

## REZONING REVIEW - Briefing Report

<b>Date of referral:</b>	2 April 2020	
<b>Department ref. no:</b>	RR_2020_STRAT_001_00	
<b>LGA:</b>	Strathfield	
<b>LEP to be amended</b>	Strathfield LEP 2012	
<b>Address:</b>	1-5 Underwood Road, Homebush	
<b>Reason for review:</b>	<input type="checkbox"/> Council notified the proponent it will not support the proposed amendment	<input checked="" type="checkbox"/> Council failed to indicate support for the proposal within 90 days, or failed to submit the proposal after indicating its support
<b>Is a disclosure statement relating to reportable political donations under s10.4 of the Act required and provided?</b>	<input checked="" type="checkbox"/> Provided <input type="checkbox"/> Not required  Comment: No donations or gifts to disclose	

### 1. SUMMARY OF THE PROPOSAL

The rezoning review request relates to a planning proposal which seeks to amend the Strathfield Local Environmental Plan (LEP) 2012, to include 'shop' and 'specialised retail premises' as additional permitted uses for the site at 1-5 Underwood Road, Homebush.

The proposal aims to permit these uses as they are currently operating on the site within the DFO Homebush centre, however they are prohibited uses under the IN1 General Industrial zone. The intention of the proposal is to streamline the approval process for future works, which currently rely on existing use rights, and enable the application of State Environmental Planning Policy (Exempt and Complying Development) 2008 to the site.

The rezoning review request for this proposal was submitted to the Department as Council has failed to indicate support for the proposal within 90 days (**Attachment E** – rezoning review request).

## 1.1 Background

On 14 February 2019, the planning proposal was submitted to Council to amend Schedule 1 of the Strathfield LEP 2012 to include 'shop' and 'specialised retail premises' as additional permitted uses at 1-5 Underwood Road, Homebush. The site is currently zoned IN1 General Industrial and these uses are prohibited within the zone.

The proposal was submitted to Strathfield Local Planning Panel (SLPP) on 4 April 2019 with a recommendation by Council officers to support the proposed amendments and forward the proposal to the Department for Gateway determination. The Panel unanimously supported the recommendation.

On 18 May 2019, the proposal was discussed at a meeting of all Councillors. Council resolved to go into a 'committee of the whole' and resolved:

- it would not support the recommendation of the SLPP;
- it does not support the proposed amendment to Strathfield LEP 2012 to amend Schedule 1 Additional Permitted Uses;
- it would not consider the Planning Proposal until the proponent provided documentation to the Council detailing their future development plans for the site.

On 21 June 2019, the proponent provided further information to Council advising that Vicinity Centres does not have any future development plans for the site beyond the current business as usual approach. It advised that the long-term future for the site would be informed by the current strategic planning being carried out by Council in the form of the Local Strategic Planning Statement.

