as built form, car parking, traffic impacts, stormwater drainage and the like, subject to the imposition of suitable conditions of consent.
- 1.9 It is recommended that the Sydney West Joint Regional Planning Panel approve the DA subject to the imposition of suitable conditions of consent. Recommended conditions are provided at **Attachment 1** to this report.

## 2. Location

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- 2.1 The site is shown on the location map below.





**Figure 2 Location and zoning map**

- 2.2 The site is located within the Marsden Park Industrial Precinct which is located 40 kilometres from the Sydney CBD and is in close proximity to the M7 Motorway. The area encompassing the Marsden Park Industrial Precinct was rezoned in November 2010 for industrial, commercial, bulky goods retailing, residential and conservation land / open space.
- 2.3 The site is located on the southern side of the newly constructed intersection of 2 estate roads. Richmond Road provides vehicular access to the Business Park and is an arterial road taking high volumes of traffic between Blacktown and Richmond. The area is undergoing a significant transformation, with the construction of industrial, commercial and bulky goods retailing premises within the new Sydney Business Park.

### 3. Site description

- 3.1 The property description of the subject site is proposed Lot 1082 DP1189044, Richmond Road, Marsden Park.



**Figure 3 Aerial photo**



- 3.2 The site is vacant with works being carried out in association with a subdivision approved via DA-13-1918, including new roads. The site is generally regular in shape and has an area of 60,148 sqm with frontages to 4 estate roads, including 165 m to the northern Estate Road, 280 m to the eastern Estate Road, 157 m to the southern Estate Road and 313 m to the western Estate Road.

## 4. Background

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- 4.1. The subject site has been used for rural residential purposes for many years.
- 4.2. On 18 November 2010 the Marsden Park Industrial Precinct Growth Centres SEPP Amendment was gazetted which allowed the rezoning and reconfiguration of land uses within the Marsden Park Industrial Precinct for employment and residential purposes.
- 4.3. DA-13-1918 was approved under delegated authority of Council on 14 April 2014 for a Torrens title subdivision to create Lot 1082, and involving tree removal and associated bulk earthworks. The works associated with this DA have been carried out and the subdivision has been registered.
- 4.4. A Planning Proposal was lodged on 12 February 2014 to amend Schedule 1 of State Environmental Planning Policy (Sydney Region Growth Centres) 2006 to permit additional uses on the subject site alone. The Planning Proposal was gazetted on 11 May 2015, permitting retail premises and vehicle repair stations on the site if Council is satisfied that the site has a minimum area of 20,000 sqm, the development is to be managed by a single operator and the gross floor area is at least 13,000 sqm. A copy of the Council report on the Planning Proposal can be found at **Attachment 7**.

## 5. The proposal

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- 5.1. Approval is sought for the construction of a 13,575 sqm Costco wholesale and retail premises with associated car parking, landscaping and site works.
- 5.2. Details of the proposal are as follows:
- Site preparation works.
  - Construction of a rectangular shaped building with an overall height of 11.5 m.
  - A Costco service station with 4 dispenser islands, each with 4 fuel pumps, and 5 underground fuel storage tanks. Payment is to be made at the fuel pump.
  - At grade car parking for 713 vehicles, including 15 accessible car spaces, 14 spaces for the tyre service area and 43 staff car parking spaces.
  - An optical centre and hearing centre is provided within the warehouse.
  - A tyre centre is provided within the warehouse with external access.
  - The façade of the building will comprise of structural reinforced concrete and steel with an external metal clad façade. The roof will be constructed of pre finished metal sheeting.
  - Access is proposed via a constructed private road that extends south off the new Hollinsworth Road alignment. A secondary access is proposed via the northern Estate Road. Access to the loading dock is via the southern Estate Road.
  - Signage will include 5 'Costco Wholesale' wall signs, with one sign provided on each elevation and one above the main entrance, 1 'tyre centre' sign above the tyre centre entry on the eastern building façade and 4 'Costco gasoline' signs on each side of the roof canopy of the service station.



