

Greater Sydney, Place and Infrastructure

IRF20/3363

Gateway determination report

LGA	Cumberland
PPA	Cumberland Council
NAME	106 - 128 Woodpark Road, Smithfield (+0 dwellings; +843 jobs)
NUMBER	PP_CUMBE_004_00
LEP TO BE AMENDED	Holroyd Local Environmental Plan 2013
ADDRESS	106 – 128 Woodpark Road, Smithfield
DESCRIPTION	Lot 10 and 11 in DP 1007432
RECEIVED	03 July 2020
FILE NO.	IRF20/3363
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1. INTRODUCTION

1.1 Description of planning proposal

The planning proposal (**Attachment A**) seeks to amend the development controls for land at 106-128 Woodpark Road, Smithfield (the site), by amending the Holroyd Local Environmental Plan 2013 (HLEP 2013) as follows:

- Increase the height of building control for the southern portion of the site from 20 metres to 29 metres;
- Amend schedule 1 to include ‘shop’, ‘business premises’ and ‘office premises’ as additional permitted uses across the entire site; and
- Introduce a cap on the amount of floor space of the additional permitted uses (7,000m² for office premises and 10,500m² for shop and business premises).

The proposal seeks to allow for redevelopment of the southern portion of the site (known as the Stage 3 redevelopment of the broader site) for the purposes of retail, specialty retail, food and drink premises, business premises and office premises. The proposal indicates it will deliver an additional 843 jobs in one of Cumberland’s key employment precincts.

1.2 Site description

The site comprises of two allotments – Lot 10 and 11 in DP 1007432. The overall site has a total area of 67,478m² with a 165m frontage onto Woodpark Road to the north and a 405m frontage onto Cumberland Highway to the east. The planning proposal relates to the southern portion of 106-128 Woodpark Road, Smithfield outlined in

yellow in **Figure 1** except for the additional permitted uses which is intended to apply to the entire site.



Figure 1: Aerial Image of 106-128 Woodpark Road, Smithfield.

The site forms part of the Smithfield Enterprise Park, one of Cumberland’s key employment precincts. The site subject to this proposal currently consists of large warehouse buildings, concrete surfaces and grassed areas, supporting light industrial uses including warehousing, distribution and storage and manufacturing.

1.3 Existing planning controls

Under the Holroyd Local Environmental Plan 2013, the site:

- is zoned B5 Business Development;
- has a maximum building height of 20 metres; and
- has a maximum Floor Space Ratio of 1:1.

The following map extract from the Holroyd Local Environmental Plan 2013 illustrates the current controls applying to the site in **Figure 2**, **Figure 3** and **Figure 4**.

1.4 Surrounding area

The site forms part of the Smithfield Enterprise Park, approximately 5km south west of Parramatta CBD and 25km west of Sydney CBD. The broader site is one of Cumberland’s key employment precincts, accommodating a mix of light industrial uses. The surrounding locality is predominantly characterised by industrial uses, with development to the east of the site, separated by Cumberland Highway, reflecting low density residential with one to two storey dwellings and public recreational areas.

A mix of light industrial uses including freight transport facilities and several independent retail premises are located to the north. Development to the south and west is characterised by one to two storey development and more reflective of general industrial uses, including an equipment hire service centre and tile factory outlet.



Figure 2: Existing B5 Business Development zoning over the site bound in red (HLEP 2013)

