



Planning

MAJOR PROJECT ASSESSMENT

STAGE 1 PROJECT APPLICATION FOR THE TEMPORARY USE OF THE SITE FOR RETAIL PURPOSES, INCLUDING DEMOLITION AND CONSTRUCTION WORKS

**78-96 Arncliffe Street & 31-45 Princes Highway,
Wolli Creek**

***Proposed by Mecone on behalf of NAHAS
Constructions***

MP 09_0169

Director-General's Environmental Assessment Report
Section 75I of the
Environmental Planning and Assessment Act 1979

July 2010

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1 EXECUTIVE SUMMARY

This is a report on a Project Application seeking approval for the temporary use of a site located at 78-96 Arncliffe Street and 31-45 Princes Highway, Wolli Creek for retail purposes for up to 15 years. The proposed development is time limited to up to 15 years and comprises Stage 1 of a larger proposal for a \$260 million mixed-use retail, serviced apartment and residential development which is subject of a separate Concept Plan application. The site is located within Rockdale LGA. The Proponent is Mecone on behalf of NAHAS Constructions.

Concept Plan

On 12 January 2009, a proposal for a \$260 million mixed-use retail, serviced apartment and residential redevelopment of this site was declared a Major Project. The submission of a Concept Plan under Section 75M of the Act was also authorised. This proposal is Stage 1 of the Concept Plan and is considered '*related development*' to the Concept Plan. The authorisation of the Concept Plan enables the temporary use of the site for retail purposes as a Stage 1 Project Application to be submitted (and determined) prior to the submission and determination of the overall Concept Plan.

Proposal

The Project Application seeks approval for the temporary retail development to be completed in two phases. **Phase A** involves the majority of proposed works comprising the demolition of relevant existing structural elements (parts of existing buildings) and construction of a 4,000sqm supermarket; loading dock; 200sqm of specialty retail floor area; 168 car spaces including 4 disabled and 6 staff car spaces, 8 motorbike spaces and a bicycle facility for 32 bicycles; Public Domain upgrades including new paving, landscaping and public art. **Phase B** consists of an addition 600sqm of specialty retail in a separate building and an additional 16 carparking spaces and additional landscaping. The overall Capital Investment Value is estimated at **\$7.3 million**.

Permissibility

The site is zoned 10(a) Mixed Use under the Rockdale Local Environmental Plan 2000. The zone objective relating to "shops" and retail development prescribes that shop uses are only permitted if they serve the needs of the Wolli Creek local area. The proposed retail uses satisfy this requirement and are considered permissible within the 10(a) zone.

Public Exhibition

The Environmental Assessment (EA) was exhibited for a 30 day period from 20 January 2010 to 26 February 2010. During the exhibition period, the Department received a total of 19 submissions. Of these, 16 submissions were received from the public (10 objected, 3 supported, 2 objected/supported and 1 was neutral) and 3 from government agencies. The key submission issues include; access; traffic and parking; retail demand; economic retail impacts; and noise impacts.

Assessment

The key assessment issues considered in this report include: access, traffic and parking; streetscape and built form; economic retail impacts and retail demand; and the temporary use of the site.

The Proponent is seeking the temporary use of the site for a period of up to 15 years. This period is appropriate given the vision for larger development and the longer term strategic importance of the site for mixed use retail, commercial and residential land uses to establish Wolli Creek as a high quality, high density urban environment.

The proposal includes significant safety improvements to the current situation including the consolidation of 12 access driveways into 4 and the provision of a deceleration slip lane off the Princes Hwy. Modification of the pedestrian crossing within the slip lane is required to improve safety. Vehicular access, in particular the loading/unloading arrangements has been a key issue raised in submissions and conditions of approval to increase the width of the egress to ensure the exiting of trucks does not extend over the centreline of Arncliffe Road is recommended.

The proposed development is accessible by commuter rail and bus services. Due to the expected growth of the Wolli Creek community it is envisaged that many patrons will walk to the site from surrounding residential developments. The proposal will enhance pedestrian connections providing a convenient through-site pedestrian link between the Princes Hwy and Arncliffe Street. The overall Stage 1 proposal includes provision for 184 car spaces (4 disabled and 6 staff), 8 motorbike spaces and facilities for 32 bicycles. The proposed car parking generally complies with Council's DCP requirement.

The Retail Sustainability Assessment prepared by Macroplan demonstrates retail demand in the local area exists, and there is currently limited numbers of shopping facilities within Wolli Creek trade area to serve existing/future residents who currently travel outside of the area for specialty retailing. The proposed development is not expected to adversely affect existing retail centres. Local employment opportunities will also be generated.

Key Recommended Modifications and Conditions

Key recommendations made in respect to the proposal and included as conditions of approval relate to the design of the loading dock and the slip lane, hours of operation of the loading dock and the provision of temporary landscaping to the Princes Highway frontage (until Phase B commences construction).

Public Benefits

It is expected that the proposed development will have some impact on Brodie Sparks Drive and Arncliffe Street in terms of traffic movements and use of the loading dock; however, on balance the proposal will provide significant benefits to the wider community, including:

- a significant improvement on the urban environment to the current light industrial type uses on the site;
- the adaptive reuse of the site ensures efficient and effective use of existing infrastructure;
- the provision of much needed shopping facilities for local residents in a location that is serviced by extensive public transport;
- sustainable development through increased activation around the train station; and
- employment opportunities through the construction and operational stages of the development.

Conclusion

The Department has assessed the merits of the proposal taking into consideration the issues raised in public submissions and is satisfied that the impacts have been addressed in the Proponent's response to submissions and recommended conditions of approval. It is considered that the impacts can be suitably mitigated and/or managed to ensure a satisfactory level of environmental performance, pursuant to Section 75J of the Act.

The Department has determined that the temporary use of the site for retail purposes for a period of up to 15 years is appropriate and fits within the context of the Wolli Creek Redevelopment Area. The temporary Stage 1 development will provide the community with a significant public benefit through greater shopping choice and employment opportunities.

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2 BACKGROUND

2.1 The Site

Site context and location

The site is identified as 78-96 Arncliffe Street and 31-45 Princes Highway, Wolli Creek and includes Lots 1-9 DP 24018 and Lots 3 & 4 DP 1032962. The subject site is located in the inner south-west of Sydney (**Diagram 1**).