- Landscaping.
  - Costco Wholesale is for registered members only, for which a yearly membership fee is payable. There are 2 types of memberships available, a household membership and a business membership. Members will then have access to all services on site. When entering the site or purchasing products, members are required to present their membership card. The general public (i.e. non members) cannot utilise or purchase any services or products including the purchase of fuel. A list of the goods and serviced available is provided at **Attachment 8**.
- 5.3 The site is surrounded by 4 Estate Roads, with the southern Estate Road (Road No. 21) being the only public road, and the other 3 roads being private Estate Roads that will remain in the ownership of Sydney Business Park. The private roads are the northern Estate Road (Road No. 22), the eastern Estate Road (Road No. 18) and the western Estate Road (Road No. 24).
- 5.4 The application seeks approval for vehicular access to the site to be provided via a private Estate Road that extends south from the new Hollinsworth Road alignment. Two customer access driveways will be located along this eastern frontage and will connect directly with the primary parking area, whilst a third access driveway will be located along the northern frontage. A commercial vehicle driveway is provided along the southern boundary providing access to and from the eastern road for 25m B-Doubles. In addition, a temporary access for fire service vehicles is provided at the temporary turning head on the southern Estate Road which will be removed once Road No. 24 to the west (being a private road) is constructed. Petrol tankers will access the site via the northern Estate Road.
- 5.5 Access to the regional road network is off Richmond Road via Hollinsworth Road. The site is ideally located in close proximity to the on and off ramps to the M7 Motorway.
- 5.6 Access to the loading dock will be via a truck only exit via the southern Estate Road and has been designed to cater for B-Doubles up to 25m.
- 5.7 The proposed development has been accompanied by a Transport Impact Assessment prepared by GTA Consultants. The report demonstrates that the site will have a maximum peak of 1,059 trips per hour, with the maximum peak period for this development being Saturday midday. This is examined in more detail in Section 9.
- 5.8 Costco is proposed to be open to the public between the hours of 8:00 am and 9:00 pm, 7 days a week, with the service station to operate between 6:00 am and 10:00 pm, 7 days a week. Delivery and stacking operations will be 24 hours, 7 days a week. The site is anticipated to provide employment for a maximum of 350 full time and part time workers. Staff will generally work over 3 shifts between the hours of 4:00 am and 10:00 pm, 7 days a week.
- 5.9 The Applicant also seeks, as part of this DA, variation to the provision of staff and visitor communal area. The applicant proposes 55 sqm of food service seating area and 144 sqm of internal communal area, being a shortfall of 1,605 sqm. This issue is discussed in more detail in Section 6.
- 5.10 The Development Application plans are contained at **Attachment 3** to this report.

## 6. Planning controls

- 6.1 The planning controls that relate to the proposed development are:

**(a) Environmental Planning and Assessment Act 1979**

For an assessment against the Section 79C 'Heads of Consideration', refer to Section 11 and **Attachment 4** of this report.

**(b) (b)State Environmental Planning Policy (State and Regional Development) 2011**

This SEPP identifies development classified as 'Regional Development', which requires referral for determination to a Joint Regional Planning Panel (JRPP) in accordance with Clause 20 of the SEPP.

The Development Application is classified as Regional Development as the Capital Investment Value of the application is more than \$20 million. Accordingly, Council is responsible for the assessment of the application, whilst determination falls to the Sydney West Joint Regional Planning Panel and not by Council under delegated authority.

**(c) State Environmental Planning Policy (Infrastructure) 2007**

Schedule 3 of SEPP (Infrastructure) 2007 identifies traffic generating development which requires referral to the Roads and Maritime Services (RMS). The SEPP requires referral to RMS where new premises have a floor area greater than 20,000 sqm in area and where parking facilities for 200 or more motor vehicles with access to any road are proposed. The Costco Warehouse will provide car parking for 713 vehicles.

The DA was referred to RMS on 16 July 2014. The RMS has raised no objection to the proposal subject to the imposition of **conditions**. Refer to Section 7 for further details on RMS comments.

**(d) State Environmental Planning Policy (Sydney Region Growth Centres) 2006**

Each of the proposed uses are permissible on the land under the provisions of State Environmental Planning Policy (Sydney Region Growth Centres) 2006. The provisions of Appendix 5 of the SEPP – Marsden Park Industrial Precinct are relevant to the proposal. The table at **Attachment 5** outlines that the application is compliant with the controls in Appendix 5 of the SEPP.

The application seeks approval for a range of uses, all of which are permissible on the site, including:

**Bulky goods premises**

"a building or place used primarily for the sale by retail, wholesale or auction of (or for the hire or display of) bulky goods, being goods that are of such size or weight as to require:

- (a) a large area for handling, display or storage, or
- (b) direct vehicular access to the site of the building or place by members of the public for the purpose of loading or unloading such goods into or from their vehicles after purchase or hire,

but does not include a building or place used for the sale of foodstuffs or clothing unless their sale is ancillary to the sale or hire or display of bulky goods."

**Business premises**

"a building or place at or on which:

- (a) an occupation, profession or trade (other than an industry) is carried on for the provision of services directly to members of the public on a regular basis, or
- (b) a service is provided directly to members of the public on a regular basis,



and may include, without limitation, premises such as banks, post offices, hairdressers, dry cleaners, travel agencies, internet access facilities, medical centres, betting agencies and the like, but does not include sex services premises”.

### **Service station**

“a building or place used for the sale by retail of fuels and lubricants for motor vehicles, whether or not the building or place is also used for any one or more of the following:

- (a) the ancillary sale by retail of spare parts and accessories for motor vehicles,
- (b) the cleaning of motor vehicles,
- (c) installation of accessories,
- (d) inspecting, repairing and servicing of motor vehicles (other than body building, panel beating, spray painting, or chassis restoration),
- (e) the ancillary retail selling or hiring of general merchandise or services or both.”

### **Retail premises**

“a building or place used for the purpose of selling items by retail, or for hiring or displaying items for the purpose of selling them by retail or hiring them out, whether the items are goods or materials (or whether also sold by wholesale).”

