

**SYDNEY REGION EAST JOINT REGIONAL PLANNING PANEL
Pre-Gateway Review Request Summary Report**

JRPP No	ADV2013SYE004
Local Government Area	Willoughby
Applicant/Owner	Fabot Pty Ltd (Woolworths Limited)
Street Address	17-19 Smith Street, East Chatswood
Proposal	To allow a supermarket and liquor store on land at 17-19 Smith Street, Chatswood
Recommendation by Panel	

1.0 Introduction

This briefing report provides a summary of the key issues associated with a pre-Gateway review request by The Planning Group NSW Pty Ltd (TPG), on behalf of Fabcot Pty Ltd (proponent), to amend the *Willoughby Local Environmental Plan 2012* (Willoughby LEP 2012) by inserting an enabling clause which will allow a supermarket and a liquor store to be a permissible use within the IN2 Light Industrial zone. The subject site is located at 17-19 Smith Street, Chatswood. Fabcot Pty Ltd is a wholly owned subsidiary of Woolworths Limited.

On 21 November 2011, the proponent requested a planning proposal be prepared by Willoughby City Council (Council). At its meeting on 28 May 2012, Council resolved to refuse the planning proposal.

On 12 July 2012, the Department of Planning and Infrastructure (the Department) received correspondence from City Plan Services on behalf of the proponent, requesting the review of the planning proposal by an appropriate delegate.

On 30 November 2012, the proponent submitted a pre-Gateway review application to the Department as Council had not supported the planning proposal.

On 25 June 2013, the Department wrote to Council advising that, because there may be merit in the proposed instrument proceeding to gateway determination, the proposal will be forwarded to the Sydney East Joint Regional Planning Panel (JRPP) for detailed review.

On 3 July 2013, Council responded advising of its strong opposition to the proposal.

2.0 The Site

The subject site is known as 17-19 Smith Street, Chatswood (Lot 101 DP714477) and is located in the East Chatswood Industrial Area. The site has a total area of 4,377m² and is currently vacant. It was occupied by a Holden car service centre until its purchase by the proponent in 2010.

The site has frontages to Smith Street, Gibbes Street, Alleyne Street and Short Street. Bunnings Warehouse is located immediately to the east of the site. There are single storey detached dwellings diagonally opposite the site along Smith Street, along with other bulky goods and light industrial uses nearby. Smith Street is the main route through East Chatswood industrial area and connects Eastern Valley Way to High Street. The site is serviced by a low-frequency local bus route. Chatswood train station is located approximately 2.5 km to the south-west of the site.

Figure 1 illustrates the context of the subject site in relation to the suburbs of Castle Cove and North Willoughby, and **Figure 2** identifies the subject site.

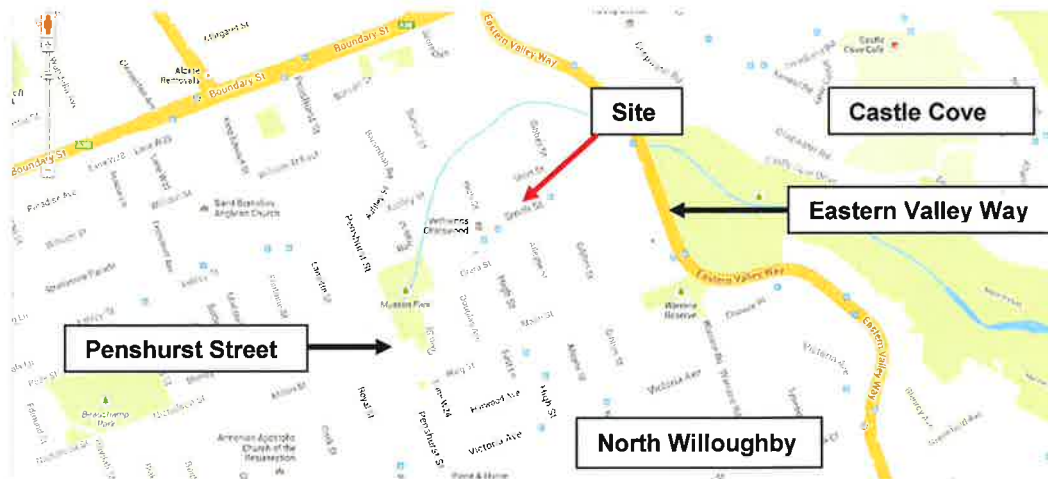


Figure 1: Subject site and surrounding local context (Source: maps.google.com.au)



Figure 2: Subject Site (Source: maps.six.nsw.gov.au)

3.0 The Proposal

The proposal seeks to amend Willoughby LEP 2012 to allow for an enabling clause which will allow a supermarket and liquor store to be a permissible use within the IN2 Light Industrial zone. **Figure 3** below indicates the existing zoning for the subject site.