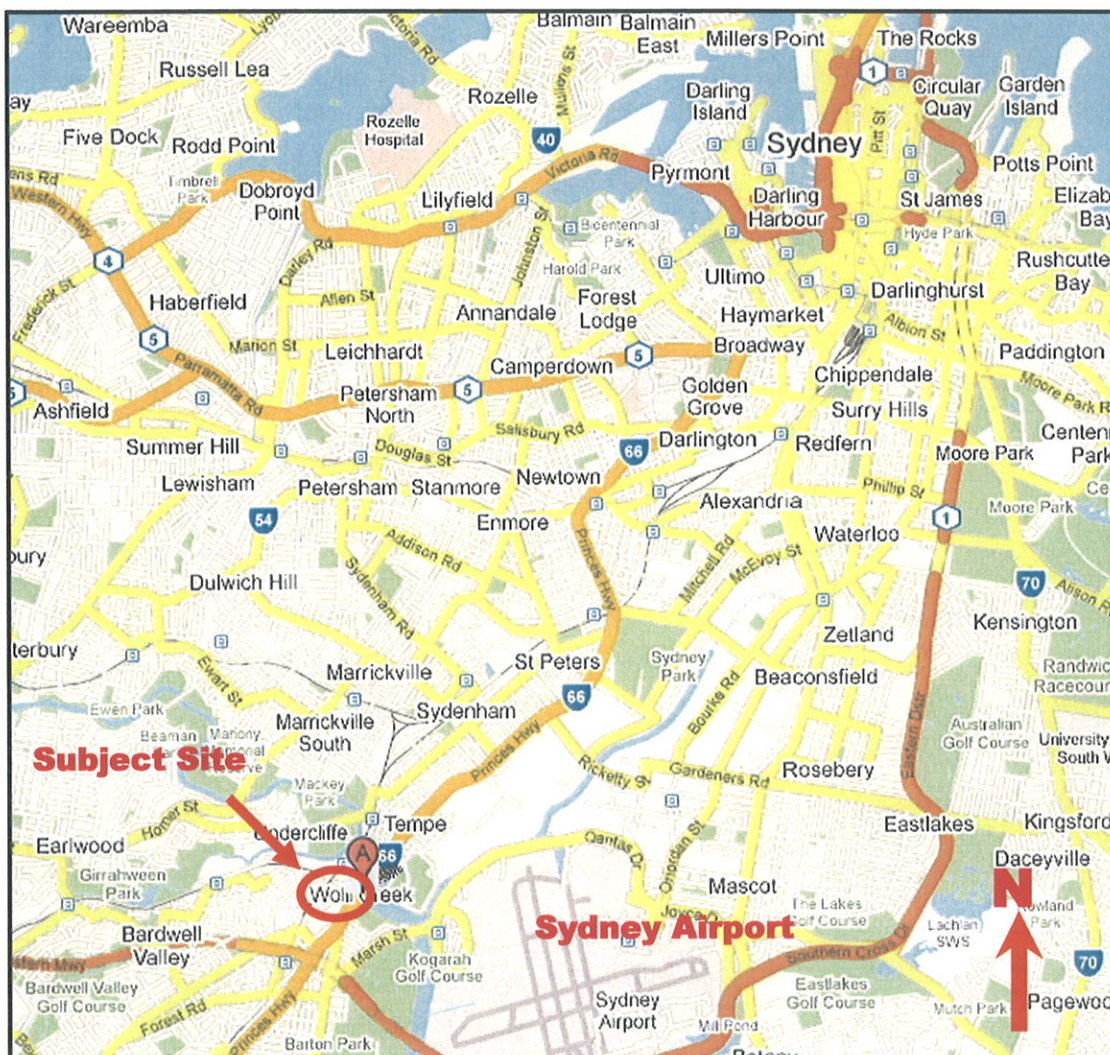


Diagram 1 – Regional Context (Source: Google Earth)

The area is serviced by extensive commuter rail and bus services. Wolli Creek Railway Station is located approximately 230 metres north-west of the site and major bus routes run along Princes Highway.

Primary road access into the Wolli Creek village is off the Princes Highway via Brodie Spark Drive from the east and Wollongong Road provides secondary access from the west. The Wolli Creek Railway Station provides access to the East Hills, Illawarra and New Southern rail lines, whilst the Arncliffe Railway Station accesses the Illawarra Line. The area is also serviced by State Transit bus routes.

The site has three street frontages with the main frontages to Arncliffe Street to the north and Princes Highway to the south. Brodie Spark Drive is located to the east and the adjoining neighbour to the west is a large Suttons Motors Car Dealership. The site has a total area of 12,451sqm and is generally rectangular in shape (**Diagrams 2 and 3**).

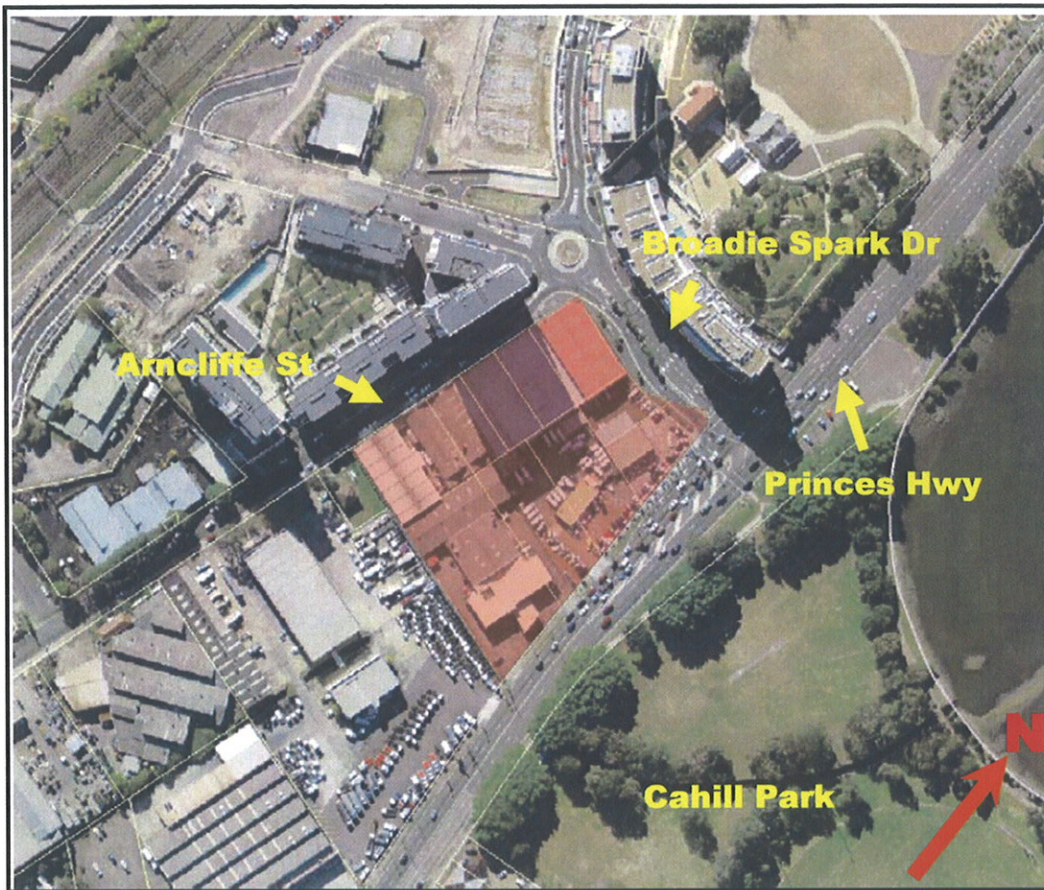


Diagram 2 – Locality Plan (Source: Google Earth)

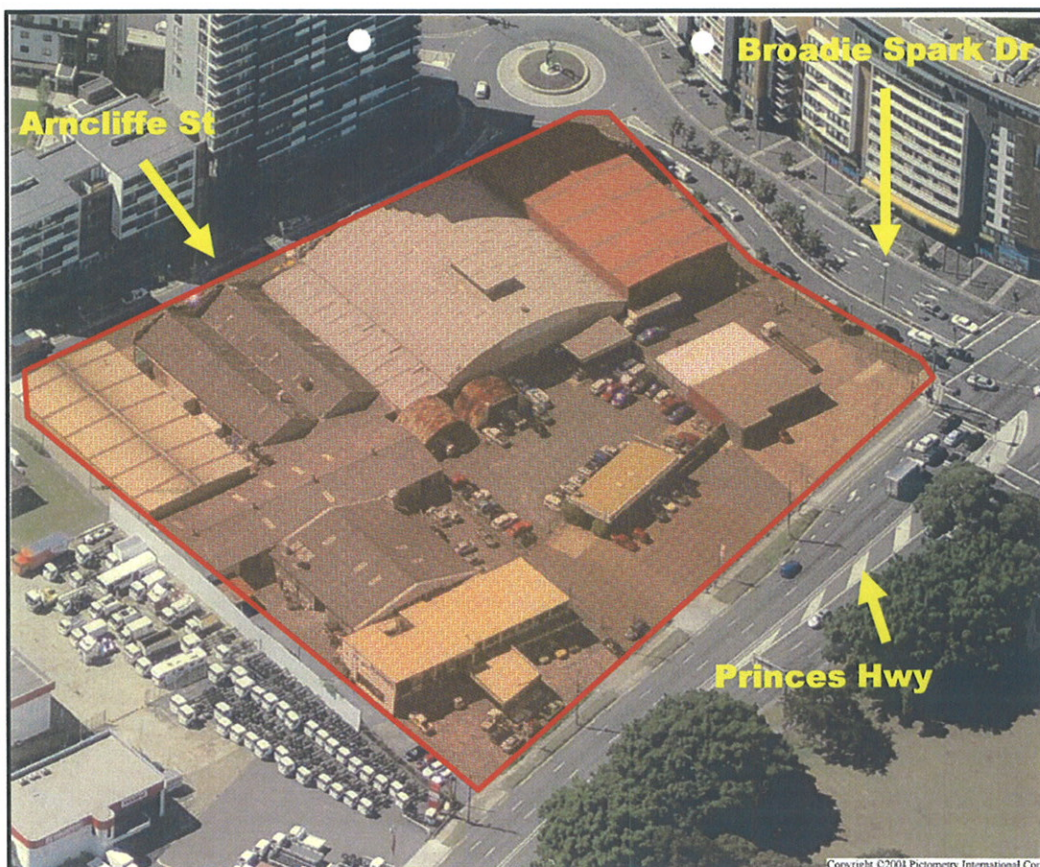


Diagram 3 – Aerial of site and locality (Source: Google Earth)

Existing Site Features

The site currently contains a range of light industrial and commercial buildings used for car repair shops, storage and motor show rooms. The buildings on the site are a mix of single and two storeys and are constructed of various materials including brick, masonry and metal cladding with iron roofs.



Photo 1 – Looking west along Arncliffe St **Photo 2 – Corner Arncliffe St and Brodie Spark Drive**

The streetscape in Arncliffe Street is characterised by a two lane road formation with on-street car parking on both sides. Pedestrian paths are located on each side of the street. The existing buildings on the subject site have been constructed to the road boundary with a zero setback along the whole of the Arncliffe street frontage. Most of the buildings along this frontage have vehicle access directly from the street via roller doors.