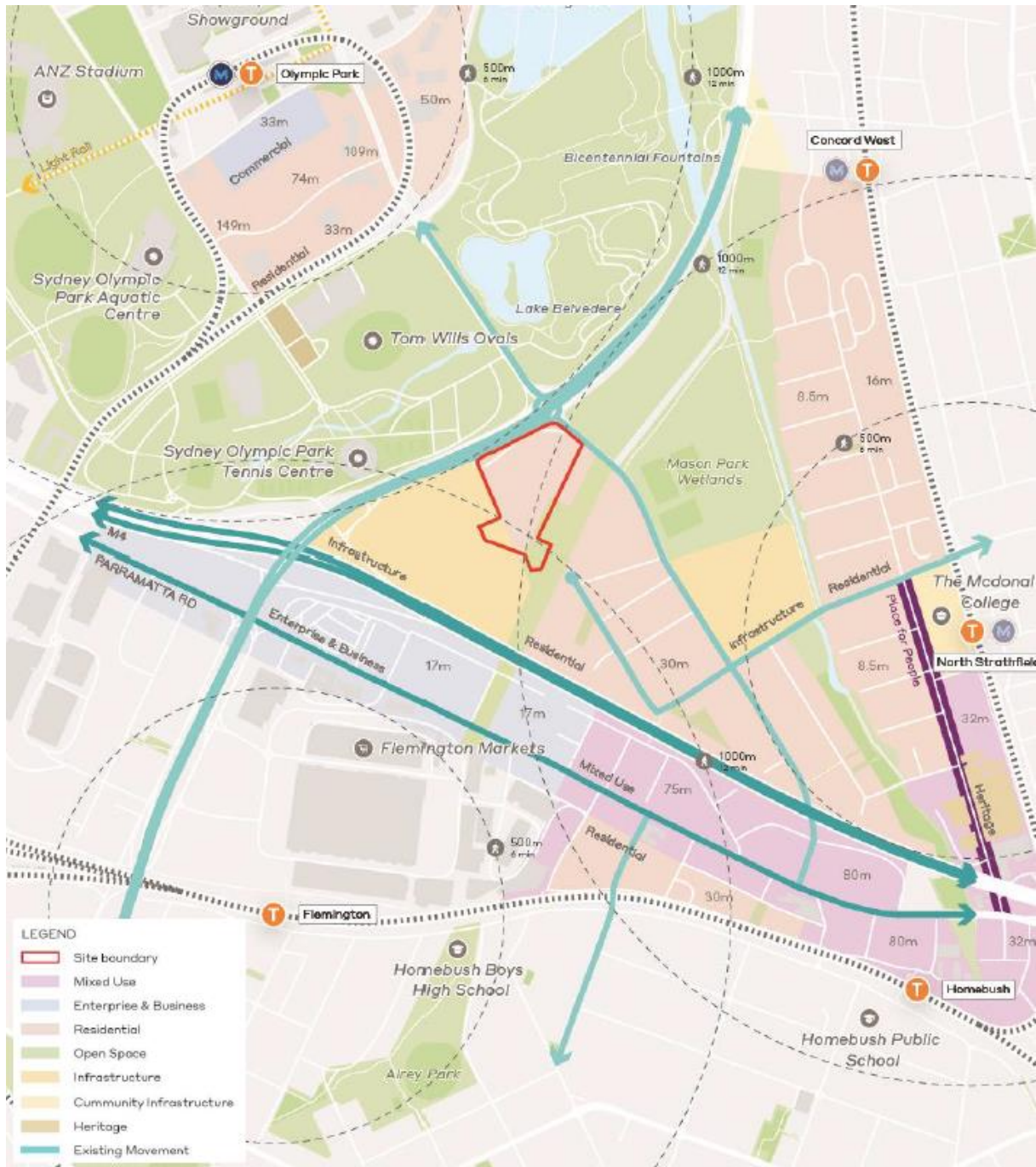
On 27 November 2019, the matter was further considered at a Councillor workshop, where Councillors resolved to go into a 'committee of the whole' and considered the proposal. An email from a Council officer on 29 November 2019, advises that the proposal was not supported at the Council workshop and that a formal response would be provided.

## 1.2 Locality and context

The site is located 15km from Sydney CBD and 11km from Parramatta CBD. It is 1.6km from North Strathfield Station; 2.5km from Olympic Park Station; and 1.9km from Homebush Station (**Figure 1**).

The site is located at the edge of the Strathfield LGA boundary, aligning with the Parramatta LGA boundary to the north. It is on the north eastern side of the Homebush Bay Drive and M4 intersection and surrounded by various land uses.

To the north of the site is Bicentennial Park, as well as the leisure and sporting facilities associated with Sydney Olympic Park. Industrial office development adjoins the site to the east. To the south are infrastructure services associated with Westconnex construction and the M4 motorway and an electrical substation is located adjacent to the western boundary of the site.



**Figure 1:** Location map – (source: Google, Ethos Urban report)

### 1.3 Site description

The site is located at 1-5 Underwood Road, Homebush and is on the southern corner of the Underwood Road/Homebush Bay Drive intersection (**Figure 2**). The lot is of irregular shape and is legally described as Lot 100 DP 1042833. It has a total area of approximately 5.2 hectares; a frontage of approximately 220 metres to Homebush Bay Drive; and approximately 80 metres to Underwood Road.

Existing on the site is a large commercial/warehouse building consisting of three levels. The building operates as the Direct Factory Outlet (DFO) retail centre, with



approximately 79 tenancies. Vehicular access to the site is available via Underwood Road and Homebush Bay Drive.



**Figure 2:** Site Context – (source: Ethos Urban report)

The site currently operates under existing development consents for the purpose of retailing and bulky goods. According to the Planning Proposal and Council report, consent was originally granted in May 2000 to allow Level 3 of the existing distribution centre to be used as a factory outlet retail centre. In 2009, consent was granted under DA2008/87 by the Land and Environment Court to enable a change of use of the existing Level 2 Woolworths distribution centre to a bulky goods retail centre. These consents were issued under the Strathfield Planning Scheme Ordinance 1969, which included site specific provisions enabling development for the sale of retail items from a bulky goods, sales room and showroom on the site.