### **Vehicle repair station**

“a building or place used for the purpose of carrying out repairs or the selling of, and fitting of, accessories to vehicles or agricultural machinery, but does not include a vehicle body repair workshop.”

The amendment to the SEPP permits development for the purposes of retail premises and vehicle repair stations if the site area is a minimum of 20,000 sqm, the gross floor area is a minimum of 13,000 sqm and Council is satisfied that the development is to be managed by a single operator. The Costco development satisfies these new requirements as the site area exceeds 60,000 sqm and the gross floor area is 13,375 sqm. In addition, the development will be managed by a single operator being Costco Australia.

## **(e) Variations to DCP controls**

### **(i) Communal open space**

Table 6-2 of the DCP requires a minimum 3% of the total site area to be dedicated to communal area for visitors and staff. 3% of the total site area equates to 1,804 sqm. The proposal will provide a communal area with an area of only 199 sqm. The proposal results in a shortfall of 1,605 sqm.

The Applicant seeks a departure to this control on the grounds that sufficient areas of communal space is provided, along with a proposed food service area with a seating area of 55 sqm which is available for use by staff and visitors to the site. The provision of communal areas will be consistent with the provision of communal areas for the IKEA store nearby. Costco and IKEA have similar staffing numbers of between 300 – 350 full time positions. IKEA has been approved with a staff area of 200 sqm.

On this basis the variation to the provision is considered to be reasonable in the circumstances.



**(f) State Environmental Planning Policy 33 – Hazardous and Offensive Development**

State Environmental Planning Policy 33 – Hazardous and Offensive Development (SEPP 33) requires that the potential hazards associated with a development be assessed to demonstrate that the development will not give rise to any unacceptable levels of risk to the surrounding community. A Preliminary Hazard Assessment was prepared as part of the DA submission by Jacobs Group (Australia) Pty Ltd, to assess the level of risk associated with the development of the Service Station and storage of petroleum based fuels on the site. The Preliminary Hazard Assessment includes a multi-level risk assessment prepared in accordance with the methodology outlined in 'Applying SEPP 33' (prepared by the former Department of Planning & Infrastructure, 2011) and the requirements of the Hazardous Industry Planning Advisory Paper (HIPAP) No's 1 - 6.

The PHA comprises 4 main steps:

- Step 1 - incident identification
- Step 2 - consequence analysis
- Step 3 - probability and frequency estimations
- Step 4 - quantitative risk assessment results.

As part of step 1, the incidents identified related to the following potential hazard situations:

- (a) the bulk fuel storage within the underground tanks
- (b) the release of flammable/combustible liquid during a transfer operation.

From these 2 identified hazards, only 2 potential incidents (tanker hose or compartment failure and dispenser drive away incident) were considered for consequence and frequency analysis.

Overall, Jacobs found that the calculated risk level for the site is 2.8 per million per year (pmpy), which is below the published criteria levels for both the 'boundary of industrial neighbours' (50 pmpy) and 'commercial development' (5 pmpy). On this basis, Jacobs confirm that the Costco fuel storage and transfer facilities are not potentially hazardous or offensive.

Notwithstanding this, it has been recommended by the consultant that the following should be undertaken in order to ensure that the risks are maintained as low as reasonably practicable:

- (a) articulated vehicles and B-Doubles carrying bulk fuel follow RMS approved routes for B-Doubles as far as practicable
- (b) an emergency response plan should be prepared with reference to HIPAP 1 and Australian Standard AS 3745-2002 and specifically address the hazards associated with fuel storage and transfer operations on-site and appropriate emergency response and fire-fighting procedures.

These provisions will be included as a condition of consent (**condition 13.10**).

**(g) State Environmental Planning Policy 64 – Advertising and Signage**

The aim of this SEPP is to improve the amenity of urban and natural settings by managing the impact of outdoor advertising.

The application seeks consent for 5 'Costco Wholesale' wall signs, with one sign provided on each elevation and one above the main entrance, 1 'tyre centre' sign above the tyre centre entry on the eastern building façade and 4 'Costco gasoline' signs on each side of the roof canopy of the service station. It is considered that these signs compliment the architectural design of the development and the architectural merit of the development is complimentary to surrounding development.

The signs are defined as business identification signs as they indicate the name of the business carried out on the premises. Part 2 of the SEPP applies to signage generally and states:

A consent authority must not grant development consent to an application to display signage unless the consent authority is satisfied:

- (a) that the signage is consistent with the objectives of this Policy as set out in Clause 3(1)(a), and
- (b) that the signage the subject of the application satisfied the assessment criteria specified in Schedule 1.

The signage complies with the objectives as outlined below:

#### **Schedule 1**

Schedule 1 of SEPP 64 sets out assessment criteria for signage including character of the area, views and vistas, streetscape, illumination and safety.

The table at **Attachment 6** shows that the proposed signs comply with Schedule 1 of SEPP 64.