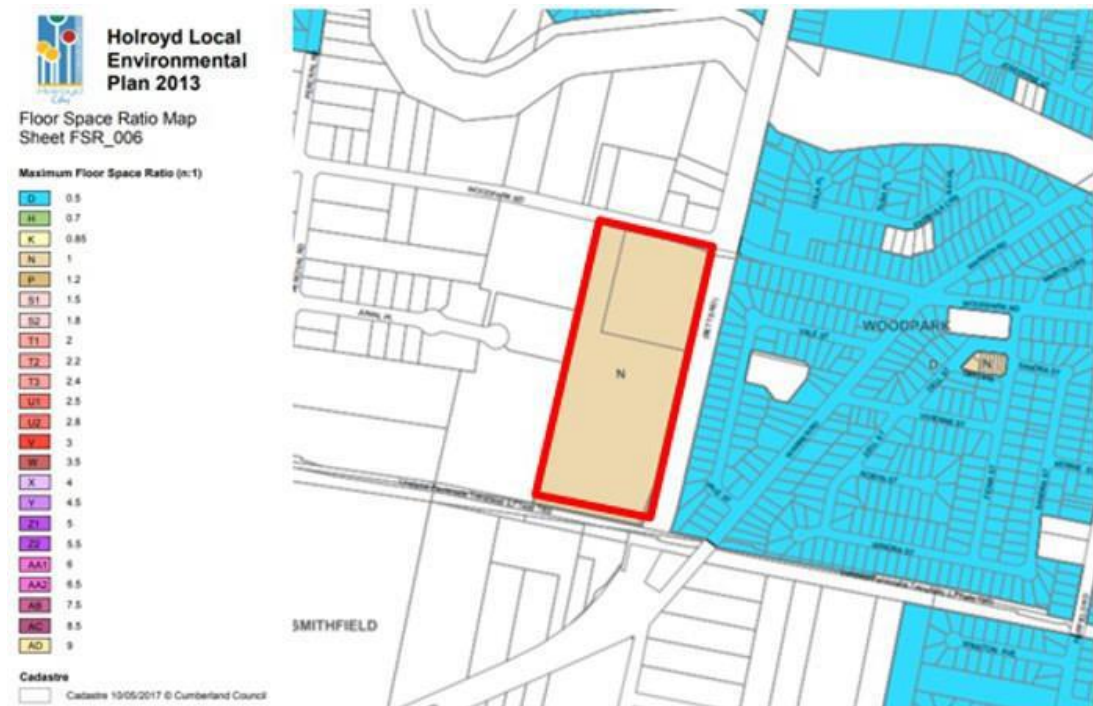


Figure 3: Existing 1:1 FSR control applying to the site bound in red (HLEP 2013)



Figure 4: Existing 20m HOB control applying to the site bound in red (HLEP 2013)

1.5 Summary of recommendation

It is recommended that the planning proposal proceed subject to recommended conditions, as outlined in this report. The proposed additional permitted office premises use will facilitate the broader redevelopment of the site for a range of higher value knowledge jobs, supporting the retainment of jobs within the Cumberland LGA whilst responding to the changing nature of industry.

The proposed additional permitted uses for business premises and shops (excluding a neighbourhood supermarket) are not considered to have sufficient strategic or site-specific merit, due to the inconsistency with 'Planning Priority C11' in the Central City District Plan and the Cumberland Employment and Innovation Lands Strategy. The full-line supermarket included as part of the indicative proposal will result in an unacceptable impact on the nearby Smithfield centre and a neighbourhood supermarket is considered more appropriate to serve the needs of workers within the Smithfield Enterprise Park. It is recommended that the proposal be amended to exclude the proposed additional uses for business premises and shops.

2. PROPOSAL

2.1 Objectives or intended outcomes

The proposal is to allow for the Stage 3 redevelopment of the site for a mix of retail, specialty retail, food and drink premises, business premises and office premises, forming part of the broader redevelopment of the subject site.

The indicative proposal includes (**Attachment E**):

- Retail: full line supermarket, liquor store and retail/business tenancies/shops (total gross floor area of 8,900m²);
- Commercial offices (total GFA 6,994m²);
- Bulky goods retail (total GFA 8,964m²);

- Food and drink premises (total GFA 420m²); and
- 888 car parking spaces.

An Economic Retail Assessment (**Attachment J**) in support of the proposal indicates the proposal is anticipated to result in an additional 843 jobs within one of Cumberland's key employment lands precincts. It is noted that there is an inconsistency in the number of additional jobs identified in the planning proposal and economic assessment reports (**Attachments E and J**). The planning proposal is recommended to be amended to clarify the additional jobs arising from the proposal.

2.2 Explanation of provisions

In order to achieve the desired objectives, the following amendments to the Holroyd Local Environmental Plan 2013 are proposed:

- increase the maximum building height on the Height of Buildings Map (Sheet HOB_006) from 20 metres to 29 metres to apply to the southern portion of 106-128 Woodpark Road, Smithfield; and
- amend schedule 1 to include shop and business premises (that do not exceed 10,500m² in total), and office premises (that do not exceed 7,000m²) as additional permitted uses to apply to the entire site; and
- amend the additional permitted uses map to identify the whole site.

2.3 Mapping

The proposal seeks to amend the following maps:

- Height of Buildings map – Sheet HOB_006; and
- Additional Permitted Uses – Sheet APU_006.

The planning proposal includes existing and proposed HOB and Additional Permitted Uses maps however the proposed maps will require updating to ensure they are legible for public exhibition.