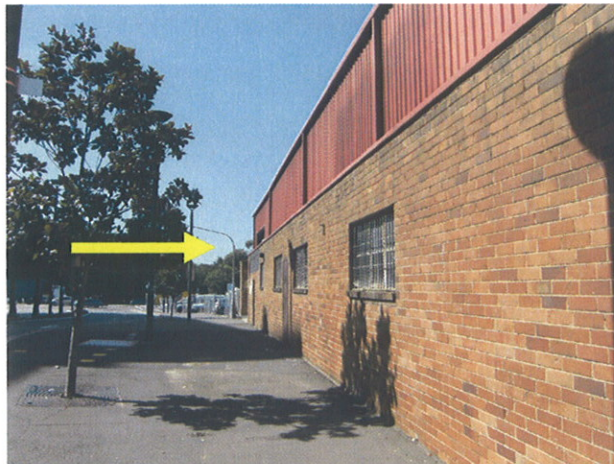


Photo 3 – Looking south along Brodie Spark Drive

Photo 4 – Princes Hwy

The streetscape in Brodie Spark Drive is characterised by a four lane road formation with a landscaped median strip and some on-street car parking on the eastern side of the road. A large roundabout is located at the intersection of Arncliffe Street and Brodie Spark Drive (refer **Diagrams 2 and 3** above). Pedestrian paths are located on each side of the street. The existing buildings on the subject site have been constructed to the road boundary with a zero setback for approximately half of the street frontage. There are a number of vehicle access crossings to the site from Brodie Spark Drive.

The streetscape along the Princes Highway is characterised by a wide six lane road formation with a narrow median strip. Additional turning lanes exist at major intersections. Traffic signals are present to the south east of the site at the intersection of Princes Highway and Brodie Spark

Drive. There is no on-street car parking along the section of the Princes Highway adjacent to the site. Pedestrian paths are located on each side of the highway. The existing buildings on the site have been constructed with large setbacks to the road boundary. There are three existing vehicle access points to the site from the Princes Highway.

The adjoining neighbour to the west is a Suttons motor car and truck dealership/workshop.

2.2 Surrounding Development

The site is adjacent to the proposed Cooks Cove redevelopment. It is in close proximity to Wolli Creek Railway Station, Port Botany, Sydney Airport, the M5 Motorway, and the Sydney CBD, making it highly accessible. The area forms part of a growing redevelopment zone extending along the Airport Rail Line linking Wolli Creek to Sydney Airport, Mascot, Green Square, and the Sydney CBD.

The site forms part of the Wolli Creek Redevelopment Area which has been an initiative of the Rockdale City Council. In 2006, a Development Control Plan was prepared by Council with specific planning objectives and design guidelines for development on land in this locality. Historically an industrial precinct, the area is now being transformed into a high quality, high density urban environment for living, working and recreation. When complete, the Wolli Creek Redevelopment Area will be a community of at least 6,500 residents and 7,000 workers.

The immediate surrounds of the site are characterised by new residential and mixed use development, mainly focused around Wolli Creek Railway Station. These include a series of large scale mixed use development undertaken by Meriton, Landcom, Australand and Multiplex over recent years.

There are a number of car dealerships fronting Princes Highway in the vicinity of the site, and the character of built form within the block bounded by Arncliffe Road, Brodie Spark Drive and the Pacific Highway is dominated by old light industrial buildings and sales yards.

3 STRATEGIC CONTEXT

NSW State Plan

The NSW State Plan aims to achieve improved urban environments and ensure sustainable development through encouraging development in close proximity to existing centres, services and transport. The proposed development addresses these core issues through design principles which reflect a commitment to environmentally sustainable design. The site is located within the inner south-west of Sydney in close proximity to newly developing residential buildings and public transport infrastructure. There are limited commercial/retail facilities and community services in the locality. The proposed development will provide a retail centre in close proximity to a growing substantial population, as well as high quality public transport.

Sydney Metropolitan Strategy "City of Cities"

The Sydney Metropolitan Strategy, developed to support the continuing economic growth of Sydney and enhance its standing as a global city, places the Rockdale Local Government Area in the South Subregion. The proposal will assist in contributing to several of the Metropolitan Strategy's targets by providing employment opportunities and retail services close to public transport and within walking distance from surrounding residential development. The proposal also ensures the efficient utilisation of an existing site and the current infrastructure in the locality.

Draft South Subregional Strategy

The Draft South Subregional Strategy builds upon the aims and objectives of the Metropolitan Strategy and delivers upon those aims and objectives at the subregional level. Key directions of the Draft Strategy include planning for employment growth, encouraging greater use of public transport, retaining strategic employment lands, and providing additional housing and employment opportunities. A hierarchy of centres has been established along with a centres typology. The Draft Strategy identifies Wolli Creek as a "Village".

The Draft Strategy recognises that in some cases old industrial precincts are no longer suitable for the type of industry they were designed to accommodate and cannot easily be converted to accommodate new industrial uses. These areas are more appropriately developed with mixed use development, which may include a component of residential. Parts of the industrial areas of Wolli Creek and North Arncliffe are examples of industrial sites being converted to mixed use, with offices and residential development. Further, the Draft Strategy acknowledges that development along the railway lines is intensifying particularly around the new Wolli Creek Railway Station and the site is approximately 230 metres from Wolli Creek Railway Station.

There is no significant supermarket located within the precinct. The proposed development will provide for a functional retail centre which is well connected to public transport and services a wide population. The proposal will offer the opportunity for jobs close to public transport and support surrounding residential developments.

4 PROPOSED DEVELOPMENT

4.1 Environmental Assessment (as exhibited)

The temporary Stage 1 development as described in the EA comprises a supermarket, specialty retail tenancies, loading dock, and an at-grade car park. The Proponent seeks to use the site for a lower scale retail development on a temporary basis primarily due to the current global financial situation. This temporary use will provide a level of financial security for the Proponent, while seeking Concept Plan approval from the Minister for the redevelopment of the site for a larger mixed use retail/commercial/residential development which can be realised at a later date. The envelope considered at the time of the Part 3A declaration and authorisation of the Concept Plan is detailed in **Diagram 4** below.

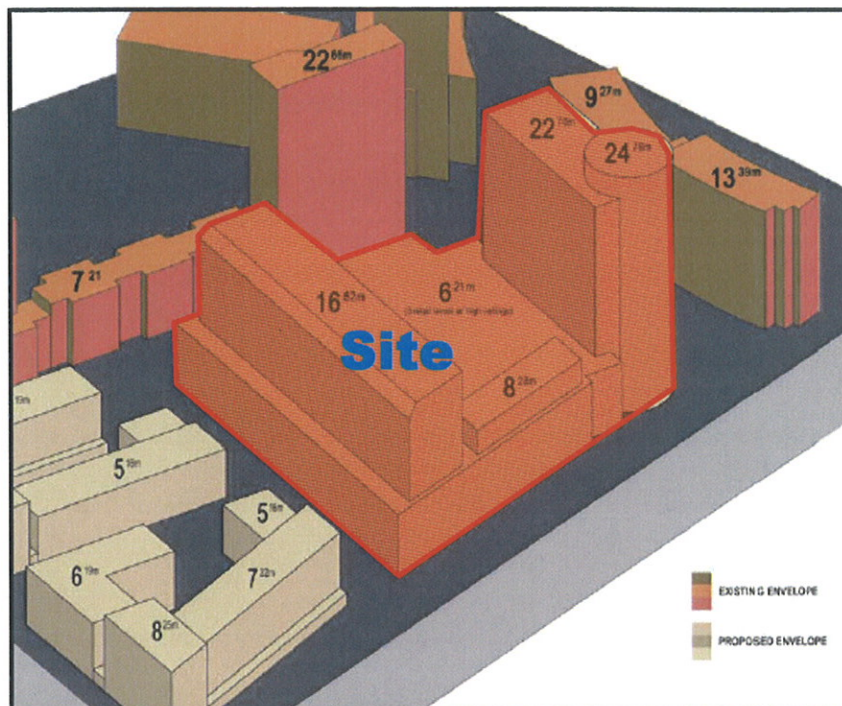


Diagram 4 - Concept Plan proposal (Source: Proponent's Clause 6 request)

The construction of the development will commence with site establishment and demolition of relevant structures or parts of buildings where necessary. It is intended to retain existing perimeter walls fronting Arncliffe Street and Brodie Sparks Drive and some internal walls generally at the south-west portion of the site. The actual construction of the retail building will occur over two phases to allow the development to commence prior to securing major specialty retail tenancies.

Temporary Use of Site

The proponent is seeking a temporary development with a maximum operation life of up to 15 years from the issue of an Occupation Certificate.

