



Planning

MAJOR PROJECT ASSESSMENT: K Mart Warehouse and Distribution Centre



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

September 2010

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EXECUTIVE SUMMARY

Australand Holdings Limited (Australand) proposes to develop a warehouse and distribution facility on approximately 10.7 hectares of land at Eastern Creek, in the Blacktown local government area. Once completed, the warehouse would be occupied by K Mart.

The project has a capital investment value of \$31 million and would employ around 220 people once operational. The proposal constitutes a 'major project' under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act), and consequently the Minister is the approval authority for the project.

Blacktown City Council has previously granted development consent for subdivision and earthworks across the broader Eastern Creek area, including the subject site. The K Mart facility would occupy approximately 10.7 ha of this broader area. Earthworks, vegetation removal, pad levels and drainage were all assessed in the Councils' development consent (DA 06-1992) dated 27 May 2009. In addition the Proponent has already entered into a VPA with Council regarding the provision of local infrastructure.

During the exhibition period the Department received 6 submissions on the proposal, including 4 from Government authorities and 2 from the general public. The agency submissions raised a broad range of issues about the project, primarily concerning stormwater management and traffic generation. One submission received from a member of the public objected to the project, the main concerns being the loss of an Endangered Ecological Community and the lack of public transport services to the site. The other submission did not object, however raised concerns with the capacity of the internal road network and intersections in the Eastern Creek area.

The Department has assessed the Environmental Assessment and submissions on the project, in accordance with the objects of the EP&A Act.

The Department is satisfied that the project is consistent with the State Plan and the broader strategic planning objectives for the area, including the *State Environmental Planning Policy (Western Sydney Employment Area) 2009* (WSEA SEPP).

The Department is also satisfied that Australand has made adequate provision for infrastructure to service the site and satisfactory arrangements to contribute to regional infrastructure. In addition, the Department considers that potential environmental impacts of the project can be adequately mitigated and/or managed to ensure an acceptable level of performance and has recommended a range of conditions to ensure this occurs.

In summary, the Department considers that the site is suitable for development, and that the project offers significant economic benefits for the region, attracting up to \$31 million of capital investment and creating 220 jobs once operational.

Consequently, the Department considers that the K Mart warehouse and distribution centre project is in the public interest and should be approved subject to conditions.

1. PROPOSAL

1.1 Background

Since 1999 the Western Sydney region has been identified as a strategically important area for employment use, due to its proximity to major regional road infrastructure. In 2009 the Western Sydney Employment Area (WSEA) was gazetted and includes 600 ha of land, set aside for the purpose of employment and industry.

The development of a number of precincts within the WSEA is well advanced. The Minister has approved a number of developments within Eastern Creek and Erskine Park, including warehousing and distribution centres, and manufacturing facilities. In addition concept plan applications for the Huntingwood West site, Minchinbury Employment Park and Oakdale Central have also recently been approved by the Minister.

Australand are a major landowner in the area. On 27 May 2009, Council approved a Part 4 development application (DA 06-1992) for subdivision and earthworks, tree removal, road construction, pad levels and stormwater systems with regard to the development of Lot 122 DP 1049623 . However, this subdivision did not include provision for the K Mart site.

On 30 July 2010, Council approved a development application from Australand, for further subdivision of the site to accommodate the proposed warehouse development (see Figure 1). The K Mart site consists of approximately 10.7 ha and is known as Lot 8 in the proposed plan of subdivision.

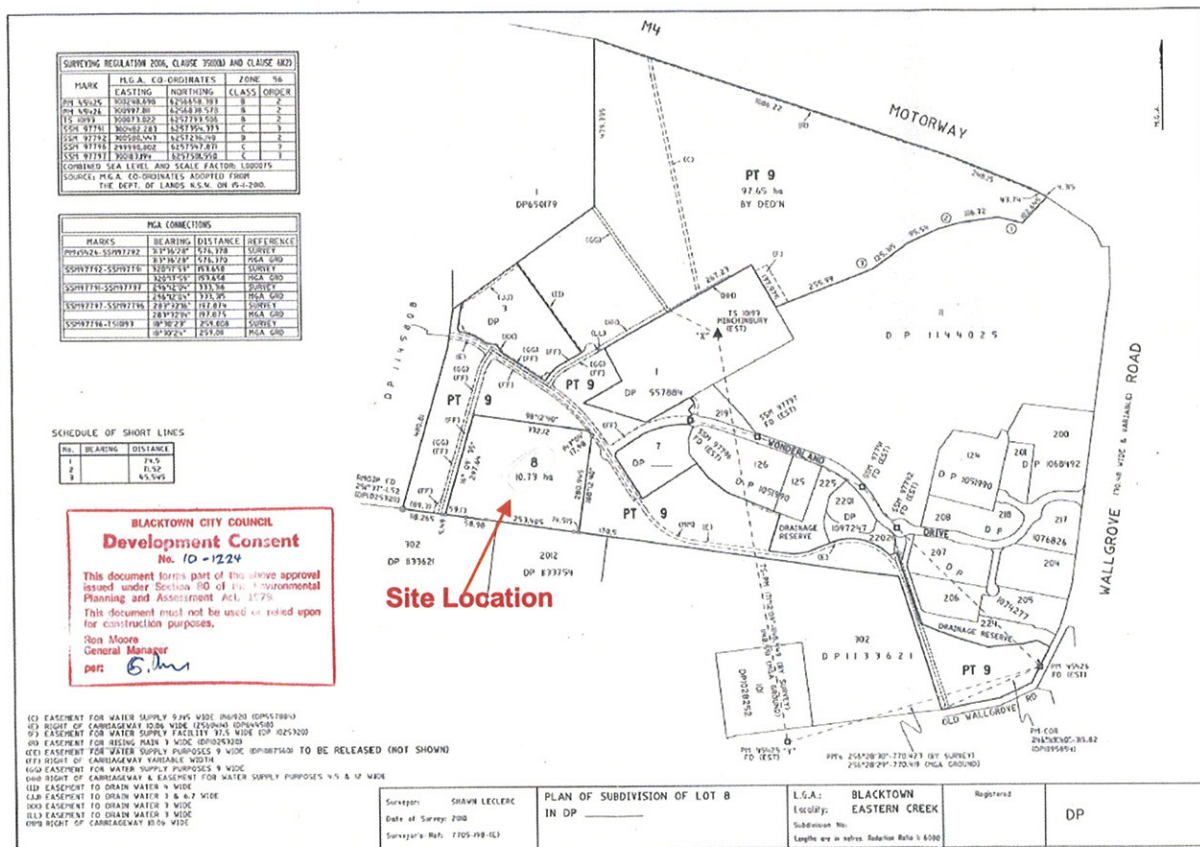


Figure 1: Council Subdivision Approval

1.2 Project Setting

Land uses in the surrounding area (see Figure 2) include:

- Hanson concrete and asphalt production and recycling facility to the west of the site;
- Stages 1 and 2 of the Eastern Creek Precinct to the east of the site, containing numerous large industrial facilities such as LG and Makita;
- Minchinbury Reservoir to the north east of the site;
- Goodman 'M7 Hub' estate to the south; and

- Major roads including the M4 Motorway to the north of the site and the M7 Motorway to the east of the site.