3. NEED FOR THE PLANNING PROPOSAL

The proposal is not the result of any site-specific study or report and is a landowner-initiated planning proposal to change the height control and insert additional permitted uses on the site.

The site is zoned B5 Business Development and shops, business and office premises are not permissible with consent. As the proposal's objective is to enable a mix of retail, specialised retail, food and drink and office uses, a planning proposal is required to amend HLEP 2013. The planning proposal is recommended to be amended as discussed further in this report.

4. STRATEGIC ASSESSMENT

4.1 Central City District Plan

The Central City District Plan provides a 20-year plan to manage growth in the context of economic, social and environmental matters to achieve the 40-year vision of Greater Sydney. It is implementing the Greater Sydney Region Plan at a district level and is a bridge between regional and local planning.

An assessment of the planning proposal against the relevant priorities is discussed below:

Priority C1 – Planning for a city supported by infrastructure

The site is located in proximity to several bus stops including those along the Parramatta to Liverpool transit way and the Cumberland Highway, however, is not located within an identified Centre, or zoned for the purpose of a local centre. It is noted that Cumberland Highway provides significant separation between the residential area to the east of the site and safe and convenient access by walking or cycling is limited. It is noted that the Council report (**Attachment F**) indicates the preparation of a Voluntary Planning Agreement with the proponent should a Gateway determination be provided, which focuses on improving pedestrian access between the site and T-way stop.

Priority C11 – Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land

The District Plan identifies the site as industrial and urban services land that is to be reviewed and managed. This approach is to maximise business and employment outcomes, considering the changing nature of industries in the area (Action 49).

Industrial and urban services land in Cumberland Local Government Area is required for emerging innovative industries in digital innovation, media, arts, creative industries, food and beverage manufacturing, allied health, research and development and advanced technology manufacturing.

The site is also located within the refined study area of a future Western Sydney Freight Line through the southern part of the District. This will make surrounding industrial precincts, including Smithfield industrial precinct, even more accessible and valuable for freight, warehousing and logistics businesses.

Given the proximity to Greater Parramatta and access to transport and freight routes, the site and broader Smithfield industrial precinct is ideally positioned to provide innovation and important industrial and urban services that support the growth of the District. Furthermore, the proposed office premises additional permitted use will support the delivery of knowledge sector jobs envisaged for the precinct.

The planning proposal was informally referred to the Greater Sydney Commission (GSC) (**Attachment I**) to obtain preliminary feedback on the proposed additional permitted uses. In summary, GSC officers advised:

- The land is within the area covered by the review and manage approach under the Central City District Plan which applies to B5 zones. The approach entails reviewing the best method to maximise business and employment outcomes and either confirm retention of the current land use mix or allow sites to transition to higher employment activities still focused on business and urban services activities;
- Council's Employment and Innovation Lands Strategy identifies the subject site within the Enterprise Precinct of which its focus is "*Established and emerging business parks building on existing industry specialisations and increasing digitisation of production*". On this basis it appears that Council's review of the zone has supported its future development as a commercial office location linked to industry specialisations or clusters as well as advanced manufacturing;
- The proposed retail activities would be inconsistent with the future transition of the area building on its District urban services role. On this basis the planning

proposal for retail activities is not considered to be consistent with the District Plan approach to the management of the urban services land in the review and manage area of Smithfield;

The Department agrees that the proposed additional permissible uses of business premises and shops is inconsistent with this priority. These uses and could potentially undermine opportunities to attract knowledge sector jobs envisaged for the precinct. However, to help serve the needs of workers in the precinct a neighbourhood supermarket on the site could be considered. See further discussion in section 5 of this report. It is noted that Council has not addressed this planning priority and it is recommended that the planning proposal be amended accordingly.

4.2 Local

4.2.1 Cumberland Community Strategic Plan 2017-2027

The Cumberland Community Strategic Plan sets out the community's vision for the future, the strategies in place to achieve it and measures of how to progress towards or away from the visions. The planning proposal is broadly consistent with the strategic vision set out by the plan, enhancing the opportunity for local jobs and services whilst being accessible to by road networks and public transport, and in close proximity to established residential areas.

4.2.2 Cumberland Local Strategic Planning Statement 2030

Cumberland 2030 builds on the Greater Sydney Commission's Region Plan and District Plan, as well as Council's own Community Strategic Plan, establishing a land use vision, priorities and actions for the local area.