Construction Phases and Land Use

Phase A includes a 4,000sqm supermarket, 200sqm of retail tenancy, 168 car spaces (4 disabled and 6 staff), 8 motorbike spaces and facilities for 32 bicycles and onsite landscaping works including a "green wall" to the intersection of Brodie Sparks Drive and Arncliffe Street (**Diagrams 5 and 6**).

Phase B involves the construction of major specialty retail tenancy (**Diagrams 5 and 6**) near the corner of Pacific Hwy and Brodie Sparks Drive. The land use associated with Phase B comprises the construction of a 600sqm for tenancy for a small discount specialty store and an increase to carparking to 184 spaces, and additional landscaping works.



Diagram 5 – Proposed Development with location of Phase B works circled (Source: Proponents EA)

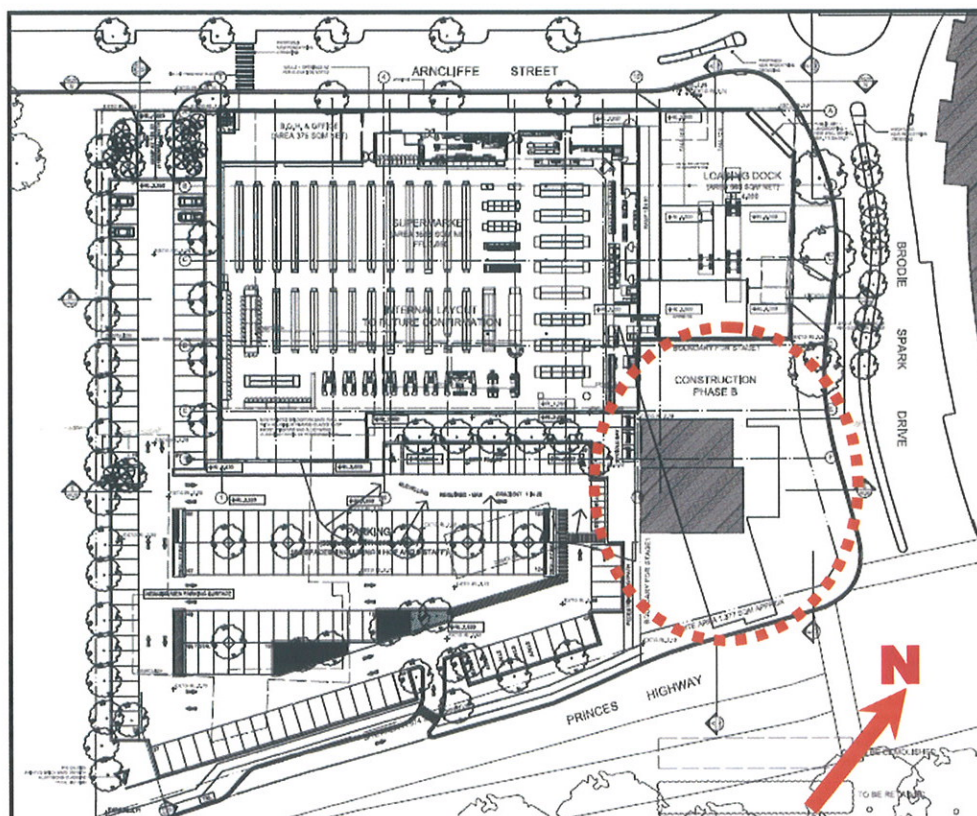


Diagram 6 – Proposed Site and Floor Space Layout with location of Phase B works circled (Source: Proponents PPR)

Building Retention and Demolition

The proposed development will be contained within parts of the existing building fabric which is structurally suitable for the proposed use. Building elements to be retained include existing walls that run along Arncliffe Street and Brodie Spark Drive, part of the east-west wall forming the corner of the existing structure on Brodie Spark Drive and a major wall on the western side of the site, which will form the corner of the proposed building on Arncliffe Street.

Landscaping and Public Domain

The proposal will include the permanent planting of trees and mass planting of shrubs and grasses/groundcovers along the southern boundary, at the entries from Princes Highway and Arncliffe Street, as well as temporary trees within the car park to provide for shade. Bench seats and bins will be provided within the public domain. External lighting is proposed for the pedestrian routes and car park areas.

The proposal will also include a "green wall" and pedestrian crossings at Arncliffe Street and Brodie Spark Drive. The "green wall" feature comprises a raised planter bed with a steel perforated screen using climber planting such as *Pyrostegia venusta* (Orange Trumpet Creeper) or *Bougainvillea glabra* (Bougainvillea) to cover the expanse of brick wall at this intersection.

Facade Treatment

The proposal includes new brick walls which will be painted and a new metal clad roof fascia that wraps around the whole structure. The existing and the new brick walls will be painted in a grey colour (refer **Diagram 7** below). The eastern (Princes Hwy) facade of the existing warehouses and the internal structure is proposed to be removed in order to create a new large span roof structure appropriate for the new use, as well as new level concrete floors throughout and a new eastern facade.

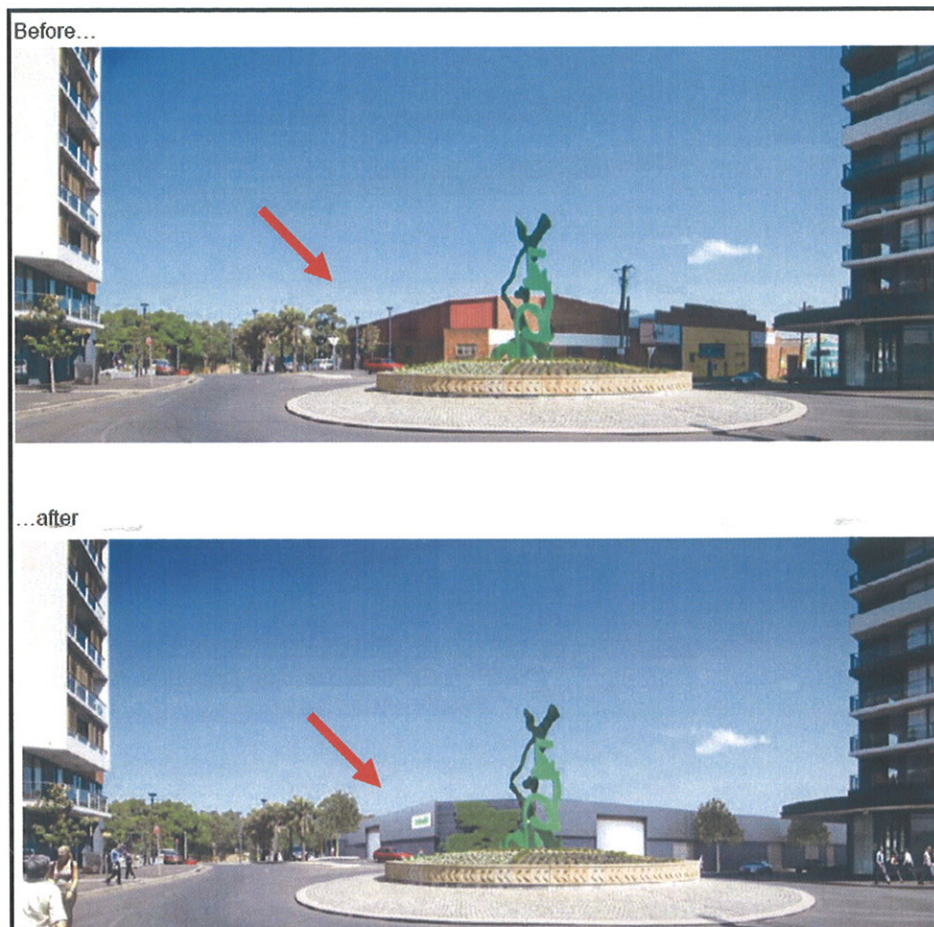


Diagram 7 – Proposed Site and Floor Space Layout (Source: Proponent's EA)

Streetscape Improvements

The development proposes to improve the streetscape at all frontages (refer **Diagrams 5 and 6** above) with treatments such as:

- glass brick windows;
- tree planting;
- a steel perforated screen and a climber to cover the expanse of brick wall;
- street furniture such as bench seats and cast iron tree grates;
- a splay corner design Corner Brodie Spark Drive and Arncliffe Street allowing for dedicated public art; and,
- a "green wall" feature at Brodie Spark Drive and Arncliffe Street (refer **Diagram 7** above)

Signage

Signage is proposed on the building façade and other locations around the site and a signage strategy has been submitted with the proposal to demonstrate that the proposed built form can appropriately accommodate any signage. However, the approval of signage will be the subject of a separate Development Application to Council.