Figure 2: Site Location Plan and Surrounding Landuses

The nearest residential areas lie beyond the M4 Motorway, approximately 1100m to the north of the site; and beyond the quarry, approximately 2400m to the west of the site.

The K Mart site was formerly used for agricultural purposes, however currently contains broken areas of vegetation. There is a high point in roughly the centre of the site, which gently slopes away to the south east and northwest.

1.3 Project Description

Australand Pty Ltd (Australand) proposes the construction, fit out and operation of a warehouse and distribution centre to be occupied by K Mart. The centre would be located on approximately 10.7 hectares of land, in the Eastern Creek Precinct (see Figures 1 and 2), which lies within the Western Sydney Employment Area (WSEA). The centre would be used to warehouse a large range of consumer products received from local and overseas suppliers, for distribution to 43 K Mart retail outlets across NSW. Access to the site would be by Wonderland Drive from Wallgrove Road.

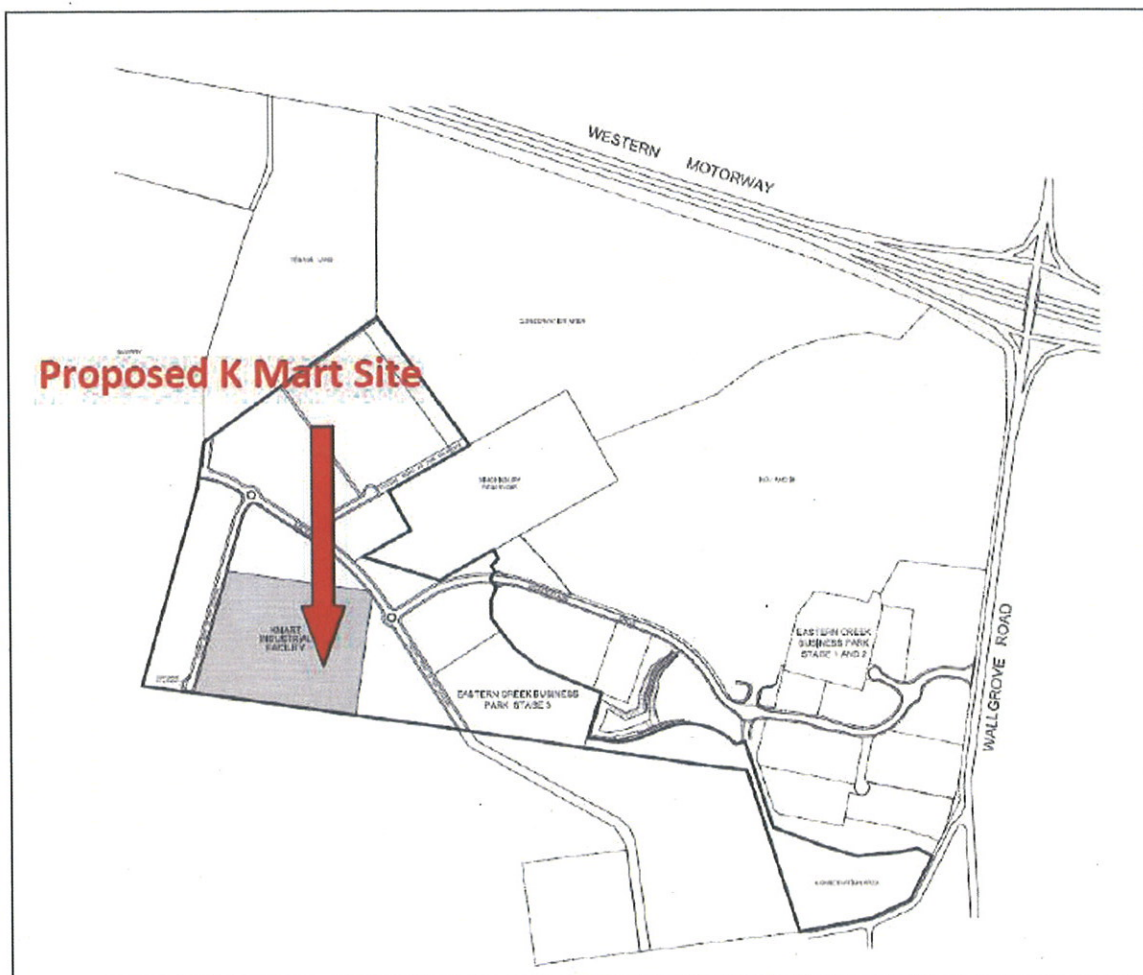


Figure 3: Regional Context

The major components of the project are summarised in Table 1, and depicted in Figures 3 and 7. The project is described in full in the Environmental Assessment (EA), which is attached as Appendix G, and the Response to Submissions (Appendix E).

Table 1: Major components of the K Mart warehouse and distribution facility

Aspect	Description
Project Summary	Construction, fit out and operation of a warehouse and distribution facility for occupation by K Mart.
Warehouse	The construction and operation of a rectangular 49,850m ² warehouse, with 1,710m ² of office space and a 25m ² gatehouse; as well as the storage area for a variety of both 6m and 12m long containers, separated into two rows and located at the eastern end of the facility.
Associated Infrastructure	Installation of associated infrastructure including a drainage and stormwater management system; separate car and truck entry/exit points; a truck access that circles the entire building; and an 8 m high metal screen to reduce the visibility of the container yard.
Parking	Parking for 250 cars at the property frontage, with a further 80 provisional parking spaces along the northern and southern boundaries.
Signage	Illuminated corporate brand signs in red and blue, reading "K Mart", including: 15.7m x 2.8m sign at the north western corner of the distribution centre; 5m x 900mm at the main office, to the south western corner of the building; and 16.3m x 3.6m to the north eastern corner of the container screen fence.
Construction	Approximately 12 months
Capital Value	\$31 Million
Employment	60-80 during construction and 220 once operational
Hours of operation	24 hours a day, 7 days a week

2. STATUTORY & STRATEGIC CONTEXT

2.1 Major Project

The proposal is classified as a major project under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act), because it is development for the purpose of a distribution centre with a capital investment value of more than \$30 million. Consequently, the Minister for Planning is the approval authority for the project.