## **7. External referrals**

7.1 The application was referred to the following external authorities:

<b>Section</b>	<b>Comments</b>
<b>Roads and Maritime Services (RMS)</b>	No objection subject to the imposition of conditions of consent, including the preparation and submission of a Construction Traffic Management Plan, ensuring any signage is at no cost to the RMS and ensuring the car parking areas comply with AS2890.1:2004. These will be included as conditions of consent ( <b>conditions 1.5.2 and 3.4</b> ).
<b>Rural Fire Service (RFS)</b>	No objection subject to conditions of consent ( <b>conditions 1.5.1, 8.4 and 9.5</b> ).
<b>NSW Police</b>	No objection subject to a condition of consent ( <b>condition 12.6</b> ).



## 8. Internal referrals

8.1 The application was referred to internal sections of Council as summarised below:

Section	Comments
Engineering	No objection subject to conditions ( <b>conditions 2.4, 6, 10, 12.1, 12.2, 12.3 and 12.7</b> ).
Building	No objection subject to conditions ( <b>conditions 5, 8 and 9</b> ).
Traffic	No objection subject to a condition ( <b>condition 3.3</b> ).
Environmental Health	No objection subject to conditions ( <b>conditions 7, 11, 12.5 and 14</b> ).

## 9. Key issues

9.1 An assessment of the key issues relating to the proposed development is presented below:

### (a) Site analysis

The site is a newly created allotment with frontage to 3 private estate roads and 1 future public road. The site is currently vacant with works associated with the subdivision approval underway. The subdivision has been approved, however the subdivision is yet to be registered.

### (b) Context and scale

The Costco development has been designed to compliment the changing streetscape of the industrial area and the proposal is compatible with the Bunnings Store, Masters Home Improvement Store and IKEA Store. The estate roads are provided with a landscape setback of a minimum of 7.5 metres.

The loading dock is located at the side of the site along Estate Road No 21, and the Applicant will appropriately screen the truck turning areas and utilities through landscaping. The design of the building is sufficiently articulated to ensure the massing of the building is reduced.

### (c) Building height and design

The building has a maximum height of 11.5 metres and will present to all street frontages as a 2 storey building. The height of the building is compatible with the height of the Bunnings Store, Masters Home Improvement Store and IKEA. The height of the proposal will not impact on any views, vistas or skyline.

### (d) External appearance

Costco has been designed in a modern contemporary style and maintains a modern appearance and colour scheme (being the Costco corporate colours of antique white, red and blue), which is compatible with adjoining buildings. The façade of the building will comprise structural reinforced concrete and steel with an external metal clad façade. The roof will be constructed of pre finished metal sheeting. A condition of consent will be imposed to include elements of masonry and glass in the external walls to break up the extent of metal cladding (**condition 4.2.1**).

**(e) Building frontages and setbacks**

The site is bounded by 4 Estate Roads. The building has a setback of 57 m from the eastern Estate Road, 19.975 m from the western Estate Road and 11.6 m from the southern Estate Road. This provides ample opportunities for landscaping.

The building is rectangular in shape with a petrol station located at the north-western corner of the site. Access to the petrol station is through the carpark. Car parking is provided along the north and eastern boundaries, with staff parking provided behind the building.

The proposal achieves compliance with the minimum setback requirements as contained within Appendix 5 of the SEPP – Marsden Park Industrial Precinct. Suitable landscaping will be provided along all street frontages.

**(f) Operational hours**

Costco is proposed to be open to the public between the hours of 8:00 am and 9:00 pm, 7 days a week, with the service station to operate between 6:00 am and 10:00 pm, 7 days a week. Delivery and stacking operations will be 24 hours, 7 days a week. The site is anticipated to provide employment for 350 full time and part time workers. Staff will generally work over 3 shifts between the hours of 4:00 am and 10:00 pm, 7 days a week. It is not considered that the hours of operation, including delivery hours, will adversely impact on the amenity of the area.

**(g) Access, traffic and parking**

- The proposed access arrangements are considered satisfactory and concurrence has been received from the RMS with respect to impacts on Sydney's road network.
- Vehicular access to the site is provided via the northern and eastern private estate roads that extend south from the newly constructed Hollinsworth Road alignment. The site is provided with 3 primary customer access driveways, 2 along the eastern road frontage and 1 along the northern road frontage, and will connect directly with the primary parking area.
- A commercial vehicle driveway is provided along the southern boundary providing access to and from the eastern road for B-Doubles up to 25 m (the largest vehicle that can enter/exit the site).
- The proposed development has been accompanied by a Traffic Impact Assessment prepared by GTA Consultants. The report demonstrates that the site will have a maximum peak of 1,059 vehicular movements per hour, with the maximum peak period for this development being Saturday midday.
- The proposed on-site car parking provision is considered satisfactory. Appendix 5 of SEPP – Marsden Park Industrial Precinct requires the site to provide a total of 617 spaces. The proposal seeks approval for 713 spaces including 15 disabled spaces, 14 spaces for the tyre service area and 43 staff car parking spaces. At any given time it is likely to have up to 100 employees on site. Given the close proximity to public transport, it is likely some staff will utilise public transport for travel to work, and staff can utilise the main carpark if necessary. Therefore the proposal will provide ample on-site car parking for all customers and staff to the site.
- All car parking spaces achieve compliance with AS2890.1. A condition of consent shall be imposed on any consent ensuring a total of 713 spaces prior to the occupation of the building and all spaces and aisle widths comply with



the relevant Australian Standards. This will be conditioned on any consent granted (**conditions 4.1.2 and 12.4.6**).