The proposal delivers a diversity of employment uses on the site, enabling greater and diversified economic output supporting the local Cumberland area (Priority 10). The proposal will promote additional local job opportunities (Priority 11) and the additional permitted use for office premises on the site will expand the capacity of the site to support high order and productive industries and the knowledge-based economy within the Smithfield Enterprise Park to meet future needs (Priority 12). However, the introduction of retail uses to the site is not considered to be consistent with the LSPS and may undermine the Priorities in the LSPS, which call for expansion of the knowledge-based economy and specialised industry, rather than retail jobs in this location.

4.2.3 Cumberland Employment and Innovation Lands Strategy:

The Cumberland Employment and Innovation Lands Strategy (EILS) developed by Council in consultation with the community and industry provides a land use approach for employment and innovation land precincts within Cumberland. It is noted that the strategy has not yet been endorsed by the Department.

The strategy identifies the site as being in the Smithfield Enterprise Park where its strategic focus is established and emerging business parks building on existing industry specialisation and increasing digitisation of production.

The proposed shop and business premises additional permitted uses are inconsistent with the strategy. See further discussion in section 5 of this report.

4.2.4 Recommendations of the Local Planning Panel

The planning proposal was referred to the Cumberland Local Planning Panel on 11 March 2020 (**Attachment D**). The panel found that the proposal demonstrated site-specific merit but had not yet displayed strategic merit raising concerns about the proposal establishing a new local centre, an outcome not contemplated in the District Plan or Council's Local Planning Statement. Additionally, the Panel noted further justification be sought in relation to the quantum of commercial office floor space and the impact of the proposed retail floor space on the nearby B1 neighbourhood centre located to the east of the site.

In response to the Panel's concerns, the proponent provided further justification to Council (**Attachment E**) providing economic evidence that just under 70,000m² of additional office floor space is required to meet the forecasted 4,602 jobs. Based on the proposed 7,000m² of commercial office floor space, this represents only 10% of the required amount of floor space for the LGA to 2041. Accordingly, this allows commercial office growth in other centres and does not compete with local centres including Merrylands and Wentworthville due to the attraction of different markets through the site's redevelopment. Further, the proponent argues that other centres are not expected to be impacted by the commercial office component due it equating to 3% of the overall LGA jobs target.

The response also references an Economic Retail Assessment (**Attachment J**) which concludes that nearby B1 neighbourhood centres are unlikely to be impacted by the proposal. Specifically, the report notes the nearby B1 centre along Dell Street, Woodpark does not have a supermarket.

Council officers were satisfied with the justification provided and as such, the proposal was endorsed at the Ordinary Council Meeting on the 17 June 2020 (**Attachment F**).

The Department's views on the proposed additional permitted uses for shops, office and business premises are discussed further in section 5 of this report.

4.3 Section 9.1 Ministerial Directions

It is considered that the planning proposal is generally consistent with relevant Section 9.1 Directions, with exception of the following:

Direction 4.3 Flood Prone Land

The objectives of this direction are to ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005, and to ensure that the provisions in an LEP is commensurate with flood hazard and includes consideration of the potential flood impacts both on and off the subject.

This direction applies when a planning proposal creates, removes or alters a zone or a provision that affects flood prone land. This direction is applicable as part of the site is flood affected according to Council's Flood Control Lots Map. The planning proposal is inconsistent with this direction as it proposes to increase the maximum height of buildings and allow additional permitted uses on the land.

Council has not addressed the inconsistency with this direction. It is recommended that this Direction remain unresolved and that Council update the planning proposal to address this Direction. A Gateway condition is also recommended for the NSW State Emergency Service and the Environment, Energy and Science Group within

the Department of Planning, Industry and Environment to be consulted on the planning proposal.

Direction 6.3 Site Specific Provisions

This direction seeks to discourage any unnecessarily restrictive site-specific planning controls. The proposal is inconsistent with the direction as it will allow a number of additional permitted uses on the site with a proposed Gross Floor Area cap for each use.

Council has not addressed the inconsistency with this direction. It is recommended that this Direction remain unresolved.

4.4 State environmental planning policies (SEPPs)

The proposal is consistent with all relevant SEPPs, with additional consideration required at the development application stage.

5. SITE-SPECIFIC ASSESSMENT

5.1 Social

The proposal has potential positive social impacts for the area, activating an underutilised site to deliver additional employment opportunities for local residents. While the proposed shop and business premise additional permitted uses are not supported, a neighbourhood supermarket on the site will provide convenience and support the needs for workers in the Smithfield Enterprise Park.