On 4 May 2010, the Director, Mining and Industry Projects, on behalf of the Minister for Planning formed the opinion that the project was a "Major Project" for the purposes for Part 3A of the EP&A Act.

As the proposal involved development with less than 25 public submissions, the Deputy Director-General may determine the carrying out of the project under the Ministers delegation of 25 January 2010.

2.2 Permissibility

The site is zoned IN1-General Industrial under the WSEA SEPP. Development for the purposes for warehousing and distribution facilities is permissible in this zone.

2.3 Exhibition and Notification

Under Section 75(3) of the EP&A Act, the Director-General is required to make the Environmental Assessment (EA) of a project publicly available for at least 30 days.

After accepting the EA for the project, the Department:

- made it publicly available from 28 July 2010 until 27 August 2010:
 - on the Department's website, and
 - at the Department's Information Centre, Blacktown City Council's office and the Nature Conservation Council;
- notified landowners in the vicinity of the site about the exhibition period by letter;
- notified relevant State government authorities and Blacktown City Council; and
- advertised the exhibition in the Blacktown Advocate.

This satisfies the requirements in Section 75H (3) of the EP&A Act.

During the assessment process the Department also made a number of documents available for download on the Department's website. These documents included the:

- project application;
- Director-General's environmental assessment requirements;
- EA;
- Submissions; and
- Australand's response to issues raised in submissions.

2.4 Environmental Planning Instruments

Under Section 75I of the EP&A Act, the Director-General's report is to include a copy of or reference to the provisions of any:

- *State Environmental Planning Policy* (SEPP), that substantially govern the carrying out of the project; and
- environmental planning instrument that would (but for Part 3A) substantially govern the carrying out of the project and that have been taken into consideration in the environmental assessment of the project.

The Department has considered the project against the relevant provisions of several environmental planning instruments (including Major Development SEPP, Infrastructure SEPP, WSEA SEPP, SEPP 55, SEPP 64 – Advertising and Signage, and the *Blacktown Local Environmental Plan 1988*). The Department is satisfied that, subject to the implementation of the recommended conditions of approval, the proposal is generally consistent with the aims and objectives of these instruments (see Appendix C).

2.5 Objects of the Environmental Planning and Assessment Act 1979

The Minister is required to consider the objects of the EP&A Act when he makes decisions under the Act. These objects are detailed in Section 4 of the Act, and include:

'The objects of this Act are:

- (a) to encourage:*
 - (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,*
 - (ii) the promotion and co-ordination of the orderly and economic use and development of land,*
 - (iii) the protection, provision and co-ordination of communication and utility services,*
 - (iv) the provision of land for public purposes,*
 - (v) the provision and co-ordination of community services and facilities, and*
 - (vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
 - (vii) ecologically sustainable development, and*
 - (viii) the provision and maintenance of affordable housing, and*
- (b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and*
- (c) to provide increased opportunity for public involvement and participation in environmental planning and assessment.'*

The objects of most relevance to the Minister's decision on whether or not to approve this project are those under Section 5(a)(i), (ii), (iii), (v), (vi) and (vii).

With respect to ecologically sustainable development (ESD), the EP&A Act adopts the definition in the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD 'requires the effective integration of economic and environmental considerations in decision-making processes' and that ESD 'can be achieved through' the implementation of the principles and programs including the precautionary principle, the principle of inter-generational equity, the principle of conservation of biological diversity and ecological integrity, and the principle of improved valuation, pricing and incentive mechanisms. In applying the precautionary principle, public decisions should be guided by careful evaluation to avoid, wherever practicable, serious or irreversible damage to the environment and an assessment of the risk-weighted consequences of various options.

The Department has fully considered the objects of the EP&A Act, including the encouragement of ESD, in its assessment of the project application. The Department considers that the development of a 100kl rainwater harvesting system and water saving devices, as well as energy efficient lighting are consistent with the ESD principles.

Further, the Department considers that Proponent's contributions to both regional road infrastructure and local infrastructure satisfy the principles regarding orderly development, provision and co-ordination of public infrastructure.

2.6 Statement of Compliance

Under Section 75I of the EP&A Act, the Director-General's report is required to include a statement relating to compliance with the environmental assessment requirements with respect to the project.

The Department is satisfied that the environmental assessment requirements have been complied with.

2.7 Strategic Planning

Strategic Objectives

The key strategic planning instruments governing the area include:

- the State Plan;
- the Metropolitan Strategy; and
- the *State Environmental Planning Policy (Western Sydney Employment Area) 2009*.

State Plan

The State Plan provides priorities for Government action for the State of NSW. In relation to the western Sydney region, the State Plan seeks to improve access to employment lands, simplify planning processes and enhance transport infrastructure particularly around employment lands. The western Sydney region is a major contributor to the economic output of NSW and the provision of jobs closer to home for the people of western Sydney is seen as a key objective for the area. The Department is satisfied that the proposal is consistent with the objectives of the State Plan.

Metropolitan Strategy

The Metropolitan Strategy presents a plan for sustainable growth in the Sydney region until 2031. The Metropolitan Strategy is currently under review. However, the strategy sets out key aims for employment, housing, infrastructure and service provision. One of the objectives of the strategy is to protect and enhance the WSEA (see Figure 4).

The broad aims of the strategy are to be implemented through ten sub-regional plans, including the draft North West Subregional Strategy which covers the project site. In relation to economic and employment growth, the draft sub-regional plan seeks 130,000 additional jobs to protect and enhance strategic employment land in the North West.

The development is expected to provide 220 jobs when fully developed. The provision of high employment generating development is consistent with the objectives for the area and represents an appropriate use of strategically located employment land. The proposal would assist in achieving employment targets identified in the Metropolitan Strategy and draft North West Subregional Strategy. Further, the proposal incorporates adequate contributions for development of infrastructure and services which is a key strategic objective for the area.

The objectives of the Metropolitan Strategy and draft North West Subregional Strategy are further reflected in State Environmental Planning Policies, as discussed below.

