

20 May 2010

Our Ref: 29112

General Manager
Willoughby Council
PO Box 57
Chatswood NSW 2057

Dear Sir

RE: DRAFT WILLOUGHBY LOCAL ENVIRONMENTAL PLAN – NO 17-19 SMITH STREET, CHATSWOOD – REQUEST TO ADD AN ENABLING CLAUSE FOR A SUPERMARKET

We are pleased to make this submission to respond to the Draft Willoughby Local Environmental Plan 2009 (Draft WLEP 2009) currently on exhibition from **Thursday 25 March to Thursday 20 May 2010**. The subject site is known as **No. 17-19 Smith Street, Chatswood** (see **Figure 1** below). A recently approved Bunnings Warehouse is currently under construction immediately east of the site, with access to the development likely to be via Gibbes Street and Smith Street. Other major existing tenants within the area include Pet Barn, The Good Guys, Subway and Fitness First.

The site owned by Woolworths Pty Ltd. It is the desire of Woolworths to establish a full-line supermarket (3,900m²) on the site, subject to appropriate zoning.



Figure 1: The site (shown hatched)

1. Zoning

The site is currently zoned **Zone 4(b) Light Industrial Zone** pursuant to the Willoughby LEP 1995 (See **Figure 2**), with “retail” (supermarket) uses not permissible in the zone.

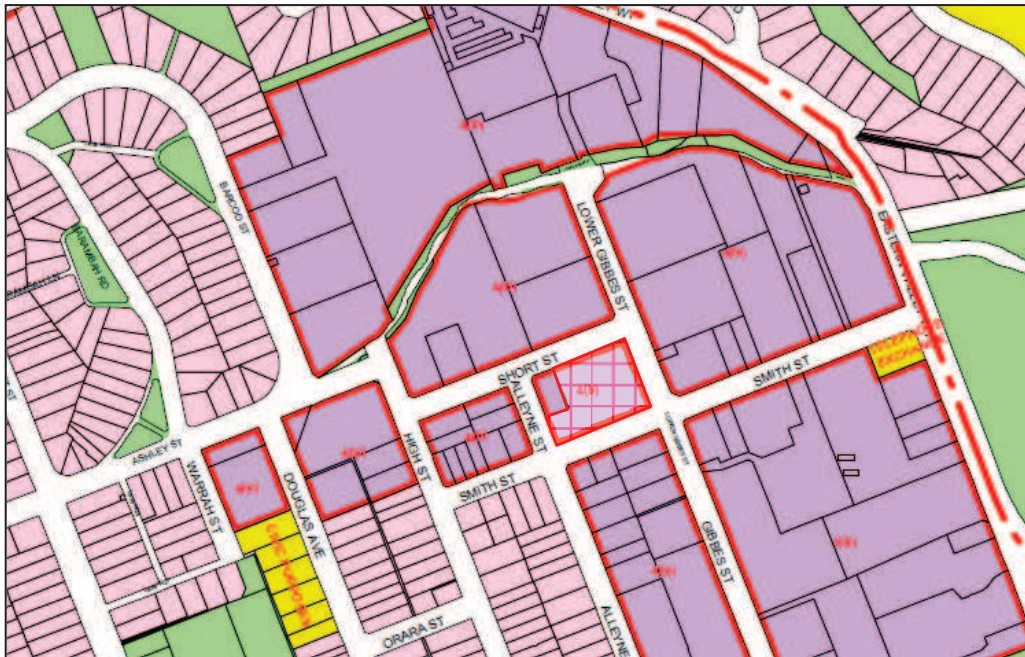


Figure 2: Existing Zoning 4(b) light industrial (shown hatched)

Within this zone the following uses are permissible:-

“Demolition

Development for the purpose of:

Advertisements; banks; brothels; bulky goods salesrooms or showrooms to which the provisions of Clause 44 apply; carparking; car repair stations ;child care centres; community facilities; drainage; dwellings used in conjunction with and attached to a building used for a permitted light industry or warehouse; film and television production facilities; laboratories; light industry; motor showrooms; newsagencies; pharmacies or chemist shops; places of public worship; recreation areas; recreation facilities; roads; service stations; take-away food shops including milk bars, hot food bars and sandwich shops, but excluding drive-in take-away food shops; utility installations veterinary hospitals warehouses”

The Draft Comprehensive LEP 2009 identifies the site as **IN2 Light Industrial** (see **Figure 3** below) which also prohibits retail uses.