Transport and Access

Access to the site for customers is proposed from both the Princes Highway (left in only) and Arncliffe Street (entry & exit). It is proposed to make deliveries via a loading dock that enters the site from Brodie Spark Drive and exits on to Arncliffe Street. The proposal includes a pedestrian through site link between the Highway and Arncliffe Street and upgrades the footways along the Princes Highway and Arncliffe Street. Sheltered pedestrian accesses are also proposed within the site to connect to the existing perimeter footway system.

Trading and Loading Hours

The proposed trading are 6:00am – 12:00 midnight seven days per week and proposed loading/unloading and delivery hours are 6:00am – 10:00pm seven days per week.

4.2 Response to Submissions

The Proponent made a number of responses to the Department following consideration of the submissions providing clarification and additional information relating to development statistics/floor space figures, location of uses, timing of construction, justification for the 15 years temporary use period, and, traffic access and carparking numbers.

The Proponent has not lodged a PPR nor made any changes to the plans or design of the proposal as detailed in the EA.

4 STATUTORY CONTEXT

5.1 Permissibility

The site is zoned 10(a) Mixed Use under the Rockdale Local Environmental Plan 2000 (refer **Diagram 8**). The zone permits a diverse range of uses including shops, cinemas and residential flat buildings. The proposed uses are permissible within the 10(a) zone subject to meeting the zone objective that "shops" should serve the needs of the Wolli Creek local area, which is the case in this instance.

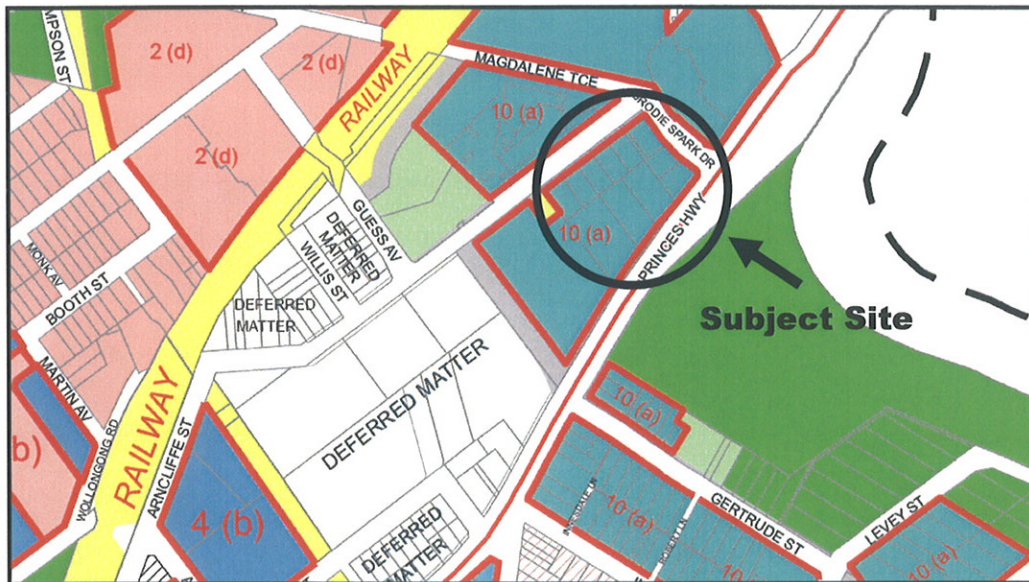


Diagram 8 – Zoning Map (Source : Rockdale LEP 2000)

5.2 Director-General's Environmental Assessment Requirements (DGRs)

On the 15 September 2009, the Director-General issued DGRs pursuant to Section 75F of the *Environmental Planning and Assessment Act 1979* and a copy are contained in **Appendix B**. The DGRs have been addressed in the EA lodged and were deemed to be adequate for public exhibition.

5.3 Exhibition and Notification

Under Section 75J of the Act, the Director-General is required to make the EA of a project publicly available for at least 30 days, and the EA was exhibited between 20 January 2010 and 26 February 2010 in accordance with statutory requirements in satisfaction of Section 75H(3) of the EP&A Act.

5.4 Other Statutory Considerations

Appendix A contains further consideration of the following Statutory Considerations;

- Objects of the Act;
- Statement of Compliance;
- Ecological Sustainable Development; and
- Environmental Planning Instruments (EPIs) which apply to the proposal.

6 CONSULTATION AND ISSUES RAISED

6.1 Public Exhibition of the Environmental Assessment

The Department exhibited the EA by public notification and by sending letters to adjoining landowners and occupiers, government agencies and Rockdale Council. The Department received a total of 19 submissions. Of these, 16 submissions were received from the public (10 objected, 3 supported, 2 objected/supported and 1 was neutral) and 3 from government agencies. The issues raised are summarised below.

The Proponent was forwarded copies of all submissions. The Proponent provided a response to these submissions which included addressing each of the matters raised, additional supporting information to justify the proposal and a revised Statement of Commitments.

A late submission was received from Australand (in addition to their submission during the exhibition period) after the Proponent had submitted additional information.

6.2 Consideration of the Submissions

Rockdale Council

Council considered the EA and associated reports at a meeting on 3 March 2010 and the Council resolved to forward a submission to the Department of Planning which included a set of draft conditions of approval.

The key issues in Council's submission relate to the temporary use of the site, building retention, streetscape & urban design and pedestrian access. Council argues that the site a landmark site with strategic importance. The vision for the site is an outstanding development that will establish an identity for Wolli Creek as a high quality, high density urban environment. The proposed development does not achieve this vision, and the re-use of the existing buildings on the site for a supermarket (for up to 15 years) will mean a further delay to the achievement of Council's vision. The Council requested that the temporary use be conditioned for a maximum period of 14 years or "preferably shorter".

Council has identified that the location and operation of the loading dock is problematic in that it provides limited opportunity for active frontage, truck movements will conflict with pedestrians and other road users, and the LEP discourages vehicle access from Brodie Spark Drive.

Council made numerous recommendations in relation to parking and access matters and the most significant of these relates to vehicle movements onto Arncliffe Street. It appears that the delivery vehicles exiting the site would need to cross the centre line in Arncliffe Street. Given that Arncliffe Street is a major road and often congested with east and northbound traffic near the roundabout, Council does not consider this operation appropriate.

Council is also concerned that the re-use of existing building fabric, particularly walls to Arncliffe Street undermines the ability to achieve an active street frontage to Arncliffe Street with a 3 – 4 metres setback as prescribed by the DCP.

Department Comment

The Department notes the comments raised by the Council. The issues raised have generally been addressed in the Proponent's response to submissions and the matters raised by the Council have been addressed in the assessment of the Project Application and where necessary the Department has included conditions of approval.

A number of the concerns of Council are consequences of the re-use of some of the existing building fabric on site and the temporary time period of up to 15 years for the proposal. The current proposal should be considered in the context of the longer term Concept Plan proposal for the site which is to provide on this land a major mixed use redevelopment of regional significance which will contribute to Council's vision for Wolli Creek. The shorter term use of the site for a

small supermarket and specialty store may not be entirely consistent with the Council's long term vision at this time, but does introduce a number of benefits to the locality in terms of removal of the existing industrial/sales yard use, improvements to visual amenity, improved traffic conditions (with the introduction of a deceleration lane to the Princes Highway and a condition of approval requiring the loading dock exit to Arncliffe Street be widened to resolve egress of trucks), and provides for a land use which is moving towards the Council's vision for Wolli Creek.

The vehicular access arrangement are considered satisfactory subject to conditions of approval, and the provision of access off Brodie Sparks Drive for the temporary period will not set a precedent or undermine Council's LEP objectives. Similarly, the re-use of existing buildings and lack of active streetscape/setbacks to Arncliffe Street for the temporary period is not seen as setting a precedent as the overall Concept Plan application for the redevelopment of the site would remove the temporary use and existing fabric and replace with new development and uses.

A detailed consideration and summary of Council's submission in response to the EA is in **Appendix F**.

Sydney Regional Development Advisory Committee (SRDAC) and Roads and Traffic Authority (RTA)

The SRDAC/RTA has raised no objections to the proposal but have made a number of recommendations with respect to traffic impacts as summarised below:

- Additional information is required in relation to proposed signage design.
- Rockdale Council should consider the imposition of parking restrictions on the southern side of Arncliffe Street if the application is approved.
- The post development stormwater discharge from the subject site into the RTA drainage system should not exceed the pre-development discharge.
- The pedestrian crossing located on the deceleration lane is **not** supported due to the high entry speed of vehicles from the Princes Highway. It is considered appropriate that the entry point to this site from the deceleration lane should be constructed as a vehicle layback to maintain pedestrian priority.
- The provision of the deceleration lane requires a 3.5 metres wide land dedication along the Princes Highway frontage of the subject site to be dedicated as public road at full cost to the developer.
- Should the proposed land use activity change on the subject site from the proposed supermarket, or the Gertrude Street extension is established from the south (whichever comes first), the SRDAC/RTA reserves the right to remove all access to the Princes Highway.