**(h) Landscaping**

- The applicant has submitted detailed landscaping plans which show the provision of suitable landscaping within the setbacks along the 4 estate roads. Suitable species have been chosen for planting within the site, including *Fraxinus pennsylvanica* 'Green Ash', *Angophora floribunda* 'Rough-barked Apple' and *Eucalyptus tereticornis* 'Forest Red Gum' along the street frontages to the Estate Roads, with provision of low shrub planting capable of growing to a height of approximately 2 metres to provide screening.
- Suitable planting is proposed within the at grade car parking area with the trees to be planted approximately every 6 car parking bays. Sufficient planting is provided which will enable vehicles to be provided with shade from the sun.
- A condition will be for the full compliance by the Applicant with the landscape plans as submitted with the DA prior to occupation of the development (**condition 12.4.1**).

**(i) Utilities and infrastructure**

The proposed building is not considered to adversely impact on existing utilities. Conditions for servicing will be imposed, requiring a Section 73 Certificate from Sydney Water Corporation and a Certificate from an energy provider (**conditions 3.2.1 and 13.8**).

**(j) Noise and vibration**

The site is located within the Marsden Park Industrial Precinct, where similar uses are encouraged. The site immediately adjoins other B5 Business Development zones, where it is likely similar uses will be developed in the future with similar hours of operation and delivery hours. The closest residential zone is located approximately 420 metres to the east of the site. It is not considered that the proposed Costco will adversely impact on future residential development in the area. It is also noted that Richmond Road is utilised as an arterial road providing linkages between the M7 and Richmond. This road is capable of a high volume of traffic.

To minimise noise and vibration as a result of construction work, a standard condition of consent will be imposed for work, including construction activities associated with the development, and including the delivery material to and from the site so as to meet the NSW EPA Industrial Noise Policy (**condition 9.3.2**).

**(k) Safety and security**

The proposed development has been assessed against the requirements for 'Safer by Design' and is considered satisfactory. Costco will have security measures in place to limit opportunities for crime, including appropriate lighting of car parking areas. A condition will be imposed requiring, prior to the occupation of the building, that CCTV cameras be installed for the safety of both staff and customers (**condition 12.6.1**).

**(l) BCA compliance**

A condition of consent will require that the proposed development complies with the applicable requirements of the Building Code of Australia, including accessibility requirements (**condition 5.1**).

**(m) Impacts during construction**

Conditions of consent are recommended to mitigate any potential impacts on the amenity of the surrounding environment, including hours of construction and the submission and approval of a Traffic Management Plan for construction (**condition 4.1.4**).

**(n) Contamination**

As part of the subdivision DA, a Contamination Strategy report prepared by Benbow Environmental, which relied on the Phase 2 Contamination Report prepared by GHD Pty Ltd, was submitted that specifies that the land has been previously used for rural residential purposes.

Testing was undertaken as part of the subdivision and the site is considered suitable for the proposed use and the report concluded that: *no evidence of likely contamination was found at the site.*

**(o) Social and economic impact**

The application was accompanied by an Economic Impact Assessment prepared by Essential Economics dated July 2014. The report was prepared to provide an analysis of the potential economic impacts associated with the construction and operation of a Costco Warehouse on the site.

The report indicates the Costco will serve a large trade area with a potential population of 781,700 in 2016. The large trade area extends north to Richmond and Windsor, east to Rouse Hill, south to Blacktown and Mount Druitt and west towards Penrith. With sales of \$150m in Costco's initial trading year, and with an estimated 67% of these sales to households (the balance going to business members), Costco would achieve only a very small market share of approximately 0.9% of available spending in 2016. With such a small market share, Costco would be expected to have only a marginal effect, if any, on other retailers.

The Costco Warehouse is for registered members only, so the general public cannot spontaneously shop here unlike other shopping centres. The Planning Proposal considered the economic impact of the proposal and concluded that *"The Department of Planning and Environment has previously determined that the Costco format differs considerably from large supermarket or department store developments through its membership scheme, general sale of bulk items and consumer behaviour. The Director-General's report in relation to the Costco store at Auburn confirmed that Costco is a hybrid, having some of the characteristics of large retail stores and some of the characteristics of wholesale warehouses. On this basis the Costco business model is recognised as being "large format retail" compatible with bulky goods retailing outlets."*

The Planning Proposal considered, as part of its assessment, the impacts on other retailers and concluded that Costco is not suitable to be located within a town centre, as a Costco store does not provide the regular and daily needs of a town centre large format retailer. The Costco business model is based on a regional trade catchment, targeting customers who typically shop for large volume purchases on a monthly basis.