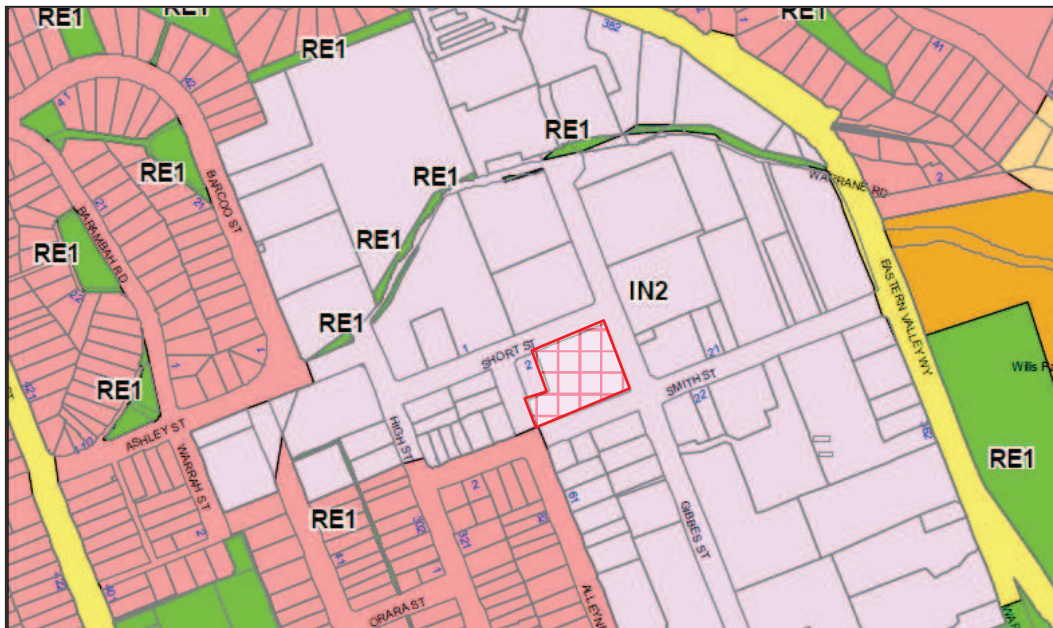


Figure 3: Draft LEP Zoning IN2 light industrial

Within the zone the following uses are permissible:-

*“Building identification signs; Business identification signs; Child care centres; Community facilities; Depots; Light industries; **Neighbourhood shops**; Places of public worship; Pubs; Recreation areas; Recreation facility (indoor); Roads; Self storage units; Service stations; Sex services premises; Storage premises; Vehicle body repair workshops; Vehicle repair stations; Vehicle sales or hire premises; Veterinary hospitals; Vocational education facilities; Warehouse or distribution centres”.*

Emphasis added

This submission considers the appropriate future zoning of the site; the appropriateness of a supermarket on the subject site within the existing and future zone, noting that only “*neighbourhood shops*” are permissible and the possible options available to Council.

In considering an appropriate zoning (preparation of a new planning instrument) for the subject site, Ministerial Direction 1.1 **Business and Industrial Zone** pursuant to Section 117(2) of the Environmental Planning and Assessment Act applies.

The objectives of this Direction are to:-

- a) *“Encourage employment growth in suitable locations;*
- b) *Protect employment land in business and industrial zones, and*
- c) *Support the viability of identified strategic centres”.*

In order to demonstrate consistency with the above objectives this submission has had due regard for the following:-

- the existing context of the site (refer to land use analysis at **Attachment 1** prepared by Jones Lang LaSalle (JLL));
- the sites future purpose (refer to land use analysis at **Attachment 1** prepared by JLL);
- the availability of supermarket floor space across Willoughby LGA and the region (refer to economic analysis at **Attachment 2** prepared by Duane Location IQ);
- the potential impact of loss of industrial land (refer to land use analysis at **Attachment 1** prepared by JLL);
- the relationship to surrounding local centres (refer to economic analysis at **Attachment 2** prepared by Duane Location IQ); and
- traffic and parking impacts on the local street network (refer to traffic report at **Attachment 3** prepared by CBHK).