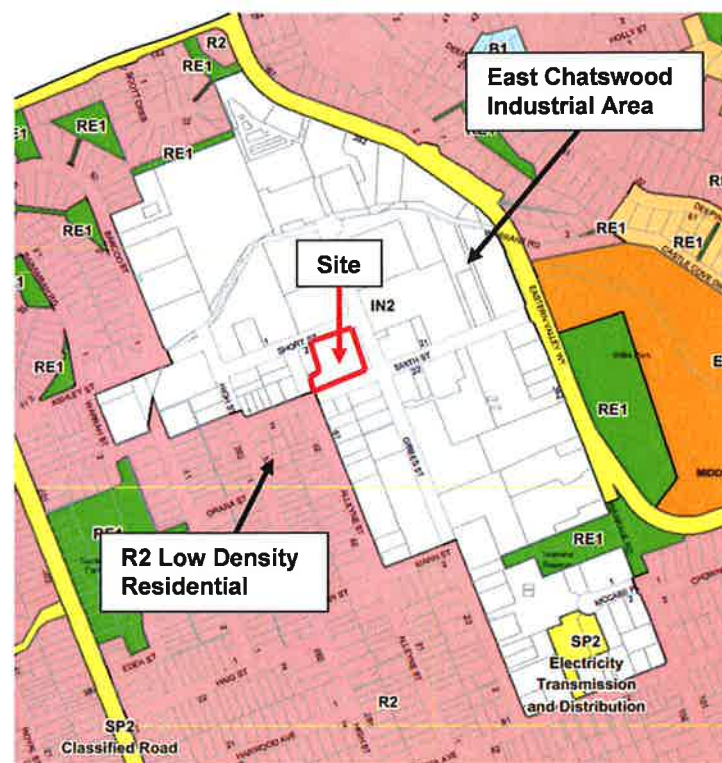


Figure 3: Existing zoning under Willoughby Local Environmental Plan 2012

To enable a supermarket and liquor shop to be permissible on the site, an amendment to Schedule 1 of the Willoughby LEP 2012 would be required to allow an additional permitted use on the site within the IN2 Light Industrial zone.

An alternative option to enable a supermarket and liquor shop to be permissible on the site is to amend the Willoughby LEP 2012 by rezoning the site B2 Local Centre or B4 Mixed Use. However, rezoning would also make a range of other uses permissible on the site. The Department notes the pre-Gateway review request seeks the option to enable a supermarket to be permissible in the IN2 Light Industrial Zone.

The proposal includes an indicative concept plan of the proposed supermarket for the site (see **Figures 4 to 6**).