Accordingly, each Level 2 tenancy now relies on the DA2008/87 consent to permit the use of each tenancy and must demonstrate in each application that the proposed use meets the definition of a 'bulky goods salesroom or showroom' under Strathfield PSO.

Under Strathfield Planning Scheme Ordinance 1969 "bulky goods, salesroom or showroom" means:

*a building or place used for the sale by retail or auction, the hire or the display of items (whether goods or materials) which are of such a size, shape or weight as to require:*

- (a) a large area for handling, storage or display; and*
- (b) direct vehicular access to the site of the building or place by members of the public, for the purpose of loading items into their vehicles after purchase or hire, and are of such a kind that they are required to be displayed in premises not easily accommodated in traditional commercial centres.*

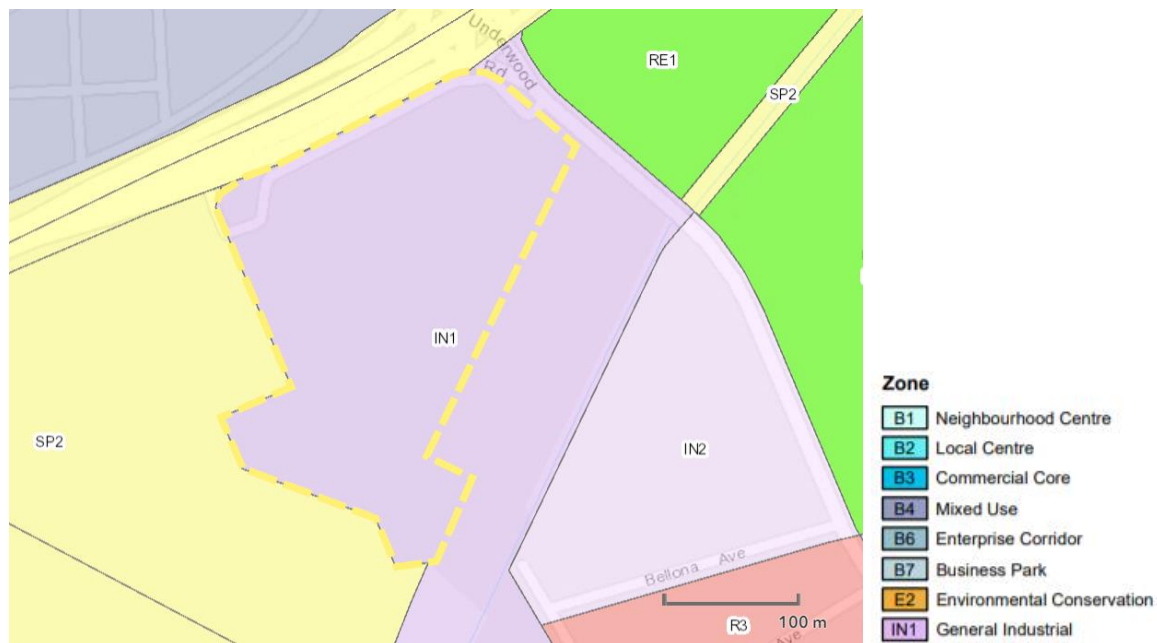
## 1.4 Current planning provisions

Under the Strathfield LEP 2012 the site is zoned IN1 General Industrial (**Figure 3**).

The objectives of this zone are to:

- provide a wide range of light industrial, warehouse and related land uses;
- encourage employment opportunities and to support the viability of centres;
- minimise any adverse effect of industry on other land uses;
- enable other land uses that provide facilities or services to meet the day to day needs of workers in the area;
- support and protect industrial land for industrial uses; and
- allow for a higher proportion of ancillary office floor space to support high technology, light industrial and small-scale warehouse-related land uses.

The site is subject to a maximum building height of 12 metres and a maximum FSR of 1:1.



**Figure 3:** Existing Land Zoning map under Strathfield LEP 2012

## 1.5 Strategic Planning Context

### Parramatta Road Corridor Urban Transformation Strategy

The site is within the Homebush Precinct of the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS), the NSW Government's 30-year plan to inform land use planning, infrastructure delivery and development decisions in the area. The PRCUTS recommends the following controls for the site:

- Rezone from IN1 General Industrial to R3 Medium Density Residential;
- Maximum building height of up to 17 metres; and
- Maximum floor space ratio of 1.4:1.