2. Land use analysis

The strategic land use analysis undertaken by JLL (**Attachment 1**) identifies the existing land uses within the existing and proposed light industrial zoned area. From this analysis it can be seen that the area is evolving from light industrial uses to:-

- warehouse/ self storage;
- showrooms;
- bulky goods retailing;
- office;
- retail; and
- recreational uses.

Chatswood East remains a popular destination for over 300 business enterprises however JLL identified in excess of 100 vacancies in the existing 4(b) and proposed IN2 zone (including 20 tenancies with in excess of 1,000m² of floor space currently available).

The JLL audit found that *“There are few manufacturing uses remaining in the precinct, with previous manufacturers such as Fawcett Bros/Rosella and Tip Top moving out and being replaced by non-industrial uses”*. In addition, of those businesses involved in “storage” most have a significant (over 50%) representation of office floor space.

In general, JLL provides an analysis of industrial property trends. The analysis found dramatic changes in the industrial sector in recent years including:-

- *“A continued shift to outer metropolitan areas, where large, low cost industrial land is available;*
- *A greater emphasis on efficiency in “the freight task”, with accessibility to quality infrastructure (road, rail, sea) and large modern distribution centres key “pull factors; and*
- *Increased diversification of land uses in the inner suburban industrial areas, including a range of more intensive retail and office uses, and mixed business uses requiring both office space and warehouse space”.*

Even new development at Barcoo Street (Northlight and Roseville Business Precinct) which have added some 5,000m² of “industrial” floor space and Chatswood East are being used for office/warehouse, storage or bulky goods retailing. Northlight has a number of vacant units whilst the Roseville Business Precinct has struggled to attract either an investment or tenant market.

The land use analysis also recognises that the site and the area is no longer considered or characterised as traditional light industrial, but rather more appropriately characterised by mixed business format employment generating uses and as an area capable of supporting higher order employment uses.

3. Policy shift

The subject site is located within the East Chatswood employment lands. The Draft Inner North Sub-Regional strategy identifies East Chatswood as Category 1 employment lands or *“land to be retained for industrial purposes”*.

The Draft sub regional Strategy defines Employment lands as:-

“Traditional industrial areas and business and technology parks for higher order employment. They are vital to supporting the economy and ability to service the city and incorporate light industries, heavy industry manufacturing, urban services, warehousing and logistics and high–tech based activities”.

The size of the subject site, in single ownership, its relationship to adjoining low density residential and light industrial activities and its location close to the *“Major Centre”* of Chatswood renders it desirable for redevelopment. However, it is unlikely that the key functions identified within Category 1, such as heavy industry and manufacturing would occur on the site due to its contextual constraints. The site is removed from high quality infrastructure including (Freeways such as M2; M5 and M7) access to freight (rail road and sea) as well as being in close proximity to low residential density housing.

The employment capacity target for Willoughby LGA is 16,000 new jobs by 2031. Council’s *“Report on Industrial areas”* state that the main areas of growth in employment capacity are the Chatswood CBD which has the potential for an increase of approximately 7,300 jobs and St

Leonards, where the St Leonard's Strategy estimates the redevelopment of the Royal North Shore Hospital to generate around 3,250 jobs and other sites around 950 jobs.

Industrial land in Artarmon and East Chatswood is also identified in the "*Report on Industrial areas*" as having the potential to increase employment capacity. Further, it is acknowledged by Council that "*the changes that will lead to an increase in employment capacity include both additional floor space and additional uses which generate a higher number of employees per square metre*".

In this context it is pertinent to review what is considered appropriate "*additional uses*" to generate higher numbers of employment per sqm.

In 2008, the Urban Taskforce commissioned former ACCC Chairman, Professor Allan Fels, to examine the regulation of retail development under the current planning system. His report, Choice Free Zone, was released in May 2008. Professor Fels, argues that retail developments should be encouraged outside established shopping centres, easing the transport burden and encouraging more "pedestrian friendly" communities.

The Choice Free Zone report concluded that shoppers are paying far too much for their groceries because of restrictive out-of-date planning legislation. Professor Fels found that an overhaul of the state government's centres' policy would allow greater competition, leading to consumers paying less for basic food items and other household products.