Department Comment

The Department notes the comments raised by the SRDAC/RTA. The issues raised have generally been addressed in the Proponents response to submissions, and where necessary, the Department has included conditions of approval to address recommendations. The matter of the impact of signage will be a matter for consideration by Council (and the RTA) with any future DA.

Sydney Water

Sydney Water has raised no objections to the proposal, other than identifying a number of standard conditions.

Department Comment

The Department notes the comments raised by Sydney Water. The matters raised have been addressed in the assessment of the Project Application and through conditions of approval.

Public Submissions

The public submissions raised a number of issues, essentially focussed on access, traffic and parking, economic retail impacts, retail demand and noise impacts, non-compliances with LEP, DCP and Masterplan, no active street frontage, façade treatment and the issue of commencement of the overall Concept Plan.

A summary of key issues raised in the public submissions can be found in **Appendix F**.

Department Comment

The issues raised have generally been addressed in the Proponents response to submissions.

The concerns relating to traffic, parking and potential noise impacts from deliveries have been addressed and a number of conditions of approval recommended imposing appropriate noise mitigation measures and restricting delivery hours.

The submissions in respect to the operation of a retail facility on this site have been mixed, however, it is considered that the Proponent's Economic Retail Study shows that the proposed 4,800sqm of retail floor space will not adversely affect other retail centres and that there is sufficient demand and growth to support this proposal.

A submission was received from Australand (on behalf of Discovery Point Pty Ltd). Discovery Point Pty Ltd has extensive land holdings to the north of the site which are being redeveloped by Australand for mixed use retail, commercial and residential purposes. The key issues raised in Australand's submission related to the Proponent's analysis of retail demand; location of the loading dock including access and egress; and the activation of Arncliffe Street.

Fundamentally, the Department concurs with the Proponent's retail analysis prepared by MacroPlan Australia Pty Ltd that the temporary use proposal will not have an adverse impact on other retailing centres and retail activities within the Wolli Creek primary trade area (Refer to **Section 7**). The Department is satisfied that matters such as loading and unloading and other site specific issues have been adequately addressed through the inclusion of relevant conditions such as loading dock hours of operation, loading dock egress and landscaping.

The concern relating to non – compliances with Council's LEP and DCP controls is principally a consequence of the re-use of existing buildings and the need to provide delivery ingress and egress via Brodie Sparks Drive and Arncliffe Street.

The concern raised regarding the timing of commencement of the overall Concept Plan is difficult to control and is to a degree a matter for the Proponent. It is not considered that the introduction of a temporary use for up to 15 years will discourage the Concept Plan being pursued in the future, particularly having regard to the location of the retail use in re-used building fabric and occupying a strategic site with development potential far exceeding that currently proposed in this application.

These issues are further assessed in detail in **Section 7** of this report.

7 ASSESSMENT OF ENVIRONMENTAL IMPACTS

The key issues considered in the Department's assessment of the application are as follows:

- Access, Traffic and Parking
- Streetscape and Built Form
- Economic Retail Impacts
- Temporary Use of the Site

7.1 Access, Traffic and Parking

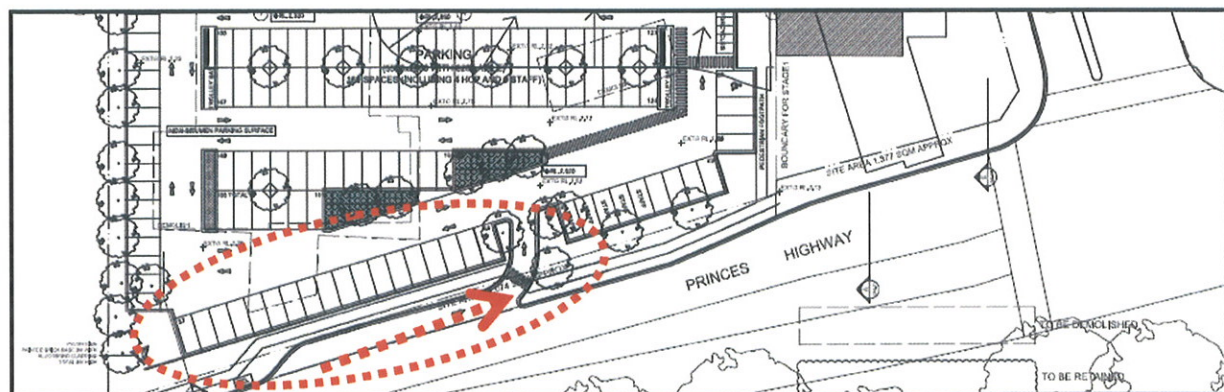
The Proponent has provided a Traffic and Parking Report that addresses access, traffic and parking. The Department's consideration of these matters is based on the Proponent's Report and comments by Council and the SRDAC/RTA.

Deceleration Slip Lane

The existing 12 footpath vehicular crossing points are to be rationalised to 4 locations; 2 for customers and 2 for delivery vehicles and generally, the outcome for vehicular access onto and off the site is acceptable with respect to customer vehicles.

The provision of a left - in deceleration slip lane from Princes Hwy is a significant improvement on the current access arrangements to the site. The Council and the SRDAC/RTA have no objection to the provision of a deceleration slip lane off the Highway, and have identified the necessity to dedicate this land as a Public Roadway. However, the SRDAC/RTA have commented that the location and design of the pedestrian crossing in the slip lane is inappropriate and a potential safety hazard due to the entry speed of vehicles (refer **Diagram 9** below).

The SRDAC/RTA has requested that entry to the site off the slip lane be in the form of a traditional layback and footpath crossing perpendicular to the boundary alignment. The Department concurs with the SRDAC/RTA and an appropriate condition of approval has been recommended.



**Diagram 9 – Location and design of deceleration slip lane
on Princes Hwy (Source: Proponents PPR)**

Loading/Delivery Access

Access to the loading dock has the potential to conflict with pedestrian movements and other vehicles, and the greater concern relates to the exiting of trucks onto Arncliffe Street.

The EA identifies that the proposed loading dock will have 2 bays with one suitable for a 19.0 metre semi-trailer and one suitable for a Heavy Rigid Vehicles (12 metres). It is evident from the swept path plans submitted with the EA that the 19 metre trucks exiting onto Arncliffe Street will cross the centreline of that roadway (refer **Diagram 10** below).

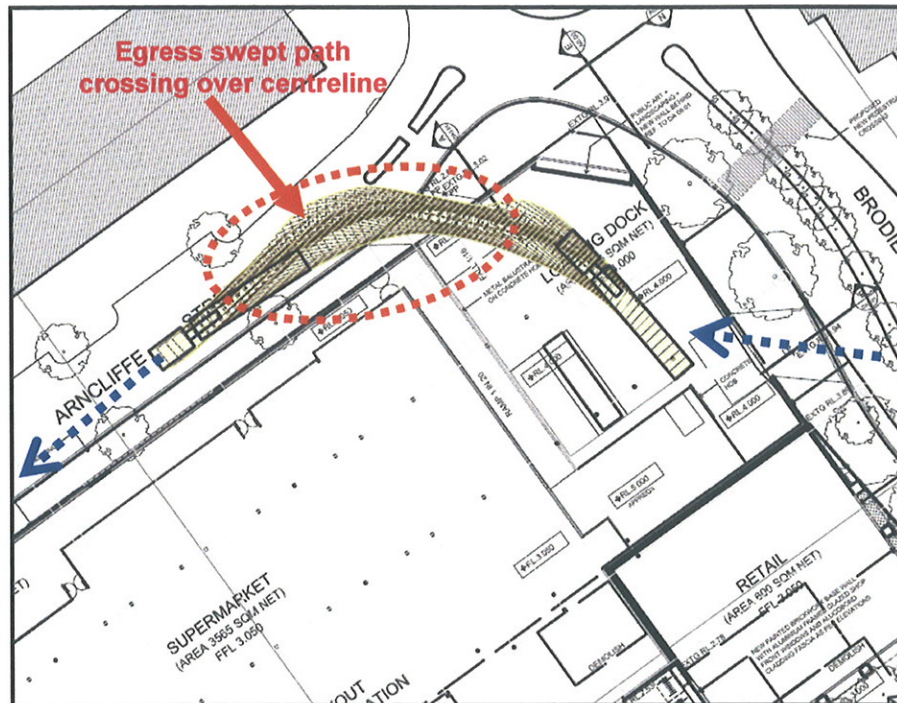


Diagram 10 – Proposed Egress Swept Path for 19 metre trucks on to Arncliffe Street (Source: Proponents PPR)

Council does not consider this maneuver to be appropriate. The SRDAC/RTA has also identified this as an issue. To mitigate this impact, a condition of approval is recommended to ensure that large trucks exiting the site onto Arncliffe Street do not encroach over the centreline, by requiring the width of the exit point to be increased to allow a shallower turning radius into Arncliffe Street.