WSEA SEPP

The WSEA covers the area of central western Sydney centred on the intersection of the M7 and M4 motorways, identifying ten precinct areas including the Eastern Creek Precinct (see Figure 4 - Precinct 2), of which this proposal forms a part.

The Minister and Council have approved a number of other developments within Eastern Creek and Erskine Park, including warehousing and distribution centres, manufacturing facilities and quarries.

The Department is satisfied that the proposal is consistent with the objectives of the SEPP, as it would promote development of the land for high employment generating uses and assist in coordinated development of the area. The Department is further satisfied that the development can be accommodated within the local road network, and that satisfactory arrangements can be made in relation to the regional road network.

In summary, the Department is satisfied that the proposal is consistent with the objectives of the State and regional planning strategies and that suitable justification for the proposal has been provided.

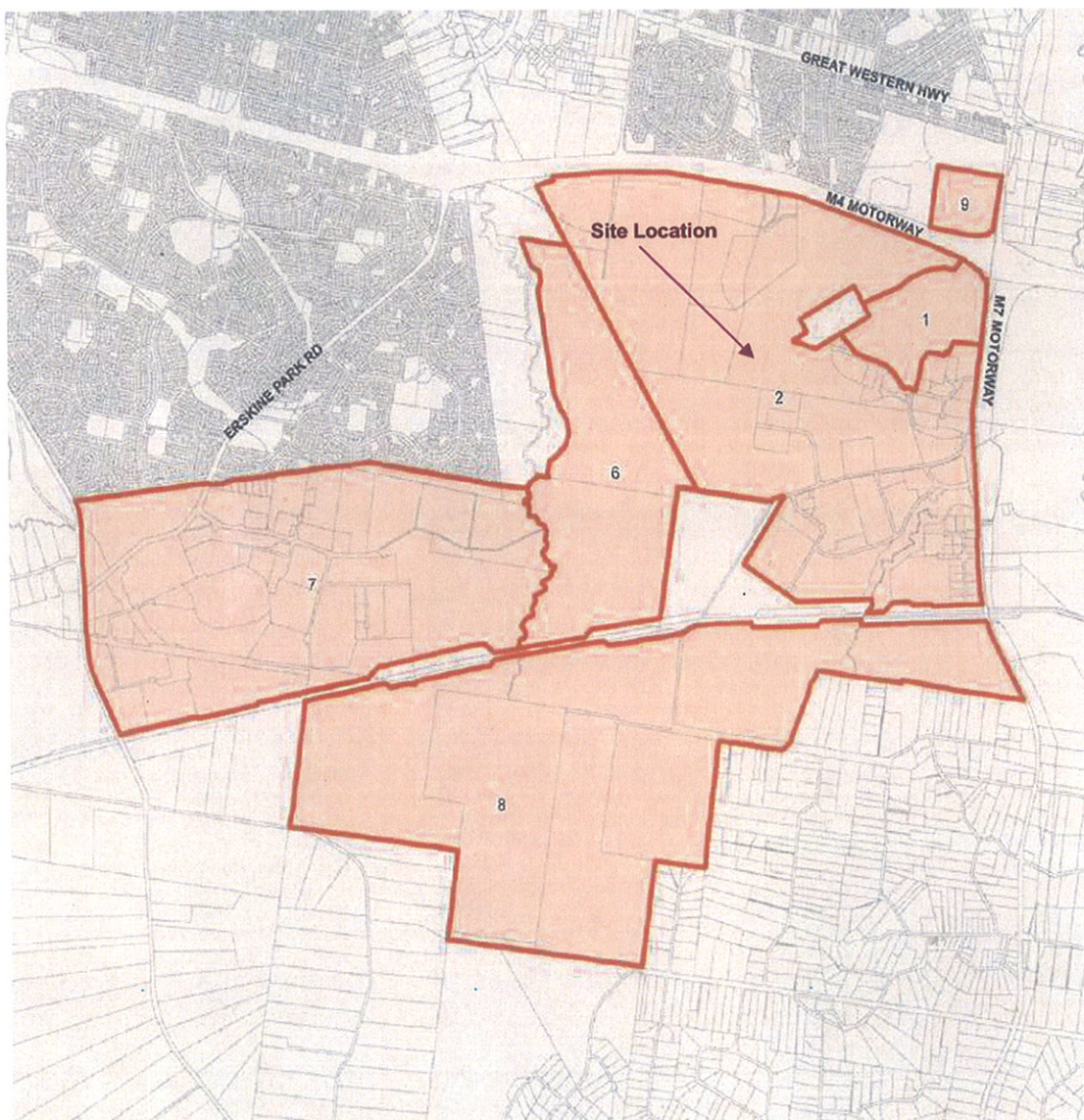


Figure 4: Western Sydney Employment Area (Part Map)

Blacktown (DCP) 2006 and Employment Lands Precinct Plan (Eastern Creek Precinct)

The Blacktown DCP and the *Employment Lands Precinct Plan (Eastern Creek Precinct)* provide a guide to local development controls for the area. The Precinct Plan provides detailed requirements for servicing, biodiversity, environmental management, traffic and transport and community services within the release area. It remains valid pursuant to clause 19 of the WSEA SEPP.

Development controls for industrial properties include detailed requirements for site dimensions; setbacks; site coverage; parking; vehicle access and maneuvering; and streetscape and amenity.

In general, the proposal accords with the development guidelines outlined in the Precinct Plan.

3. ISSUES RAISED IN SUBMISSIONS

During the exhibition period, the Department received a total of 6 submissions on the project, including:

- 4 submissions from public authorities; and
- 2 submissions from the general public.

A summary of the issues raised in submissions is provided below. A full copy of these submissions is attached in Appendix F.

3.1 Public Authorities

The public authorities did not oppose the proposal; however some required amendments and recommended conditions to be included in the consent. Issues raised in submissions from the public authorities are summarised below.

Sydney Regional Development Advisory Committee (SRDAC) did not object to the proposal however recommended a number of conditions, including a requirement to develop the parking and truck access areas consistent with the relevant Australian Standard.

Sydney Water did not raise any objection to the proposal.

Blacktown City Council (Council) does not object in principle to the proposal, but raised concerns regarding access and parking, and stormwater and drainage. Council also recommended a number of conditions including building design requirements and noise emissions.

Integral Energy (Integral) does not object to the proposal and confirmed that the development would be supplied from Integral's North Eastern ZS.