Key points of the Fels Choice Free Zone report were:

- *"Reform of the system could amount to \$78 billion in extra income for the NSW economy and \$296 billion Australia-wide.*
- *It would also be a boom for employment, delivering 147,000 jobs nationally and 47,000 jobs in NSW.*
- *The report argues against present planning laws which effectively restrict supermarkets to established centres, resulting in traffic congestion and restrictive trade.*
- *Major retail landlords in existing shopping centres were taking between 17 and 21 per cent of retail turnover as rent. This compares with 9 to 12 per cent in other countries".*

In addition, the August 2008 Productivity Commission report on retail tenancy regulation recommended that:-

"While recognising the merits of planning and zoning controls in preserving public amenity, States and Territories should examine the potential to relax those controls that limit competition and restrict retail space and its utilisation."

In planning for the State's future, the State plan: *a new direction for NSW (NSW Government 2006)* has identified the need to continue to deliver strong economic growth in a way that meets

community needs, is environmentally sustainable and makes the most efficient use of the State's investment in infrastructure. In particular, key priorities that are relevant to the planning of the State's centres include, but are not limited to:

- E3 – Cleaner air and progress on greenhouse gas reductions;
- E5 – Jobs closer to home;
- E7 – Improve the efficiency of the road network;
- P1 – Increased business investment;
- P6 – Increased business investment in regional NSW; and
- S6 – Increasing share of peak hour journeys on a safe and reliable public transport system.

To meet these priorities, the Department of Planning released a Draft Centres Policy during April 2009. The Draft Centres Policy is based on six key planning principles to guide future retail and commercial development, they are:-

- ***“Principle 1 – Retail and commercial activity should be located in centres to ensure the most efficient use of transport and other infrastructure, proximity to labour markets, and to improve the amenity and liveability of those centres.***
- ***Principle 2 – The planning system should be flexible enough to enable centres to grow, and newcentres to form.***
- ***Principle 3 – The market is best placed to determine the need for retail and commercial development. The role of the planning system is to regulate the location and scale of development to accommodate market demand.***
- ***Principle 4 – The planning system should ensure that the supply of available floorspace always accommodates the market demand, to help facilitate new entrants into the market and promote competition.***
- ***Principle 5 – The planning system should support a wide range of retail and commercial premises in all centres and should contribute to ensuring a competitive retail and commercial market.***
- ***Principle 6 – Retail and commercial development should be well designed to ensure it contributes to the amenity, accessibility, urban context and sustainability of centres”.***

In summary, the Draft Centres Policy sets out that retail and commercial activities should be located in established or new centres to ensure the most efficient use of transport and other infrastructure, proximity to labour markets, and to improve the amenity and liveability of those centres but that the planning system should respond to accommodate demand and contribute to ensuring competitive retail markets. However existing centres are already highly congested, and the cost of expanding transport infrastructure, including roads and rail, are extremely high.

The Draft Centres Policy identifies a sequential mechanism known as the *Net Community Benefit Test* to assess the merits of rezoning in the following circumstances:

- *“proposals to develop within an existing centre where the current zoning does not permit the use;*
- *proposals to develop outside an existing centre where the current zoning does not permit the use; and*
- *proposals to create a new centre”.*

As the subject site is located outside of the 1km radii identified within the Draft Subregional Strategy, the subject site is considered an “edge-of-centre” proposal. The following sequential approach should therefore be taken when considering proposals on edge of centre sites:-

- *“it must first be demonstrated that there are no **suitably zoned sites within the existing centre**. Where the zoning is flexible – such as a mixed use zone – there will be more options available to proponents. It is recognised that acquiring appropriately zoned sites within existing centres may not always be practical or feasible particularly if large format sites are required.*
- *if there are no suitably zones sites in the existing centre, it must then be demonstrated that there are **no suitable sites in an edge of-centre location**. Where available, edge of-centre sites will generally be supported particularly if good connections can be established with the existing centre.*
- *out-of-centre stand-alone sites will generally not be supported unless it has been demonstrated that there are **no suitable within-centre or edge of-centre sites** and there is a demonstrated net community benefit”.*

Emphasis added

Currently there are two full-line supermarkets (Coles at Chatswood Chase and Westfield) serving the Chatswood CBD (centre). A 2,700m² supermarket is planned at Metro Chatswood, which is likely to serve workers / commuters and CBD residents, given its location and format. The land use analysis (refer to **Attachment 1**) identified that there are limited sites available within the Chatswood CBD that would be large enough to support a full-line supermarket. The above, together with the existing congested traffic and limited parking availability within the Chatswood CBD, makes it less attractive for supermarket development. Accordingly, there is limited suitably zoned land within the existing centre available for supermarket development.