Pedestrian Access

The site currently does not provide for through - site access for pedestrians and the proposal will allow pedestrians to safely walk through the site between the Princes Hwy and Arncliffe Street, providing direct pedestrian access to public transport on the Princes Hwy.

Traffic Generation

The existing uses on the site generate some moderate traffic movements. The Department supports the Proponent's justification that local traffic impacts resulting from the proposed development are deemed to be satisfactory, given 70% of traffic for the proposed development will be generated by local residents and passing trade, with access evenly distributed between the Princes Highway and Arncliffe Street. Traffic issues associated with service vehicles entering and exiting the loading dock are addressed by conditions of approval.

Car Parking Provision

The proposed development includes provision for a total of 184 car spaces (4 disabled and 6 staff), 8 motorbike spaces and facilities for 32 bicycles (Phases A and B combined). The Proponent will encourage sustainable travel behaviour by implementing a management system restricting use of car spaces to retail patrons and staff to minimise traffic movements and deter commuter parking, whilst encouraging the use of public transport, given the site's proximity to rail and bus services. The proposed car parking generally complies with Council's DCP requirement.

Summary

The Department is generally satisfied with the assessment undertaken by the Proponent other than in respect to issues associated with delivery vehicles exiting the loading dock and design of the slip lane. These issues have been addressed by conditions of approval.

7.2 Streetscape and Built Form

The site is a landmark site with strategic importance and is intended for a major redevelopment as detailed in the Concept Plan Preliminary Environmental Assessment (refer **Diagram 1** above).

However, until such time as the Concept Plan is lodged for assessment, the Stage 1 proposal proposes temporary use of the site as detailed above, and this strategy has consequences on the built form character of the locality and streetscape for the duration of the temporary use up to 15 years.

The proposal includes the retention of parts of the existing structures which limits the proposal's ability to meet Council's Wollli Creek DCP controls, particularly relating to setbacks and active street frontages. While the temporary proposal doesn't achieve the Council's strategic outcomes for the site at this time, the proposal will provide a superior outcome for the precinct to the existing uses on the site, with the main benefit being the provision of much needed shopping facilities for local residents and improved appearance of the site with landscaping works and refurbishment of existing streetfront elevations.

The retention of structural elements of the existing building fabric makes the temporary Stage 1 development more economically viable due to a reduction in construction costs, and also promotes ESD by limiting demolition and the unnecessary transfer of waste to landfill.

The single storey height of the proposed building is in keeping with the existing structures on the site and the setbacks to the Princes Hwy are similar to the existing structures with the addition of landscaping to that setback.

The proposal seeks to improve the presentation of the corner of Arncliffe Street and Brodie Spark Drive with a "green wall" feature between two elevations which will break the continuity of the corner, generating a suitable backdrop to the public artwork located in the middle of the roundabout (refer **Diagram 8** above).

Landscaping elements are proposed with consideration given to *Safer by Design and Crime Prevention Through Environmental Design* (CPTED) by increasing usability and decreasing antisocial opportunities. All pathways through the site will maintain good sightlines and passive surveillance and will be adequately lit by external lighting for safety at night and to assist in preventing any occurrences of anti-social behaviour. The proposed vegetation will not create hiding spaces, obscure lighting, or interrupt sightlines for both vehicles and pedestrians.

The Department considers that the temporary supermarket provides a significant improvement on the current light industrial/sales yard - type uses associated with the site. The proposal demonstrates an effective adaptive reuse of the buildings on the site. Reuse of the existing structures reduces the construction costs of the temporary development and maintains the existing character of the site. The Proponent has justified an existing demand for this retail space and if population increases as expected, demand for quality retail services in the Wollli Creek community will continue. These benefits outweigh temporary short comings in streetscape, built form and design due to retaining parts of the existing buildings.

7.3 Economic Retail Impacts

The Proponent has provided an Economic Retail Impact Assessment prepared by MacroPlan with the EA which concludes that there are a limited number of retail centres established or planned within the Wollli Creek primary trade area to serve future residents and that currently residents are required to visit the Campsie Centre, Ashfield Mall, Rockdale Plaza and Marrickville Metro centres for higher order and specialty retailing (refer **Diagram 11** below). Further, the Report anticipates strong future growth and demand in the locality for retail facilities to serve the immediate area rather than relying on adjoining sub-regional centres.

Accordingly, there is clearly a demand for the temporary supermarket/speciality use, which notwithstanding its modest size of 4,800sqm, will meet a growing demand in this area.

Further, it is evident from the Macroplan assessment that 4,800sqm of retail floorspace will have a minimal impact on other centres and retail activities in the existing primary trade area. The Macroplan Report identifies that there is a demand for additional retail floorspace in the primary trade area equivalent to 21,000m² (being the size of a sub-regional centre).

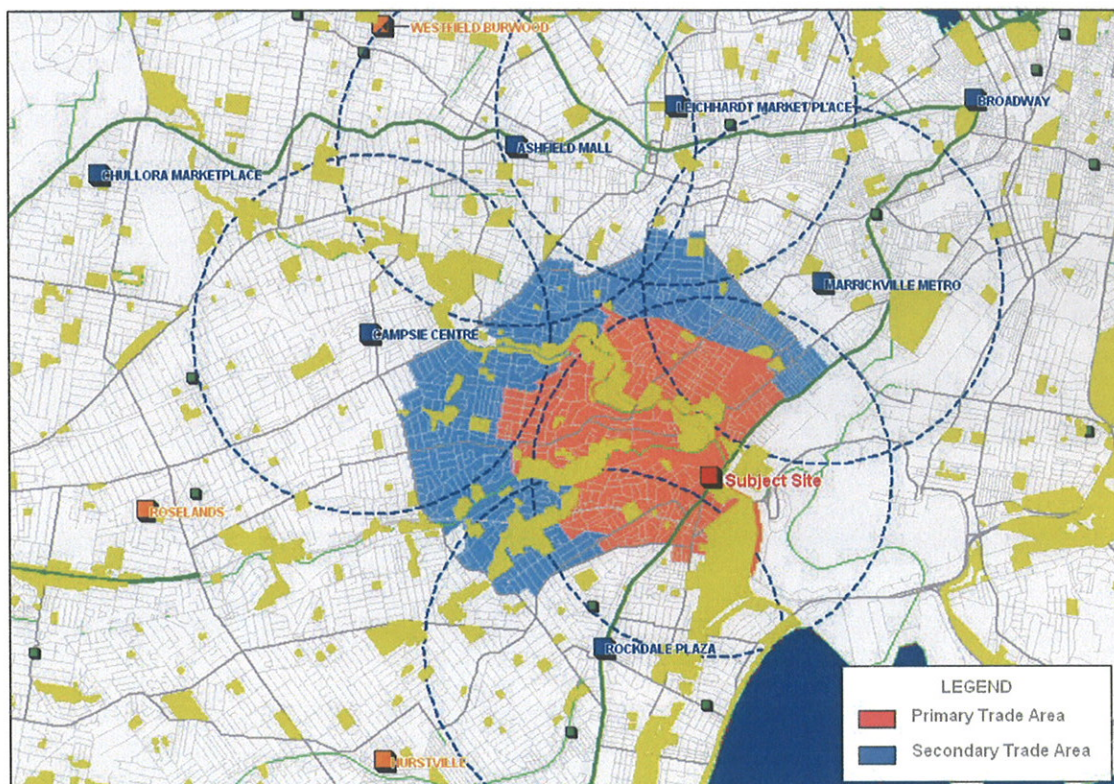


Diagram 11: Main Trade Areas (Sources: Proponent's EA)

The Department received submissions both for and against a retail facility, and a submission was also received from Australand (on behalf of Discovery Point Pty Ltd).

Australand have acknowledged that their retail component and the Proponent's temporary retail proposal will be performing a localised supermarket role and that the forecast demand and growth in the Wolli Creek primary trade area will be sufficient to support these 2 supermarkets in addition to other specialty retail floorspace.

Australand have raised no objection to the current application for a temporary supermarket on this site, however have raised issues in relation to the broader Concept Plan which will be addressed in the assessment of any future application.

The Department is satisfied that there will be no adverse economic retail impacts arising from the temporary retail proposal and in fact it is evident that the 4,800sqm of retailing floorspace will meet an existing demand for local shops.

7.4 Temporary Use of the Site

The Proponent is seeking the temporary use of the site for a period of up to 15 years from that date of the issue of an Occupation Certificate.