The development of Costco will benefit the wider regional community and not just the City of Blacktown.

At **Attachment 7** is a copy of the report to Council that considered the Planning Proposal. The regional retail context and economic implications were dealt with in detail by Council at that time and endorsed by the Department of Planning and Environment, resulting in the gazettal of the site-specific land use provision.



**(p) Water management**

The application has been assessed against Council's DCP Part R, and reviewed by Council's Drainage Engineer and Development Engineer who have raised no objection to the proposal subject to the implementation of conditions of consent (**conditions 2.4, 6, 10, 12.1, 12.2, 12.3 and 12.7**).

**(q) Soil management**

The proposed development is not expected to have an adverse impact in regard to soil erosion or sedimentation. A condition of consent will require the applicant to ensure that the proposal is carried out in compliance with erosion and sedimentation measures (**condition 6.3**).

**(r) Salinity**

As part of the Subdivision DA, the applicant submitted a Salinity Investigation Report prepared by Benbow Environmental, to identify the salinity characteristics of the area.

The report concluded that testing results highlight, based on electrical conductivity of the soil sampled, that the soil contained within the site is classified as non-saline and slightly saline. These levels of salinity are considered to be non-aggressive for steel piers. Therefore, salinity management strategies have been provided to mitigate the impact of salinity and soil aggressivity on the proposed development (including cut and fill, drainage, services, road works and future construction requirements).

Accordingly, a condition will be imposed requiring all works to be undertaken in accordance with the recommended salinity management strategies and final sign-off from a suitably qualified consultant verifying that the salinity management requirements have been implemented, to be submitted prior to the issue of any Construction Certificate (**condition 4.3.1**).

**(s) Waste minimisation and management**

The proposal is not expected to generate any significant amounts of waste. Waste collection facilities are provided within the site to manage waste during operating hours. A condition will be imposed requiring the applicant to comply with the approved Waste Management Plan (**condition 4.2.8**).

**(t) Developer contributions**

The site falls within Contributions Plan (CP) No. 21 – Marsden Park Industrial Precinct. Section 94 Contributions were levied and paid under the subdivision application DA-13-1918.

## 10. Public comment

- 10.1 The DA was notified in accordance with Blacktown Development Control Plan Part K – *Notification of Development Applications* to adjoining and nearby property owners and occupants for a period of 30 days from 29 July to 22 August 2014. During this period 2 submissions were received from the Ahmadiyya Muslim Association Australia which owns 45 Hollinsworth Avenue where a Mosque and associated religious uses are presently operating to the west of the subject site, and BBC Consulting on behalf of The GPT Group, owners of the Rouse Hill Town Centre. The points raised in the submissions and Council officer responses are provided as follows:

## 10.2 Planning framework

BBC Consulting on behalf of The GPT Group, being owners of the Rouse Hill Town Centre (RHTC), is concerned that the proposal is not appropriate and not supported by adopted planning policy frameworks.

### **Town Planning response:**

- On 8 May 2015 the Department of Planning & Environment (DoPE) published a site specific amendment to State Environmental Planning Policy (Sydney Region Growth Centres) 2006 (Growth Centres SEPP). The amendment now permits Costco to be developed on the subject site. Therefore, the location of the proposed development has been assessed as being acceptable in the wider planning framework for this area and is consistent with relevant planning policy.

## 10.3 Economic impacts

RHTC is concerned that the proposed Costco is located outside the identified activity centres and will affect the economic impact of existing and future retail centres.

### **Town Planning response:**

- This matter was dealt with in detail in the Council report that approved the Planning Proposal.
- The application has been accompanied by an Economic Impact Assessment prepared by Essential Economics.
- The assessment concluded that any trading impact would be expected to be marginal for the following reasons:
  - The functional role of the Marsden Park Town Centre and other centres, including Rouse Hill Town Centre, will differ significantly from that of the proposed Costco store.
  - Rouse Hill Town Centre will service the daily and weekly convenience needs of its trade area residents, as well as providing some higher-order Discount Department Stores and speciality shopping, whilst Costco members shop on average only 6 times per year.
  - The retail trade area represents only a small proportion of the proposed Costco development's retail trade area population and the retail area's population represents only 6.5% of Costco's resident population.
  - The maximum trade impact is a potential loss of sales equivalent to 1.5% of the retail turnover of the Town Centre, which is considered to be very small and well within the bounds of a normal competitive environment.

## 10.4 Precedence

RHTC is concerned that the combined rezoning and development application process may establish a precedent for similar planning proposals on other sites within the Marsden Park Industrial Precinct, which combined have the potential to create a large quasi retail centre in an out-of-centre location.

### **Town Planning response:**

- The site-specific amendment to the Growth Centres SEPP includes specific development standards in relation to the permissible site area, gross floor area and tenancy of any retail premises on the site. Given that specific restrictions are in place, Council and the DoPE have assessed the Planning Proposal on its merits.



It is not considered that this DA will establish a precedent on other sites within the Marsden Park Precinct.