Further, it is considered that the subject site, being *edge-of-centre* has good connections with the established “*Major Centre*” of Chatswood with good access to existing infrastructure such as public transport. The rezoning of the subject site to allow a supermarket use would be compatible and/or complementary with the surrounding land uses; would increase choice and competition within the area, and would facilitate a permanent employment-generating activity. The above demonstrates the rezonings ability to produce a net community benefit.

Since the release of the Draft Centres Policy there have been a number of submissions and reports prepared, in particular the **Standing Committee on State Development** dated December 2009 which considers the appropriateness of competition policy issues within the

planning system. The Standing Committee acknowledged that: *“There is a need to ensure that the planning system does not impede competition by creating unnecessary barriers to new entrances to a market.”*

Further, the Standing Committee noted that:-

“The principal means of supporting competition in the planning system is through ensuring that there is sufficient suitably zoned land to accommodate market demand, thereby allowing new entrances into the market”.

The Department of Planning and the Better Regulation Office have since conducted a review into competition and economic growth through the planning system. ***Promoting economic growth and competition through the planning system dated April 2010*** (the review) states that the land-use planning systems should be flexible enough to accommodate growth and to provide for new investment thus allowing for competition between existing and new entrants.

The review states that:-

“there is an interest in changes to the planning system so that larger scale formats are able to be located in the broader range of zones where neighbourhood shops are typically permitted – such as industrial zones, neighbourhood centres and most residential zones”.

However, the review also differentiates between local shops and large format retail. Smaller scale supermarkets or convenience shops may be appropriate in a mix use zone while larger scale supermarkets are more appropriate in business or commercial zones well served by public transport.

In summary the review recommended as follows:-

1. *“Develop a Competition State Environmental Planning Policy (SEPP) to clarify that competition between individual businesses is not in itself a relevant planning consideration. In particular, the SEPP should specify that the loss of trade for an existing business is not normally a relevant planning consideration. The SEPP should also specify that a planning authority should not consider the commercial viability of a proposed development.*
2. *The SEPP should clarify that any restrictions on the number of a particular type of retail store contained in any LEP or DCP is invalid.*
3. *The Competition SEPP should specify that any proximity restriction on particular types of retail stores contained in LEPs or DCPs are invalid.*
4. *The final Activity Centres Policy should consider ways to **increase opportunities for competition by allowing more types of shops into centres that currently only permit ‘neighbourhood shops’.***

5. *The Minister for Planning issue a direction to councils to consider applications that divert from the floorspace ratios in the DCP. These applications should include justification in a similar manner to a clause 4.6 or SEPP 1 submission. The council would then have to consider the application on its merits.*
6. *Guidance to be provided on how to consider third party objections when assessing development proposals. This guidance can be referred to by applicants, community members, determining authorities and courts. This guidance should include advice on prioritizing issues to be addressed and information on recourse available to seek losses from vexatious objectors. It should also address the matters proposed in recommendation 1 of this review.*
7. *The Minister issue a direction to councils under section 117 of the EP&A Act to ensure that unless it can be justified on sound planning grounds, such as for environmental protection reasons, planning policies and instruments cannot apply retrospectively. As a general rule, only policies and instruments in place at the time of lodgement of the application should be considered when assessing a development proposal”.*

Emphasis added

Consistent with the above mentioned various submissions, reviews and recommendations since the release of the Draft Sub-Regional Strategies, it is submitted that “*retail premises*” and “*business premises*” should not be excluded from zones intended for employment purposes, such as the business development zone; business parks; enterprise corridor zones and certain light industrial zones.

Typically, when the Department of Planning refers to “*employment land*” it is predominantly referring to “*industrial land*”. Largely excluded from the concept of “*employment lands*” is the retail sector, considered to be Australia’s largest single source of employment.