3.2 Community

One submission was received from a member of the public objecting to the proposal and raising concerns regarding the loss of an EEC and the lack of public transport available for the site. A second submission received did not object, however raised concerns regarding the capacity of the Eastern Creek road network and intersections to accommodate the project.

3.3 Response to Submissions

Australand has provided responses to the issues raised in submissions (see Appendix E), as well as a revised Statement of Commitments for the project. These have been made publicly available on the Department's website.

4. ASSESSMENT

The Department has considered the EA, the issues raised in submissions, and Australand's responses to these issues, in its assessment of the project. The Department identifies the key issues as being transport, infrastructure requirements, stormwater management and visual impacts. All other issues are considered in Table 4.

4.2 Transport

The EA included a traffic impact report, undertaken by Road Delay Solutions. The report assesses the traffic and parking impacts of the development, with reference to the RTA's *Roads and Traffic Guidelines for Traffic Generating Developments*.

The M4 Motorway, M7 Motorway and Wallgrove Road provide the major arterial links to and from the Eastern Creek Precinct. In 2009 the Minister approved the concept plan for a regional road network to enhance linkages to the surrounding motorways; including the 'Erskine Park Link Road' and the proposed 'Lenore Lane', as well as the upgrade of Old Wallgrove Road and the future Archbold Road connection over the M4 Motorway (see Figure 5). The Government announced its intention to impose a Special Infrastructure Contribution to finance the construction of the regional road network.

Wonderland Drive is an established access road, built to service Stage 1 of the Eastern Creek Precinct. Council is currently in the process of upgrading the link road connecting Road 1 to Old Wallgrove Road. Once complete, this would allow project related traffic to access the M7 Motorway directly. However, until this road is constructed all traffic would access the site via Wonderland Drive, which allows access to Wallgrove Road by way of a signalised intersection (see Figure 6).

Access to the site would be via Road 4, as outlined in Figure 6. Two well separated car entry/exit points are proposed along the frontage of the site. The truck entry/exit points are located at the south western corner of the site frontage, with the ingress and egress driveways separated by an island and

gate house. The truck access circles the entire warehouse building, allowing all trucks to enter and manoeuvre around the site in a forward direction, as indicated in Figure 7.