5.2 Environmental

5.2.1 Built Form

It is unlikely that the height increase of 9 metres will adversely impact on any surrounding built form and nearby residential areas given the large area of the site, the increase only applying to the southern portion and being separated by major road infrastructure to residential areas. Council have indicated that the broader redevelopment of the site will require filling works to level the site, as such, the new ground level will result in the building being less than 29 metres lowering the resulting visual impact.

5.2.2 Traffic and parking:

A traffic review (**Attachment G**) was prepared in support of the proposal. The review concluded that the proposal will not have unacceptable traffic parking or servicing implications with the adjacent road network (with proposed upgrades from stage 1 and 2) supporting additional traffic volume.

The Department understands that Council have already considered the holistic traffic impacts generated by the full redevelopment of the site via a Concept DA. However, further detailed traffic assessment would need to be considered as part of any future DA for the site.

It is recommended that Transport for NSW be consulted on the planning proposal.

5.3 Economic

An economic benefits report (**Attachment H**) has been prepared in support of the proposal indicating that the proposal will result in economic benefits for both the Cumberland area and Central River City.

The report identifies the proposed additional permitted office use will support the increased demand for office accommodation in the LGA and offers an opportunity for knowledge-based companies to co-locate and establish synergies with other tenants within the precinct.

The proposed gross floor area (GFA) cap of 7,000m² for office uses will allow for the majority of the site to be developed in line with the objectives of the B5 Business Development zone. The additional permitted office use and GFA cap is consistent with the strategy for the Smithfield Enterprise Park as set out in the Cumberland Council Employment and Innovation Lands Study (the study).

The proposed shop and business additional permitted uses are inconsistent with location specific vision and strategy outlined in the study. The study seeks to permit small-scale ancillary retail and health support services in the Smithfield Enterprise Park targeting food and beverage, advanced manufacturing and digital industries some employment amenity services such as medical centres in the precinct. The study notes that the Smithfield Precinct has an existing planning framework that supports the vision. The Department notes that food and drink premises and neighbourhood shops are permissible in the B5 zone.

The economic need and impact assessment supporting the proposal (**Attachment J**) states the need for an additional full-line supermarket and supporting retail and business premises on the site can be demonstrated by the trade area resident and worker population. The Department acknowledges the proposed total GFA cap of 10,500m² for these additional permitted uses. However, the additional permitted shop and business premises uses are not considered to be small-scale ancillary and is inconsistent with the District Plan, LSPS and Employment and Innovation Lands Study. To meet the needs of workers in the precinct, it is recommended the planning proposal be amended to include neighbourhood supermarket as an additional permitted use. The GFA of a neighbourhood supermarket would be limited through existing provisions in the HLEP 2013 to be a maximum of 1,000m².

The economic need and impact assessment has analysed the potential economic impact of adding traditional retail floorspace to a proposed large format/bulky goods retail centre (Stage 2 of the development). The analysis found that the proposed Stage 3 development would result in a -27.4% impact on the existing Smithfield centre which is anchored by a full-line Coles supermarket that is considered to be underperforming. The estimated impact on the Smithfield centre is classified in the 'very high' category of impact. The assessment attributes the poor performance of the existing Coles supermarket to its location within the centre as well as the increase in retail floorspace in other nearby centres.

The assessment states that the centre is likely to attract a significant level of passing trade and should still be an attractive location for certain retailers such as fast food outlets and other convenience goods which rely substantially on passing trade. The assessment also states that it is likely the Smithfield neighbourhood centre will, in the future, acquire more non-retail, commercial functions and its core role of providing convenience retail services will decline over time even if additional retail facilities are not be provided on the subject site at Woodpark Road.

The Department has raised concern about the impact of the potential closure of the existing full-line supermarket and the flow on effects to other retailers in the centre. Council and the proponent have provided further justification to support why the very high impact on the Smithfield centre is acceptable reinforcing the above. No evidence has been provided supporting the likely future function and role of the Smithfield centre or advice that consultation with Fairfield Council regarding the impact to the Smithfield centre has been undertaken.

The proponent also noted that the Fairfield Council Local Strategic Planning Statement (LSPS) identifies the Smithfield centre in need of strategic planning. The LSPS indicates that the Smithfield local centre is an investigation area for housing and an urban design study for the centre will be undertaken. While this study has not yet been publicly released for comment, it is understood that landowner-initiated planning proposals would result from the study.