## 1.6 Proposed planning provisions

The planning proposal seeks to include 'shop' and 'specialised retail premises' as additional permitted uses for the site at 1-5 Underwood Road, Homebush.

These uses are existing on the site within the DFO Homebush centre and are currently prohibited in the IN1 General Industrial zone. The proposal aims to regularise these uses to streamline the approval process for future works within the centre. This would allow any future works to use State Environmental Planning Policy (Exempt and Complying Development) 2008, negating the need to submit a development application relying on existing use rights for each tenancy change.

Permitted with Consent in Zone IN1	Prohibited in Zone IN1
Agricultural produce industries; Animal boarding or training establishments; Boat building and repair facilities; Car parks; Depots; Environmental protection works; Freight transport facilities; Garden centres; General industries; Hardware and building supplies; Industrial retail outlets; Industrial training facilities; Kiosks; Landscaping material supplies; Light industries; Neighbourhood shops; Oyster aquaculture; Places of public worship; Plant nurseries; Recreation areas; Roads; Sex services premises; Signage; Storage premises; Take away food and drink premises; Tank-based aquaculture; Timber yards; Transport depots; Truck depots; Vehicle body repair workshops; Vehicle repair stations; Veterinary hospitals; Warehouse or distribution centres; Wholesale supplies	Pond-based aquaculture; Any other development not specified in item 2 or 3

**Table 2:** Strathfield LEP 2012 Land Use Table for Zone IN1 General Industrial

Under Strathfield LEP 2012 'shop' is defined as:

*premises that sell merchandise such as groceries, personal care products, clothing, music, homewares, stationery, electrical goods or the like or that hire any such merchandise, and includes a neighbourhood shop and neighbourhood supermarket, but does not include food and drink premises or restricted premises.*

'Specialised retail premises' is defined as:

*a building or place the principal purpose of which is the sale, hire or display of goods that are of a size, weight or quantity, that requires—*

*(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, hire or display of other goods referred to in this definition.*

## **2.0 INFORMATION ASSESSMENT**

*Does the proposal seek to amend a zone or planning control that is less than five years old?*

No. Strathfield LEP 2012 was gazetted in March 2013.

### **2.1 Strategic Merit Test**

*Consistency with the relevant regional plan outside of the Greater Sydney region, district plan within the Greater Sydney region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment.*

*Proponents will not be able to depend on a draft regional, district or corridor/precinct plan when the Minister for Planning, Greater Sydney Commission or Department of Planning and Environment have announced that such a plan will be updated before being able to be relied on.*

#### **Eastern City District Plan**

The Planning Proposal states that the proposal is consistent with, and gives effect to, the Eastern City District Plan and its planning priorities in the following manner:

- it is consistent with Planning Priority E11 as it regularises the existing land uses on the site, allowing for the orderly operation of the existing DFO Homebush centre, which is a significant employment generator in the local area;
- the Eastern City District Plan advises that the site is not bound by the industrial lands strategy and actions of Planning Priority E12 as it is located on land to which the PRCUTS applies. The proposal retains the existing IN1 zoning applying to the site and will not prevent the potential future use of the site for industrial or urban services;
- the proposal does not facilitate the intensification of development on the site and therefore does not alter the infrastructure and servicing demands, remaining consistent with Planning Priority E1 and E10; and
- the proposal does not impede the implementation of other Planning Priorities within the Eastern City District Plan, including priorities on liveability and sustainability.

#### **Parramatta Road Corridor Urban Transformation Strategy (PRCUTS)**

The Planning Proposal states that while the proposed amendments do not directly implement the recommended R3 Medium Density land use zone of PRCUTS, they remain consistent with the strategy because:

- the proposed inclusion of these additional permitted uses on the site does not restrict the future rezoning of the site to R3 Medium Density Residential;



- the inclusion of 'shop' and 'specialised retail premises' as additional permitted uses does not impede the attainment of the R3 zone objectives in that it enables other uses on the site that will service the day-to day needs of future residents within the precinct;
- the proposal does not facilitate an intensification of the existing land use and accordingly does not give rise to any increased infrastructure demands;
- pre-lodgement consultation in relation to the planning proposal has been undertaken with Council to determine the appropriateness of the site-specific provisions to resolve existing use rights at DFO Homebush; and
- the proposal does not impede the delivery of objectives of the PRCUTS, particularly in relation to urban renewal, sustainability and infrastructure provision.