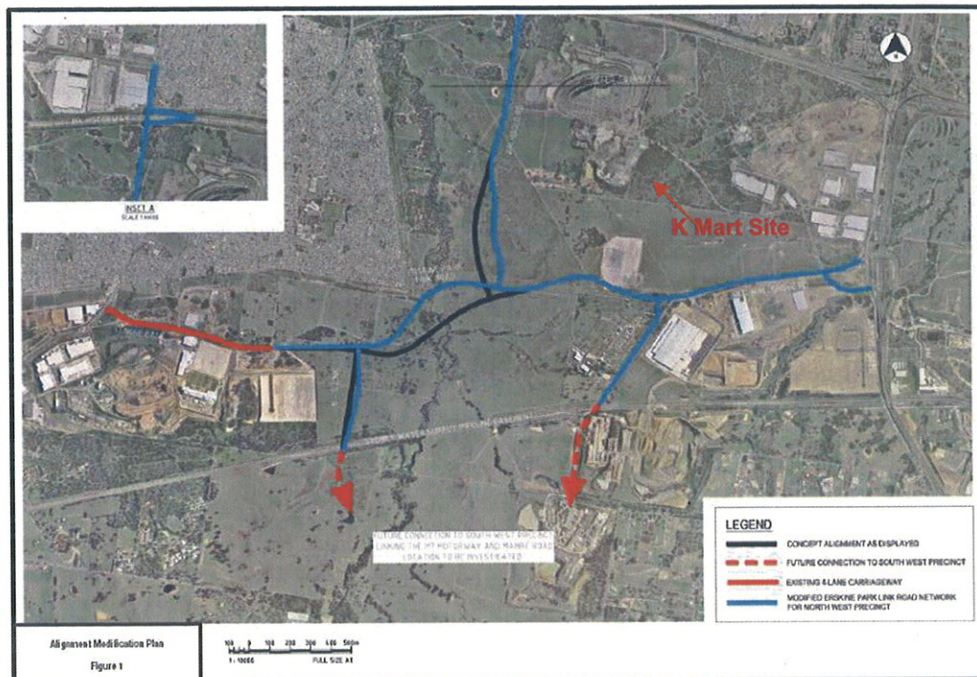


Figure 5: Concept Plan for the Link Road Network

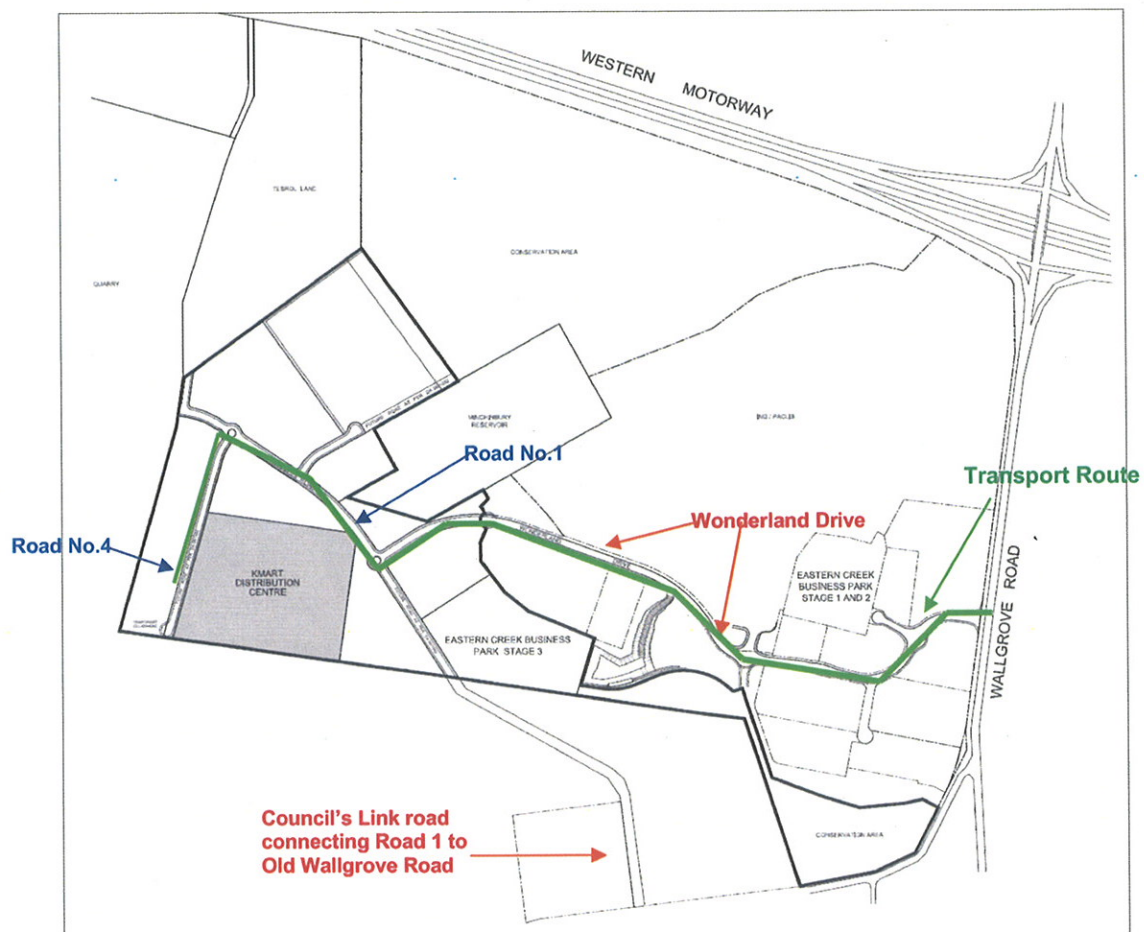


Figure 6: Site Access Roads

In terms of construction traffic, Australand predicts that the construction of the project would generate approximately 40 heavy vehicle movements per day. The Department considers this can be easily accommodated within the existing road network. Notwithstanding, the Department has included a condition requiring Australand to develop a Construction Management Plan, which includes a Traffic Management Plan for the management of all construction related traffic generated at the site during the development process.

During operations, all K Mart product arriving at the site would be delivered in a variety of truck sizes ranging from class 3 and 4 rigid trucks (smaller trucks), and class 7 to class 10 (B-Double) vehicles. Based on the RTA guidelines for traffic generation rates it is predicted that the project would generate approximately 2,135 vehicle movements per day, 200 of these being heavy vehicle movements.

Passenger car movements would primarily occur during the morning and evening peak times, while heavy vehicle movements would predominately occur during business and off peak hours. Based on the operational characteristics of comparable facilities, Australand has predicted that the development would generate up to 276 vehicle movements per hour (42 heavy and 234 light vehicles) during the morning and afternoon peak periods. The Department considers this to be a significant amount of vehicle movements.

An assessment was undertaken on five intersections along Hanson Quarry Road and Road 4, to determine the level of operational performance of key local intersections for year 2016, using the predicted worse case scenario. The intersection modelling included a roundabout proposed at the southern end of Road 4, which is included in the Precinct Plan and which would be constructed once the surrounding area is developed. The assessment found that all intersections would operate with a satisfactory level of service during the morning and afternoon peak traffic periods.

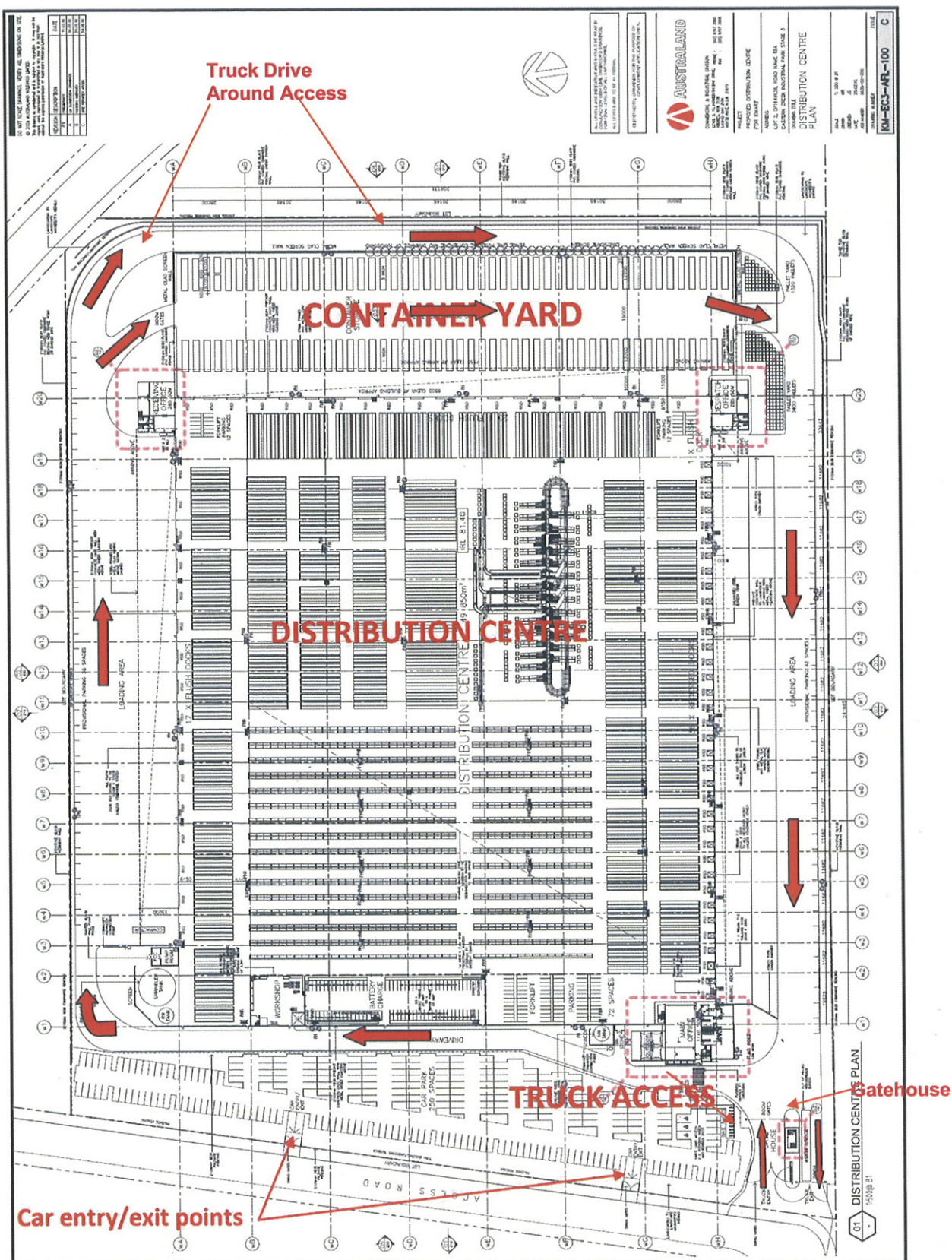
A submission was received from a warehouse owner in the area, raising concerns that the traffic assessment was only undertaken for the year 2016, once the anticipated infrastructure is completed; and that the proposal to use the Hanson Quarry road for all traffic generated by the development could have implications for the existing Epioss warehouse development. In response to the submission, Australand specified that the predicted traffic levels outlined were a conservative estimate and provided clarification that the Eastern Creek Precinct's internal road network could adequately accommodate for the increased traffic levels and that the Hanson Quarry Road intersection would operate with a satisfactory level of service.