It is our submission that all lands capable of supporting employment should be recognised as employment lands. The policy shift as outlined above from the traditional principle that industrial land should be retained for employment purposes to acknowledging that a mixed of uses including retail premises and business premises which can more appropriately contribute to employment generation, supports this further.

4. Economic Impact

The degree to which a land use zoning, which would allow a supermarket use, is likely to impact on existing retailing and centres is demonstrated within the economic impact assessment (EIA) undertaken by Duane Location IQ (**Attachment 2**).

The EIA has found that the provision of supermarket floor space within the **Willoughby LGA** is substantially undersupplied at only 194m² per 1,000 persons well below the Australian average of 330m² per 1,000 persons (around 59% of the Australian average).

There is an estimated 1,350m² of supermarket floor space (foodstores greater than 500m² in size) throughout the defined Chatswood **main trade area** (as defined within the EIA) which has a resident population of 25,570. This equates to a provision of retail floor space of 52.8m² per 1,000 persons, significantly below the Australian average of 330m² per 1,000 persons. As such, there is a substantial undersupply of supermarket floor space currently within the main trade area of the site. The main trade supermarket floor space provision is around 16% of the Australian average.

Table 2.4 of the EIA outlines the retail expenditure levels generated by the Chatswood main trade area population currently estimated at \$364.9 million. Table 2.5 presents a breakdown of retail spending by key commodity group, indicating the largest spending market is food and grocery at \$134.2 million, representing 36.8% of the total retail spending market. Further, the socio-economic profile of the main trade area population reflects that of an established suburban area of a major metropolitan city with an older, affluent population.

The projected sales impacts on surrounding existing centres is summarised as follows:-

- *“...Impacts on surrounding stores that are likely to result from the proposed Chatswood Woolworths are all projected to be **less than 10%** and consequently, the viability of all centres will not be impacted as a result of the development.*
- *The addition of a Woolworths supermarket at the Chatswood site **would not impact on the retail hierarchy of surrounding centres.***
- *The Chatswood Woolworths development will **retain spending that is currently escaping the region** and will help to alleviate the congestion at existing fullline supermarket facilities including at Northbridge and Chatswood CBA.*
- *The **highest centre impacts will be on the existing Woolworths supermarkets**, namely Northbridge and the proposed Metro Chatswood. The Northbridge supermarket is understood to achieve very strong sales volumes and Woolworths obviously has confidence that this incumbent store and the proposed Metro Chatswood and Chatswood Woolworths can all trade at viable levels”.*

Emphasis added

Accordingly, the EIA demonstrates that the projected impacts from the development of a supermarket on the site on other retailers throughout the region will *“not threaten the viability or continued operation of any centres”* and is therefore consistent with the objective (c) of Ministerial Direction 1.1 **Business and Industrial Zone**.

It is worth noting that within a 2km radius from the subject site there are two (2) existing Coles stores compared with no Woolworths stores whilst within a 5 km radius there are five (5) Coles stores and only one (1) Woolworths store (refer to table 3.1 of the EIA).

The supermarket is projected to employ approximately 210 persons as summarised in Table 4.4 of the EIA. Taking a conservative view and allowing for an estimated 10% of the total increase to be as a result of the reduced employment at existing retail facilities, the net additional jobs are estimated at 189. It is noted that bulky goods retailing, whilst providing more jobs than most transport and storage uses, is a relatively low employment generator compared to manufacturing and other retail uses such as supermarkets.

5. Traffic and Parking

The traffic analysis undertaken by Colston Budd Hunt and Kafes (**Attachment 3**) provides the characteristics of the existing traffic environment. The capacity of the road network is generally determined by the capacity of its intersections to cater for peak period traffic flows. The traffic data at Section 2.14 of the CBHK report demonstrates the existing intersection performance at:-

- the intersection of Smith Street and Eastern Valley Way;
- the intersection of Castle Cove Drive and Eastern Valley Way;
- the roundabout at the intersection of Smith Street and Gibbes Street;
- the intersection of Smith Street and Alleyne Street; and
- the intersection of Smith Street and High Street.

The report acknowledges that the site is well serviced by public transport with Sydney Buses operating along Smith Street past the site with bus stops located in the vicinity of the site as well as along Eastern Valley Way. It is considered that a supermarket use would strengthen the demand for these services.