### Local Strategic Planning Statement

Since the rezoning review was lodged, the Strathfield Local Strategic Planning Statement 2040 has been adopted by Council, assured by the Greater Sydney Commission and was published on the planning portal on 31 March 2020. The LSPS sets out Council's 20 year land use vision and consolidates local land use planning priorities and considers future local employment, housing, transport and environmental management options. It identifies the actions Council will take to deliver this longer term vision including:

- The LSPS notes that DFO is a major attraction that draw visitors from across Greater Sydney. The LSPS notes the current site has issues with access, traffic and parking that can impact on the surrounding locality and proposals to change land use or development would need to provide outcomes that improve offerings and minimise impact on the local area.
- The LSPS notes that the site is currently zoned as Industrial Land and that the PRCUTS has identified this land and the adjoining industrial land in Underwood Road and Wentworth Road to be rezoned to residential use. The Eastern City District Plan states that the retain and manage approach of Planning Priority E12 does not apply to land identified within the PRCUTS. This means that Council will need to collaborate with the existing landowners of this industrial land to investigate suitable land uses that are consistent with PRCUTS and the s9.1 Directions.
- Action A78 of the Local Strategic Planning Statement is to investigate suitable land uses at No. 1-5 Underwood Road, Homebush (DFO) site following the requirements of the Section 9.1 Direction.

### Other plans and strategies

The Planning Proposal states that the proposal is also consistent with the objectives and directions of the following plans and strategies:

- A Metropolis of Three Cities – The Greater Sydney Region Plan;
- Central City District Plan (the site is located on the boundary of the Central City District Plan); and
- Greater Parramatta Growth Area.



## 2.2 Site-specific Merit Test

*The natural environment (including known significant environmental values, resources or hazards).*

The Planning Proposal states that it would have a negligible impact on the environment as it only seeks to permit the current uses operating on the site. The proposal does not facilitate significant built form works or an intensification of the existing land use.

*The existing uses, approved uses and likely future uses of land in the vicinity of the land subject to a proposal.*

The Planning Proposal notes that as the amendments only regularise the existing land uses, it does not inhibit the potential to alter the land use in the future, as indicated may be appropriate under PRCUTS.

*The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.*

The planning proposal states that the proposed amendments do not facilitate an intensification of the existing land use and therefore do not give rise to increased demand on existing infrastructure.

## **3.0 VIEWS OF COUNCIL AND AGENCIES**

The Department wrote to Council on 9 January 2020 advising of the rezoning review request. Council responded on 6 February 2020 (**Attachment D**) and advised:

- The information submitted with the rezoning review is the same as that which was considered by Council.
- A report by Council staff supporting the proposal was presented to the Strathfield Local Planning Panel (SLPP) on 4 April 2019. The Panel (SLPP) endorsed the officer's recommendations.
- A report was then prepared for Council to endorse the recommendations of the SLPP. This report was considered at a workshop on 18 May 2019, where Council resolved as a 'committee of the whole', that they would not support the Planning Proposal and would not consider the proposal until the applicant provided further information about the future redevelopment of the site.
- The owners of the site responded to Council's request for information about the future development of the site. An updated report was prepared for Council, again seeking to endorse the recommendations of the SLPP to support the Planning Proposal and forward to the Department for Gateway Determination.
- This report was again considered by Councillors at a Workshop on 27 November 2019, where it was resolved unanimously as a Committee of the whole, to not support the Planning Proposal.

## **4.0 ATTACHMENTS**

Attachment A – Locality map

Attachment B – Site map

Attachment C – Current LEP map

Attachment D – Council Comments

Attachment E – Rezoning review application package, including:

- cover letter dated 9 January 2020 – rezoning review request
- Appendix A - Planning Proposal report
- Appendix B - Planning Proposal application form to Council
- Appendix C - Extract of Agenda of Strathfield Local Planning Panel Meeting – 4 April 2019
- Appendix D – Extract of Agenda of Strathfield Local Planning Panel Meeting – 4 April 2019
- Appendix E – Letter from Strathfield Council dated 23 May 2019
- Appendix F – Vicinity Centres response
- Appendix G – Further correspondence from Council