Through the priorities in its LSPS, it is evident that Fairfield Council intends to revitalise the Smithfield local centre to deliver safe, healthy, attractive and accessible places for the community through various mechanisms. These mechanisms include Development Control Plan updates to reflect the urban design study, preparation and implementation of a public domain plan and encouraging design excellence and high-quality development outcomes supported by infrastructure.

Given the above, it is recommended that the proposed additional permitted uses for shop and business premises are not supported and are removed from the planning proposal.

5.4 Infrastructure

The Department notes that any intensification of this site will likely increase the demand on local infrastructure and services, which will need to be addressed in any future development application for the site. Council is also considering a voluntary planning agreement in relation to this proposal.

6. CONSULTATION

6.1 Community

The planning proposal outlines a community consultation process that is consistent with *A Guide to Preparing Local Environmental Plans (2016)*.

Given the nature of the planning proposal it is recommended that a 28-day community consultation period applies.

6.2 Agencies

It is recommended that the following agencies be consulted on the proposal:

- Transport for NSW;
- Environment, Energy and Science Group within the Department of Planning, Industry and Environment; and
- NSW State Emergency Service.

7. TIME FRAME

Council has suggested the proposal could be finalised in six months following submission to the Department. This timeframe is supported given the minor nature of the proposal.

8. LOCAL PLAN-MAKING AUTHORITY

Council has requested to be the plan-making authority in relation to this planning proposal. Given the minor nature of the planning proposal it is recommended authorisation be given to Council.

9. CONCLUSION

It is recommended that the planning proposal proceed subject to recommended conditions, as outlined in this report. The proposed additional permitted office premises use will facilitate the broader redevelopment of the site for a range of higher value knowledge jobs, supporting the retainment of jobs within the Cumberland LGA whilst responding to the changing nature of industry.

The proposed additional permitted uses for business premises and shops (excluding a neighbourhood supermarket) are not considered to have sufficient strategic or site-specific merit, due to the inconsistency with 'Planning Priority C11' in the Central City District Plan, Councils LSPS and the Cumberland Employment and Innovation Lands Strategy. The full-line supermarket included as part of the indicative proposal will result in an unacceptable impact on the nearby Smithfield centre and a neighbourhood supermarket is considered more appropriate to serve the needs of workers within the Smithfield Enterprise Park. It is recommended that the proposal be amended to exclude the proposed additional uses for business premises and shops.

10. RECOMMENDATION

It is recommended that the Executive Director, Central River City and Western Parkland City, as delegate of the Secretary:

1. Note that the consistency with section 9.1 Directions 4.3 Flood Prone Land and 6.3 Site Specific Provisions is unresolved and will require justification.

It is recommended that the Executive Director, Central River City and Western Parkland City, as delegate of the Minister determine that the planning proposal should proceed subject to the following conditions:

1. Prior to public exhibition, Council is required to amend the planning proposal to address the following:
 - a) Remove additional permitted uses for shops and business premises and include the additional permitted use for a neighbourhood supermarket noting the existing provision in the LEP regarding the maximum gross floor area for neighbourhood supermarkets.
 - b) Clarify the number of additional jobs arising from the proposal.
 - c) Address consistency with *Priority C11 – Maximising opportunities to attract advanced manufacturing and innovation in industrial and urban services land* of the Central City District Plan.

- d) Update the proposed maps in the planning proposal to clearly identify the intended changes and ensure legibility for public exhibition.
 - e) Update the planning proposal to address the inconsistency with Section 9.1 Direction 4.3 Flood Prone Land and 6.3 Site Specific Provisions.
 - f) Update the project timeline.
2. The planning proposal should be made available for community consultation for a minimum of 28 days.
 3. The planning proposal must be placed on exhibition within four weeks of receiving Gateway determination.
 4. The planning proposal must be reported to Council for a final recommendation within 4 months from the date of the Gateway determination.
 5. Consultation is required with the following public authorities/organisations under section 3.34(2)(d) of the Act and/or to comply with the requirements of relevant section 9.1 Directions:
 - Transport for NSW;
 - Environment, Energy and Science Group – Department of Planning, Industry and Environment; and
 - NSW State Emergency Service.
 6. The time frame for completing the LEP is to be 6 months from the date of the Gateway determination.
 7. Given the nature of the planning proposal, Council should be the local plan-making authority.



13/2/2021

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