### 10.5 Retailing

RHTC is concerned that the proposal is for a volume retail shop, not 'specialised' retailing.

#### **Town Planning response:**

- It has been demonstrated to and accepted by the DoPE that the Costco format differs considerably from large supermarket or department stores. This matter was considered by Council as part of the Planning Proposal.

### 10.6 Landscape treatment of the west and north-western corner

RHTC is unclear how the west and north-western corner of the site will be treated. The treatment of the development adjoining the land to the west is considered inadequate.

#### **Town Planning response:**

- The Civil Works Plans show that a bioswale is to be provided (as approved under DA 13-1918) along the western site boundary and therefore the treatment of the swale is not part of this DA. In addition, as illustrated in the landscape plans, a landscaped area is proposed to be provided between the petrol station area and the road reserve for the extension of Road 22 up to the point where it will meet future Road 24.

### 10.7 Cul-de-sac on Road 21

RHTC is concerned that the notification plan indicates a cul-de-sac in the south-western corner of the site which conflicts with the location of fire water tanks and a travel path for delivery trucks, fire service vehicles and staff parking.

#### **Town Planning response:**

- The turning head marked on the plans within Road 21 located adjacent to the south-western corner of the site is to be provided pursuant to DA-13-1918, and is provided to enable trucks to turn back if they make a wrong turn. This is provided until such time as future Road 21 is constructed and a through connection from Road 21 to Road 24 is provided. However, staff and fire service vehicles can utilise this turning head until Road 21 is constructed to gain access to the site.

### 10.8 Roundabout

RHTC is concerned that there is a proposed roundabout adjacent to the south-eastern corner of the site, the details of which are not resolved, together with the impact on land to the south and the site.

#### **Town Planning response:**

- The construction of Road 21 was approved by Council pursuant to DA-13-1918. The intersection of Road Nos 18 and 21 was approved with a roundabout and conditions have been imposed to ensure the line marking on these roads is consistent with the provision of a future roundabout at this intersection.

### 10.9 Landscaping

RHTC is concerned that there does not appear to be sufficient perimeter landscaping for the development, with no landscaping along the western boundary and northern boundary and little landscaping along the southern and eastern boundaries. This is inconsistent with the provisions of the Blacktown Growth Centres DCP.

### Town Planning response:

- The proposed development is compliant with the relevant provisions of the Blacktown Growth Centres DCP, with a 7.5 m setback from the property boundary to car parking. The landscape plans demonstrate that a suitable landscaped area is provided around the perimeter of the site.

### 10.10 Building design

RHTC is concerned that the building design is not articulated and does not comply with the DCP as it does not provide varied facades and the roof design is not visually interesting.

### Town Planning response:

- The proposed design of the development, including the façade treatment, is not dissimilar to other developments approved and constructed within the Sydney Business Park. The proposed design is fit for purpose, which does not dominate the site. The metal sheet and red stripe are synonymous with the Costco brand worldwide and the awning structure at the main entry provides subtle, yet noticeable, polite articulation which focuses on the entry. However, to improve the façade, a **condition** of consent will be imposed to include elements of masonry and glass in the external walls to break up the extent of metal cladding (**condition 4.2.1**).

### 10.11 Staff and visitor communal area

RHTC is concerned that there is no external communal area for the use of visitors and employees.

### Town Planning response:

- The proposed development provides an employee locker room of approximately 144 sqm, and a separate communal food service seating area (approximately 55 sqm). The reduced communal area for use by staff and visitors is consistent with the nearby IKEA development where staffing numbers are similar, being 300 to 350 full time positions. IKEA was approved with an area of 200 sqm.

### 10.12 Road access to the existing place of worship

The submitter, the Ahmadiyya Muslim Association Australia (AMAA), is concerned regarding access arrangements to its property, which it understands to be via a roundabout on Road 21 which will not encroach into their property.

### Town Planning response:

- The construction of Road 21 was approved by Council pursuant to DA-13-1918. Works under this DA may fall within the Mosque land, however these works are not part of the Costco application and are to be undertaken by Sydney Business Park. It is the understanding of Council that Sydney Business Park, who will undertake these works, has been in discussion with affected owners. In addition, a condition of consent was imposed on DA-13-1918 requiring owners' consent should works be required on the Mosque site prior to those works being undertaken.
- The intersection of Road Nos 18 and 21 was approved with a roundabout, and conditions have been imposed to ensure the line marking on these roads is consistent with the provision of a future roundabout at this intersection. The plans have been reviewed by Council's Traffic Management Section, which raised no objection to the proposal subject to a condition (**condition 3.3**).



### 10.13 Truck movements

AMAA is concerned that the application lacks justification for the impact of heavy vehicles accessing the site for deliveries via Road 21.

#### **Town Planning response:**

- The traffic and acoustic assessments considered the truck movements on Road 21 and concluded that no unacceptable impacts will be generated. Road 21 will be constructed as a public industrial road, capable of accommodating B-Double trucks. In addition, the application has been reviewed by Council's Traffic and Environmental Health Sections and no objections have been raised by them to the traffic movements or noise associated with Costco.