With respect to parking, a supermarket would provide parking as a minimum in accordance with the requirements of WDCP, similarly access and servicing are capable of being provided in accordance with the appropriate Australian Standard.

The traffic generated by such a development would have its largest effects during the weekday afternoon and Saturday midday peak periods. Based on RTA Guidelines a supermarket would likely generate some 600 vehicles per hour in the peak periods.

The intersections analysed were re-analysed, with development traffic in place, using SIDRA and taking into account the approved Bunnings development and is described at Section 3.11 of the traffic report. In summary, the surrounding road network could cater for the additional traffic generated by a supermarket with intersections continuing to operate at satisfactory or better levels of service in the peak periods.

The traffic report concludes that:-

- (i) *"The site has good access to public transport;*

- (ii) *Parking would be provided in accordance with Council requirements.*
- (iii) *Access to the site will be provided from Gibbes Street (car park) and Short Street (service area);*
- (iv) *Parking layout and internal circulation will be designed to comply with AS2890.1-2004;*
- (v) *Service arrangements will be designed to comply with AS2890.2-2002; and*
- (vi) *The surrounding road network could cater for the additional traffic generated by the proposed development”.*

6. Conclusion

In considering the appropriate future zoning of the site and the appropriateness of a development for a supermarket on the subject site it is concluded that:-

- the site is located in an area which no longer has the characteristics of traditional light industrial uses, accordingly the existing 4(b) light industrial zone and the proposed IN2 zone is anomalous;
- the proposed zone promotes the historical land use and market desires and is considered inappropriate;
- Chatswood CBD (centre) is already congested and cannot accommodate another full-line supermarket even though the expenditure capacity is available;
- the Northbridge supermarket is trading at full capacity;
- there is a Policy shift which encourages the expansion of “*neighbourhood shops*” within the business development zones, business parks, enterprises corridors and certain light industrial zones;
- future traffic impacts are likely to be acceptable and existing road networks would be able to cater for the additional traffic generated;
- the edge-of-centre site’s rezoning would produce a *net community benefit*; and
- the site has the potential to create higher order employment per square metre, consistent with the objective (a) of Ministerial Direction 1.1 **Business and Industrial Zone**.

From the above it is clear that the site should be identified as “*land with the potential to allow for a wider range of employment uses*”, therefore appropriately zoned B5 Business Development zone (see option 1).

7. Options

Option 1: Rezone the land B5 Business Development and upgrade neighbourhood shops to supermarket for this site

Neither the subject site, nor the surrounding area can be reasonably characterised as “*industrial*”. Accordingly, the existing 4(b) and proposed IN2 zone is considered anomalous. More appropriate

would be to provide a zone consistent with the nature of the existing land uses and the trend/shift to allow a mix of businesses and warehouse uses within specialised large format retail areas. In this respect the B5 Business Development zone is considered to be ideal.

The objectives of the B5 Business Development Zone under the Draft LEP are as follows:-

“Objectives of zone

- *To enable a mix of business and warehouse uses, and specialised retail uses that require a large floor area, in locations that are close to, and that support the viability of, centres.*
- *To accommodate businesses, provided that their access needs and the traffic generated do not interfere with the safety and efficiency of the road network.*
- *To maintain existing, and to encourage the establishment of new, recreational, leisure, civic and community facilities in appropriate locations”.*

Permissible uses within the B5 zone are as follows:-

*“Building identification signs; Business identification signs; Business premises; Child care centres; Community facilities; Funeral Chapel; Home business; Hotel or motel accommodation; Medical centres; **Neighbourhood shops**; Office premises; Passenger transport facilities; Recreation areas; Recreation facilities indoor; Restaurants; Roads; Service stations; Shop top housing; Vehicle sales or hire premises; Warehouses or distribution centres”.*

Emphasis added

It is considered that the aim of the B5 Zone is to encourage a range of employment uses/ activities in locations which are close to and which supports the viability of strategic centres.

In this respect, it is understood that the Department of Planning is considering mandating “*bulky goods premises*” as a permissible use with consent in the **B5 zone** in the draft potential amendments to the Standard Instrument March 2010. The supermarket use would be consistent within a B5 zone in this area and suitable to the character of the area. It is already accepted by Council that “*bulky goods premises*” would be permissible in the East Chatswood IN2 zone by virtue of a local provision in the Draft LEP.