Council considers that the re-use of the existing buildings on the site for a supermarket, for up to 15 years, will have a significant impact on the achievement of Council's vision to have a town centre for Wolli Creek focused around this key intersection and have requested that a condition of approval be imposed to ensure that the Stage 1 development is only temporary for a maximum of 14 years and "preferably shorter".

Proponent's justification

The Proponent has advised that the 15 year period is based on existing market requirements for establishing a lease agreement and most large retailers will generally only sign up for leases that are a minimum of 15 years.

Accordingly, the Proponent considers the 15 years to be imperative in order to attract and secure a tenant for the proposal and provide the much needed supermarket amenity to the area.

Department's Comments

The Department considers that having regard to the character of the proposal with its use of existing building fabric on site and obvious underdevelopment of this strategic site that the development is clearly temporary, and provides for an interim use of the site pending submission of the Concept Plan. There would appear to be no significant adverse impacts from the temporary period of up to 15 years, and it is unlikely to set a precedent for the area. While this temporary activity will delay the achievement of Council's vision and strategic outcomes for a time, it will not undermine these ambitions on a permanent basis. It is also self evident that there is very little difference between issuing a consent for 15 years as requested by the Proponent, compared to "up to 14 years" requested by Council.

While the Proponent has requested that the temporary period of 15 years commence from the issue of an Occupation Certificate, the Department considers it more appropriate that the period commence from the date of this consent, as there may potentially be a considerable time delay before an Occupation Certificate is issued. An appropriate condition of approval is recommended.

7.5 Other Matters

Signage

The Council and the SRDAC/RTA do not support the current signage concepts and in each of their submissions they have requested that additional information be provided. The SRDAC/RTA requires photomontages from a driver's perspective to properly assess the impacts of signage on the transport corridor. Council noted a lack of detail with respect to the signage, and the Department considers it appropriate that a separate development application for signage be submitted to the Council for assessment and determination and an appropriate condition of approval is recommended.

Noise

Potential noise impact sources include the loading dock, plant room and car park. The proposed trading hours are 6:00am – 12:00 midnight seven (7) days a week and loading/delivery hours are 6:00am – 10:00pm seven (7) days a week. The most likely receptors of noise generated from the proposed development are the existing residential developments located immediately to the north and east of the site.

It is considered that the proximity of the development to residential neighbours and the ingress and egress from the loading dock in the vicinity of those residents necessitates a reduction to delivery hours to between 8.00am – 9.00pm Monday to Saturday, and 8.00am – 7.00pm Sundays and Public Holidays.

The Acoustic Assessment in the EA assessed the potential noise impacts and concluded that with the adoption of standard noise attenuating treatments, the proposed rooftop mechanical plant will not adversely impact on surrounding residences.

The Department is satisfied that subject to a restriction on delivery hours, potential noise impacts will be appropriately mitigated. Conditions of approval have been included to ensure that noise compliance is demonstrated at Construction Certificate stage.

Contamination

The Proponent has provided a Draft Remediation Action Plan and Preliminary Contamination Assessment Report in the EA. These documents have adequately assessed the potential contamination risks to human health and the environment and provide sound recommendations for the remediation of any contamination. An additional strategy by Douglas Partners is also proposed in order to further comply with SEPP 55 – Remediation of Land. This strategy is addressed in **Appendix A** in the Department's assessment of SEPP 55.

The Department is satisfied with the level of assessment that has been undertaken and considers that if the recommendations in the reports are adhered to that the site will be suitable for the temporary development. Conditions of approval have been included to ensure that any contamination on site is identified, treated or removed and disposed of appropriately.

Flooding and Drainage

Arncliffe Street is subject to flooding. The Rockdale LEP contains provisions relating to flooding. The Proponent has addressed these provisions in the EA and has included a Flooding and Drainage Report and a Flood Management Plan. The proposed development provides for required freeboard levels, safety and evacuation guidelines, limited surface ponding in the car park, and rain gardens to reduce surface runoff.

Council has not raised any particular concerns in relation to flooding and drainage. The Department is satisfied with the level of assessment that has been undertaken and conditions of approval have been included to ensure that impacts due to flooding and drainage are appropriately mitigated.

Section 94 Contributions

The Council have provided a summary of Section 94 contributions in accordance with the Rockdale Section 94 Contributions Plan 2004 as follows;

Fund	Contribution
City Wide Open Space Fund	\$24,141.00
Wolli Creek Local Open Space Fund	\$136,619.50
Wolli Creek Local Town Centre & Streetscape Fund	\$31,474.00
Road Traffic Management and Public Parking	\$299,602.50
Flood Mitigation and Stormwater	\$55,775.50
Pedestrian and Cyclist	\$18,686.50
Administration and Management	\$13,868.50
Community Services	\$1,531.50
Total Contribution:	\$581,699.00

The contributions for non – residential development are charged on the basis of employment numbers and are based on an estimated 50 Full Time Equivalent (FTE) staff numbers. A condition has been imposed as part of this approval requiring the payment of the calculated sum.

The Council have agreed to a condition permitting work-in-kind in lieu of payment of a portion of the cash contributions subject to any works-in-kind being agreed to in writing prior to the issue of a Construction Certificate for the Phase A works. A condition of approval has been recommended in accordance with this request.

8 KEY MODIFICATIONS & CONDITIONS

The Department has recommended that modification of the Project is required, as follows;

- increasing the egress width for trucks exiting onto Arncliffe Street;
- redesign of the slip lane pedestrian crossing to improve safety; and,
- limiting the hours of service deliveries to maintain residential amenity.

9 PUBLIC INTEREST/PUBLIC BENEFIT

It is expected that the proposed development will have some impact on the locality due to the retention of the existing buildings on the site and the provision of retail facilities that are of a great intensity than the current industrial uses on the site, however, on balance the proposal will provide significant benefits to the wider community, including:

- the proposed retail facility is a significant improvement on the urban environment to the current light industrial type uses on the site;
- the adaptive reuse of the site ensures efficient and effective use of existing infrastructure;
- the provision of much needed shopping facilities for local residents in a location that is serviced by extensive public transport;
- sustainable development through increased activation around the train station;
- competing retail centres will create diversity and competition within the precinct which will be beneficial to local residents;
- public art that will enhance the public domain and improved pedestrian access to create a vibrant locality; and,
- employment opportunities through the construction and operational phase of the development.

10 CONCLUSION

The Department has assessed the merits of the proposal taking into consideration the issues raised in public submissions and is satisfied that the impacts have been addressed in the Proponents response to submissions and recommended conditions. It is considered that the impacts can be suitably mitigated and/or managed to ensure a satisfactory level of environmental performance, pursuant to Section 75J of the Act.

The Department has determined that the temporary use of the site for retail purposes for a period of up to 15 years is appropriate and fits within the context of the Wolli Creek Redevelopment area. The temporary Stage 1 development will provide the community with a significant public benefit through greater shopping choice and employment opportunities.

The main impacts that arise from the proposal are related to access, traffic and delivery vehicles and subject to appropriate conditions of approval, can be adequately addressed. While there are limited opportunities to provide active street frontages, in the short term the retention of the main structural elements of the existing buildings make the temporary Stage 1 development more economically viable due to a reduction in construction costs. The Department supports the adaptive reuse of buildings on the site and considers the development a significant improvement on the urban environment with improvements to the appearance of building fabric on site and extensive landscaping.

11 DELEGATION

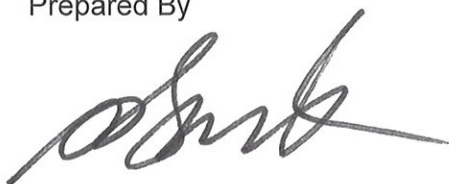
Under the instrument of delegation dated 25 January 2010, the Minister has delegated his functions under Section 75J of the Act relating to Part 3A approvals to the Deputy Director General, Development Assessment and Systems Performance. Having regard to the Instrument of Delegation which allow the Deputy Director General to determine Part 3A applications which have fewer than 25 public submissions in the nature of objections, the application can be determined under delegation by the Deputy Director General.

12 RECOMMENDATION

It is recommended that the Deputy Director General, as delegate of the Minister for Planning:

- (A) **Consider** all relevant matters prescribed under Section 75J (2) of the *Environmental Planning and Assessment Act, 1979*, including relevant matters prescribed by 75I(2) as contained in the Director General's Environmental Assessment Report (**Tag 1**);
- (B) Having considered all relevant matters under the Act in accordance with (1) above, **approve** the Project Application MP09_0169 subject to conditions pursuant to Section 75J (1) of the EP&A Act 1979; and,
- (C) **Sign** the Instrument of Approval (**Tag 2**).

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Approved By

 7/7/10

Richard Pearson
Deputy Director General
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Performance