### 10.14 Access arrangements

AMAA is concerned that it appears to it that both their existing access points into their property, being onto Roads 18 and 21, are roads proposed under this development, however there has been no formal approach made to their organisation for the acquisition on any of their land.

#### **Town Planning response:**

- The existing access arrangements to the Mosque are not affected by the Costco application.
- The construction of Roads 18 and 21 were approved by Council pursuant to DA-13-1918. Works under this DA may fall within the Mosque land, however these works are not part of the Costco application nor fall within the Costco site, and all works are to be undertaken by Sydney Business Park. Sydney Business Park has been in discussion with the Mosque regarding access arrangements. In addition, under the subdivision DA, no works can be undertaken on the Mosque site without owners' consent.
- No works associated with the Costco development encroach onto the Mosque land.

### 10.15 Traffic Generation

AMAA is concerned that the development provides over 700 car parking spaces, which will increase traffic generation and may lead to overspill of parking elsewhere.

#### **Town Planning response:**

- The proposed on-site car parking provision is considered satisfactory. Appendix 5 of the DCP requires the site to provide a total of 617 spaces. The proposal seeks approval for 713 spaces. The proposal will provide ample on-site car parking for all customers and staff to the site.

### 10.16 Drainage

AMAA is concerned that the works include drainage works, including the construction of a culvert which is on its site, but no contact has been regarding this construction.

#### **Town Planning response:**

- These drainage works were approved as part of DA-13-1918, which was submitted by Marsden Park Development Pty Ltd and was approved on 14 April 2014. These works fall outside the Costco site and do not fall within the Mosque land, and all works will be carried out by Sydney Business Park.

#### 10.17 Stormwater detention

AMAA is concerned that stormwater management will impact its property and the lack of information does not support the stormwater principles for this precinct.

**Town Planning response:**

- The proposed regional stormwater detention basin for the Sydney Business Park is not proposed within the subject site and therefore it is not relevant to the DA.
- The proposed stormwater management system for the Costco development will direct stormwater from the site to the already constructed stormwater connection located approximately midway along the Road 18 boundary of the site.

#### 10.18 Water Sensitive Urban Design

AMAA is concerned that the development does not consider Council's Water Sensitive Urban Design policy and the objectives and targets within the DCP relating to stormwater quality down to the existing basin.

**Town Planning response:**

- The proposed stormwater management system includes water treatment measures to satisfy Council's water quality criteria. As part of the assessment of the DA, consideration has been given to Council's Water Sensitive Urban Design policy and the objectives and targets within the DCP.

#### 10.19 Sewer connection

AMAA is concerned that the DA does not mention sewer connection.

**Town Planning response:**

- The Statement of Environmental Effects specifies that the sanitary drainage system within the proposed development will be connected to a new 150 mm diameter sewer connection located on Road 18, which is being provided by Sydney Business Park.

#### 10.20 Flora and fauna

AMAA is concerned that the DA will impact upon the flora and fauna of the area.

**Town Planning response:**

- It is not considered that this DA will impact on local flora and fauna. The site has been cleared of all vegetation, which was approved in April 2014 under the subdivision DA. The land is biodiversity certified land under the Growth Centres SEPP and no additional flora and fauna assessment is required with this DA.

#### 10.21 Noise

AMAA is concerned that the noise impacts generated from the site have been taken lightly.

**Town Planning response:**

- The subject site is situated in an Industrial and Business Park where 24 hour operation of business was planned to occur by the DoPE.
- The application was accompanied by an Acoustic Assessment prepared by Acoustic Logic. The report concludes that the proposed development is acoustically acceptable and noise emissions from the proposed development will



be in compliance with the regulatory criteria of the EPA for noise emissions for vehicular movements.

- The application has been reviewed by Council's Environmental Health Officer, who has raised no objection to the proposal.

## 11. Section 79C consideration

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- 11.1 The proposal has been considered against the matters prescribed by Section 79C of the Environmental Planning and Assessment Act 1979 and is considered to be satisfactory. A detailed analysis is outlined in the table at **Attachment 4**.

## 12. Conclusion

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- 12.1 Overall, it is considered that the proposed development satisfactorily addresses its impacts and the proposal is in the public interest. The proposal is consistent with the Planning Proposal amendment of State Environmental Planning Policy (Sydney Region Growth Centres) 2006 B5 Business Development zone and the proposed range of uses is now permissible with development consent. The proposal complies with the essential criteria of Appendix 5 of the State Environmental Planning Policy – Marsden Park Industrial Precinct. Issues pertaining to economic impact, car parking, built form, noise, access, traffic impacts, stormwater drainage and site contamination are considered satisfactory. The DCP variation sought by the Applicant to the staff and visitor area requirement is considered reasonable in the circumstances and is supported.

## 13. Recommendation

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- 13.1 The Development Application be approved by the Sydney West Joint Regional Planning Panel subject to the conditions held at Attachment 1.
- 13.2 The Applicant and objectors be advised of the Sydney West Joint Regional Planning Panel's decision.

  
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