The inclusion of a supermarket as a permissible use on the subject site in a B5 zone would be consistent with the States directive, providing a higher employment generation use in close proximity to the “*Major Centre*” of Chatswood. Moreover, it would be consistent with the policy shift in that it would allow larger scale supermarkets to be located in zones where “*neighbourhood shops*” are permitted.

Likewise “*light industry*” uses should be retained as a permissible use within the East Chatswood B5 zone.

Option 2: Allow supermarket to be a permissible use on the site within the proposed IN2 light industrial zone

If the B5 zone is not supported (for other reasons) then it would be reasonable allow an additional permitted use on the site, to allow a supermarket to be a permissible use within the **IN2 light industrial zone**.

The objectives of the IN2 light industrial zone under the Draft LEP are as follows:-

“Objectives of zone

- *To provide a wide range of industrial and warehouse land uses.*
- *To encourage employment opportunities.*
- *To minimise any adverse effect of industry on other land uses.*
- *To identify and preserve industrial lands to meet the current and future general industrial needs of the City of Willoughby and the wider region.*
- *To accommodate industrial development which produces a range of goods and services and provides employment, without adversely affecting the amenity, health or safety of nearby residents in adjacent areas.*
- *To enable industrial development which does not pollute or adversely affect adjoining land, air or water.*
- *To allow only those shops and services that serve the daily convenience needs of workers employed in the industrial area.*
- *To protect the viability of business zones in the City of Willoughby by enabling development for the purposes of offices only where they are ancillary to and used in conjunction with industrial, manufacturing, warehousing or other permitted uses on the same land.*
- *To accommodate uses that, because of demonstrated special building or site requirements or operational characteristics, cannot be or are inappropriate to be located in other zones.*
- *To prohibit development if it is inappropriate in an industrial zone and can be located in established residential or business zones, such as residential and retail development and offices that are not ancillary to an industrial use.*
- *To improve the environmental quality of the City by ensuring that industries conform to environmental sustainability and hazard reduction guidelines”.*

The current provisions in WLEP 1995 relating to bulky goods are included in the new draft WLEP 2009 as a local clause and in Schedule 1, Additional Permitted Uses. This permits “*bulky goods premises*” in the East Chatswood industrial area (other than where there is direct frontage to any residential area other than Eastern Valley Way) and in the block bounded by Herbert, Cleg and Frederick Streets and Reserve Road, Artarmon. Accordingly, Option 2 is consistent with Councils existing practice to allow for additional permissible uses under Schedule 1 of the Draft LEP.

Manly Council has implemented this option within the Industrial Zone known as 17 and 31 Roseberry Street, Balgowlah. At its ordinary meeting of 14 December 2009 Manly Council resolved to amend Manly LEP 1988 (Amendment 79) to permit a supermarket as a permissible use on the subject site in the Light Industrial Zone.

The supermarket use is considered consistent with the objectives of the IN2 zone in that the higher employment generation use will not adversely impact on the amenity of other surrounding land uses (low density residential) whilst providing for the a compatible land use which serve the needs of the local workforce and residents.

8. Recommended Amendments To The Draft LEP 2009

- a) Rezone the 4(b) land to **B5 Business Development** and allow a “*supermarket*” as permissible a use with development consent for the subject land only under Local provisions and Schedule 1 (*being the land identified as Area xx on the zoning map or land located on the northern side of Smith Street bounded by Gibbes Street and Alleyne Street, Chatswood*).
- b) Allow “*light industry*” uses to be retained as a permissible use within the East Chatswood B5 zone by inserting the use within the Land Use Table of permissible uses.
- c) Alternatively, allow a “*supermarket*” to be a permissible use within the **IN2 light industrial zone** for the subject land only under Local provisions and Schedule (*being the land identified as Area xx on the zoning map or land located on the northern side of Smith Street bounded by Gibbes street and Alleyne Street, Chatswood*).

Yours Sincerely,



SUE FRANCIS
EXECUTIVE DIRECTOR
CITY PLAN STRATEGY AND DEVELOPMENT PTY LIMITED.

Cc: Faye Roberts
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Department of Planning