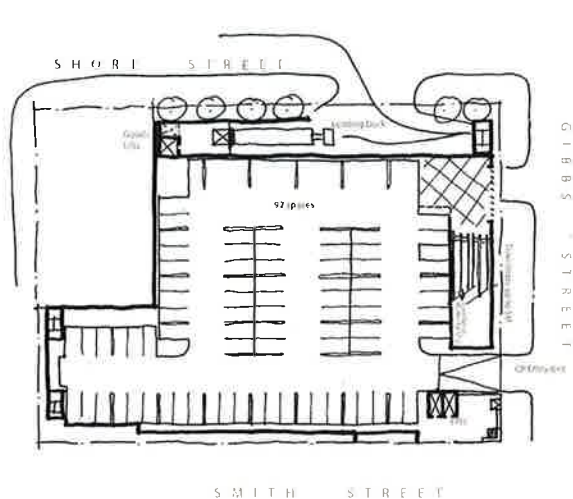


Figure 4: Car Park Level 1

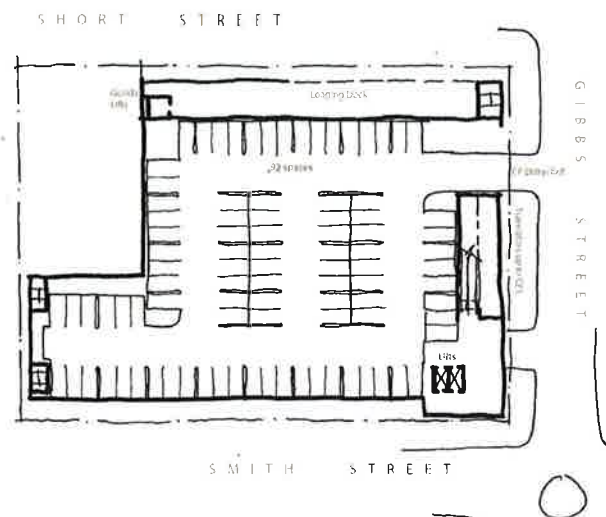


Figure 5: Car Park Level 2

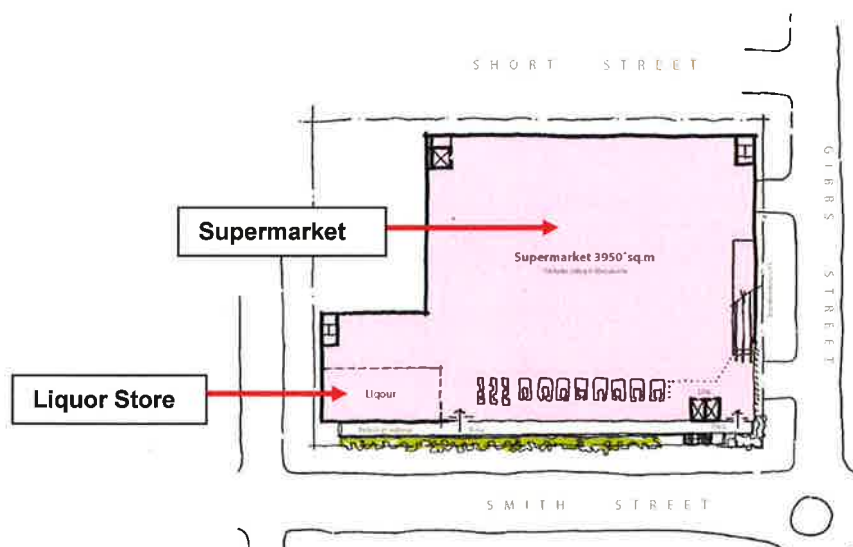


Figure 6: Ground Level (Supermarket)

The indicative concept plan provides only block modeling, providing for a potential gross floor areas and parking as follows:

Area	Approximate GFA
Supermarket	3,650 m ²
Mezzanine	200 m ²
Loading	100 m ²
Total	3,950 m²

Parking	
CP1 level	92 spaces
CP2 level	92 spaces
Total	184 spaces

Table 1: Indicative concept statistics by BN Architecture

4.0 Pre-Gateway Review

4.1 Pre-Gateway Review - Merit Assessment

A merit assessment (**Attachment 1**) determined the proposal is inconsistent with the Metropolitan Plan for Sydney, the draft Metropolitan Strategy, the draft Inner North Subregional Strategy and section 117 directions. However, it identifies some site-specific merit to the proposal and recommends that the proposal proceed through the pre-Gateway review process for the following reasons:

- according to an economic impact assessment prepared on behalf of the proponent, by Duane Location IQ dated 20 May 2010, the proposal will help the undersupplied supermarket floorspace in the Willoughby LGA
- the ability of the proposal to generate employment, provide more retail choice and reduce car trips for local residents;
- the subject site is eminently suitable for the proposed 'car-dependent, stand alone' supermarket, being a large, unconstrained site in single ownership on the edge of an industrial area;
- the amenity impacts from the proposal will be more easily managed than if the site were located in a more urbanised area;
- the subject site is suitable for redevelopment as there are constraints to establishing a full-line supermarket in existing nearby centres;
- the predicted increase in traffic associated with the proposal can be accommodated within the existing road network; and
- a new supermarket in East Chatswood may reduce traffic congestion in nearby centres such as Chatswood CBD and Northbridge.

4.3 Council's Response to Pre-Gateway Review Application

On 1 March 2013, Willoughby City Council advised that the proposal should not be endorsed for the following reasons (refer to **Attachment 2**):

- it is contrary to local, regional and state strategic planning directions, particularly the Metropolitan Plan 2036 and the draft Inner North Subregional Strategy;
- the proposal fails to recognise the strategic importance of the subject site to the future growth and development of the East Chatswood Industrial Area;

- there is no net community benefit for the residents of the Willoughby LGA or the Inner North Subregion;
- the proposal would substantially increase car dependency; and
- the proposal would potentially result in the creation of a new centre in a location that is neither supported by higher-density housing nor existing or proposed public transport.

Additionally, Council provided a report by SGS Economics & Planning dated February 2013, that highlighted the following points:

- although the East Chatswood industrial market currently appears soft, there is insufficient evidence to justify a significant shift away from the industrial zoning;
- although some community benefits are possible (for example, a reduction of traffic in the Chatswood CBD and increased consumer choice) these have not been quantified by the proponent, nor balanced against the downsides of a supermarket in this location; and
- allowing a supermarket on a site-specific basis in East Chatswood is anti-competitive. However, a wider rezoning could lead to a 'centre by default' which is not justified by any government policy.

5.0 Conclusion

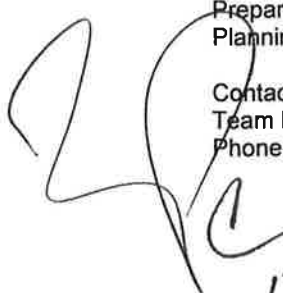
The proposal has some site-specific merit in that it will address the demand for supermarket floorspace in the locality and region. The proposal has the ability to generate employment, and to reduce traffic congestion in nearby centres. The large and unconstrained characteristics of the site make it suitable for redevelopment.

6.0 Recommendation

It is RECOMMENDED that:

- the proposal be submitted to the JRPP for review.


 Dan Keary
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