Council confirmed that the existing capacity of the local road network is sufficient to accommodate the increased traffic levels generated as a result of the proposed development.

However, Council raised concerns with the visibility of the proposed onsite pedestrian crossing located between the car park and the office area. Australand has confirmed that there is adequate sight distance for entering trucks to see pedestrians on the crossing, with no visual barriers proposed that would obscure vision.

The SRDAC did not raise any concerns with the potential impact of the proposal on the regional road network, however recommended a number of conditions, including the requirement for the layout of the proposed car parking and driveway areas to be developed in accordance with Australian Standards, and the swept path of the longest vehicle to be in accordance with AUSTROADS. The Department has included these recommendations in the conditions of approval.

A member of the public objected to the development due to a lack of public transport available for the site. Currently there is no bus service proposed along Hanson Quarry Road. However, it is envisaged that with the continued development of the Eastern Creek Precinct future bus services are likely to be introduced, which would reduce the amount of commuter trips by car. Notwithstanding, the Department has included a condition requiring Australand to develop a Traffic Management Plan for the site, which would include a sustainable travel plan, detailing measures to reduce light vehicle movements to and from the site.



The Department, Council and the RTA are satisfied that whilst the proposal is a fairly significant traffic generator, the intersections in this part of the Eastern Creek Precinct would continue to function satisfactorily. Further, Wonderland Drive has existing capacity to accommodate the increased traffic levels, and that the signalised intersection between Wonderland Drive and Wallgrove Road would continue to function with a satisfactory level of service, both prior to regional infrastructure upgrades in 2016 and after. Whilst the proposal is likely to generate a significant amount of traffic overall (2,135 vehicles per day), heavy vehicles make up a relatively low portion of this traffic (200 trucks per day). Overall the Department considers that due to the low number of heavy vehicles generated a result of the proposal, it is considered unlikely that the development would result in any significant traffic related impacts to the internal and external road network.

Parking

The parking provisions for the project have been adopted from the RTA's Development Guidelines and the parking requirements outlined in the Precinct Plan, which are based on Council's DCP parking guidelines for industrial developments. The guidelines specify a minimum of 198 spaces and 319 respectively, as shown in Table 2 below.

Table 2: RTA and Precinct Plan Parking Guideline Calculations

Use	GFA (m ²)*	RTA Guide		Precinct Plan	
		Rate	Spaces	Rate	Spaces
Warehouse	50,520	1/300m ²	169	75+1/200 m ²	290
Office	1,140	1/40 m ²	29	1/40 m ²	29
			198		319

* Gross Floor Area

Australand propose to provide a total of 250 spaces at the front of the warehouse facility for staff, clients and visitors and another 80 provisional spaces, along the northern and southern boundary of the development, amounting to 330 spaces in total. This satisfies both the RTA and Precinct Plan parking requirements.

Parking for heavy vehicles is proposed on the hardstand area and within recessed loading docks skirting the perimeter of the warehouse facility. Council recommended that a separate truck parking area be provided on-site to ensure vehicles do not queue/park along public roads. Council also recommended conditions, requiring that the provisional parking spaces be retained at all times, in order to meet Council's parking guidelines; and that all vehicles enter and leave the site in a forward motion. The Department has incorporated these recommendations into the conditions of approval.

The Department is satisfied that Australand has provided adequate parking spaces for the development. The Department has also recommended conditions of approval requiring Australand to design the parking area in accordance with relevant Australian Standards.

4.3 Infrastructure Requirements and Contributions

Table 3 summarises infrastructure requirements for the project.

Table 3: Infrastructure requirements to service the project

Infrastructure Requirements	Comments
Internal	Australand would construct the car and truck access driveways for the development, with gate house and weight bridge; internal truck access around the warehouse building; and vehicle parking.
Potable Water	There are currently no water services available to the Stage 3 area. The Precinct Plan addresses water service requirements for future developments, based on Sydney Water's guidelines. Under the DA approved by Council, Australand are bound to service the site and are currently in consultation with Sydney Water to revise and construct the proposed water pipe strategy design. The redesign includes water reticulation to all roads within the estate, including Road 4 being the main frontage to the K Mart site.
Sewerage	There are currently no sewerage services to the Stage 3 area; however a sewerage service has been designed by Sydney Water for the entire estate. Under the DA approved by Council, Australand is bound to service the site and has confirmed that the proposed development would be able to connect to the approved sewerage system design without difficulty.

Infrastructure Requirements	Comments
Stormwater	The stormwater system for Stage 3 of the Eastern Creek precinct follows a precinct scheme as opposed to on-site detention basins. The stormwater system has been designed to cater for a 1 in 100 year ARI storm event and includes the installation of gross pollutant traps and wetlands, consisting of two large detention basins serving as detention for the entire estate. Therefore no on-site detention is required for individual lots. Notwithstanding, Australand propose to implement a 100kl Rainwater Collection and Treatment System for non-potable water on-site, for such uses as toilet flushing and irrigation. Rainwater would be captured from the roof areas and redirected to a first-flush treatment system for re-use.
Electricity, gas and telecommunications	Provision for electricity and telecommunications supply is currently being designed in consultation with the relevant service providers, namely Telstra and Integral Energy. Stage 3 of the Eastern Creek estate does not currently have a gas supply, however the K Mart facility would not require the provision of gas as part of its operations.

The Department is satisfied that there is adequate provision of infrastructure to service the development of the site.

Contributions

The Department is aware that Australand has an existing Voluntary Planning Agreement (VPA) with Blacktown City Council in lieu of a section 94 plan, for the development of the Stage 3 area. The agreement requires that the developer design and construct local roads and stormwater infrastructure in accordance with the Precinct Plan and Council's previous consent, and that Australand pay contributions for the upgrade of local roads and the development of link roads in the Eastern Creek Precinct (or dedicate land and/or provide works in kind), prior to release of the subdivision certificate. Notwithstanding, Council has recently exhibited a draft section 94 plan for the area, which once made, may activate particular clauses in the existing VPA to contribute to local infrastructure. In any case, the Department is satisfied the Proponent has agreements in place to contribute adequately to local infrastructure.

With regard to regional road infrastructure, given the traffic generating nature of the proposal (warehousing and distribution) the Department considers that the Proponent would be a significant user of regional roads in the area. As such, Australand should be required to contribute to the provision of regional road infrastructure in the WSEA.

The Government recently announced the intention to impose a State Infrastructure Contribution (SIC) of \$180,000 per developable ha in the WSEA for the provision of regional road infrastructure. In order to satisfy this requirement, Australand has committed to a payment to the Minister, which based on the 10.7 ha area of Lot 8, is estimated to be \$1,931,400. The Department has included this requirement in the conditions of approval.

The Department is satisfied that through the commitments made by Australand and the recommended conditions of approval that adequate provisions have been made for local and regional infrastructure.

4.4 Soils and Water

Development consent (DA 06_1992) has been issued by Blacktown City Council for civil and infrastructure works on-site, including vegetation removal, road construction, pad levels and stormwater systems. The conditions of development consent require Australand to provide temporary stormwater detention basins on its land to service its developments (including the K Mart site). However, once Council moves the trunk drainage system Australand will decommission these basins and make contributions to Council toward the trunk drainage system, in accordance with its VPA with Council.

Stormwater

The detailed stormwater management for the site consists of:

- a) Hardstand Areas
 - Grated pit covers
 - Bio retention swales to northern and southern boundaries; and
 - A sediment/filtration basin in the north eastern corner of the site;

- b) Parking Areas
 - Grated pit covers; and
 - Siphon-actuated filtration.

The gross pollutants and litter would be captured by the pit covers and bio-retention swales. Any remaining pollutants would be discharged to either the filtration unit, for all hardstand areas; or the siphon-actuated system, for stormwater captured from the parking areas.

Australand propose to monitor the stormwater treatment measures at 3 month intervals for the first year of operations and then at 4 month intervals for the second year, to ensure that the proposed treatment system is acceptable.

Council requested amendments to the stormwater management plans, submitted as part of the EA. As well as this, Council recommended a number of conditions, including details regarding the catchment plan; a DRAINS electronic model detailing the internal pipe network; and MUSIC modelling, to be submitted and approved prior to the release of the Construction Certificate. Australand amended the stormwater management plans and updated its Statement of Commitments to include all of Council's stormwater requirements. Council are satisfied that the stormwater and drainage management strategy is sufficient for managing stormwater on site in accordance with Council requirements.

Notwithstanding, the Department has included a condition requiring Australand to implement and maintain all measures and controls detailed in the amended Stormwater and Drainage Management Plan, submitted as part of the EA. The Department considers that Australand's commitments together with the recommended conditions of approval would ensure stormwater from the site is appropriately managed and treated before being discharged.

Construction

Construction of buildings and associated infrastructure on site has the potential to impact on nearby watercourses through erosion and sedimentation. To minimise any potential impacts, Australand has prepared an erosion and sediment control plan for the development involving ground disturbance and construction.

The plan incorporates the use of silt fencing and catch drains around the site boundaries; kerb and grated inlet pit controls; and for stockpiles to be stabilised and restricted to less than 2m high where possible, with silt fencing constructed to the upslope of the stockpile.

4.5 Visual

Visual

The K Mart site is located a reasonable distance from sensitive residential receivers, with the nearest being over 1km to the north and over 2km to the west, beyond the existing quarry site. The Eastern Creek area is predominately occupied by large warehousing and distribution facilities similar to the proposal.

The proposed centre itself is rectangular in form and has dimensions of around 241m x 206m with an overall height of 13.7m at the ridge. Together, with the warehouse, office areas and gatehouse, the entire building footprint would be 51,660m². This is consistent with other developments in the area.

The warehouse building is to be of steel frame construction. External finishing would include pre-finished metal wall sheeting, with precast concrete panels below, on the northern, western and eastern elevations. The office component would be constructed in a variety of materials including painted pre-cast walls, CFC and composite cladding, and aluminium framed glazing. Further, the rear and side boundaries would include 2.1m high black plastic coated chain wire fencing, constructed in accordance with the Precinct Plan requirements (see Figures 8 and 9).



Figure 8: Proposed K Mart Warehouse and Distribution Facility (south western corner)



Figure 9: Proposed K Mart Warehouse and Distribution Facility (office perspective)

Australand also proposes a container storage yard at the eastern end of the warehouse. The containers would be approximately 2.6m in height and range from 6m to 12m in length, with the eastern row being up to three containers high. The proposed storage yard would be set back from the eastern boundary by 13.8m and would be screened by a metal fence (8m in height) and considerable tree planting (see Figure 10). Council did not raise any objection to the provision of a container storage yard.



Figure 10: Proposed K Mart Warehouse and Distribution Facility (Container Storage Yard)

With regard to views from the surrounding areas, the K Mart site would be consistent with the general industrial and employment uses of the area and generally compatible in style and design with recent approvals and buildings constructed in Stages 1 and 2 of the Eastern Creek Precinct.

The signage proposed for the north-western corner of the warehouse and the north-eastern corner of the container storage yard is significant in size, with a length of approximately 15m and 16m respectively. However, due to the industrial character of the area; the proposed boundary landscaping and setbacks; and distance from residential properties, this is not considered to be obtrusive (see Figure 11).

The Department considers that visual impacts associated with the development would be consistent with the strategic objectives for transforming the area into an employment centre. Residents are located far enough away from the facility that views would not be significantly affected and appropriate landscaping is considered satisfactory in softening views from the surrounding road network.

Landscaping

The EA is accompanied by a landscaping plan prepared by Peter Glass & Associates. A minimum 10m landscaped set back is proposed to the minor frontage of Road 1, with a 7.5m landscaped buffer proposed along the boundary with Road 4. The building is set well back from the site boundaries, 38-50m from Road 4 and 50m from Road 1.

The landscaping plan incorporates a hierarchy of planting tailored to provide adequate screening and softening of the site, particularly along the eastern boundary to screen views of the container storage area. Planting would range from streetscape planting and vegetated boundary set backs (see Figures 11 and 12) containing plant species that are substantially consistent with species native to the area.

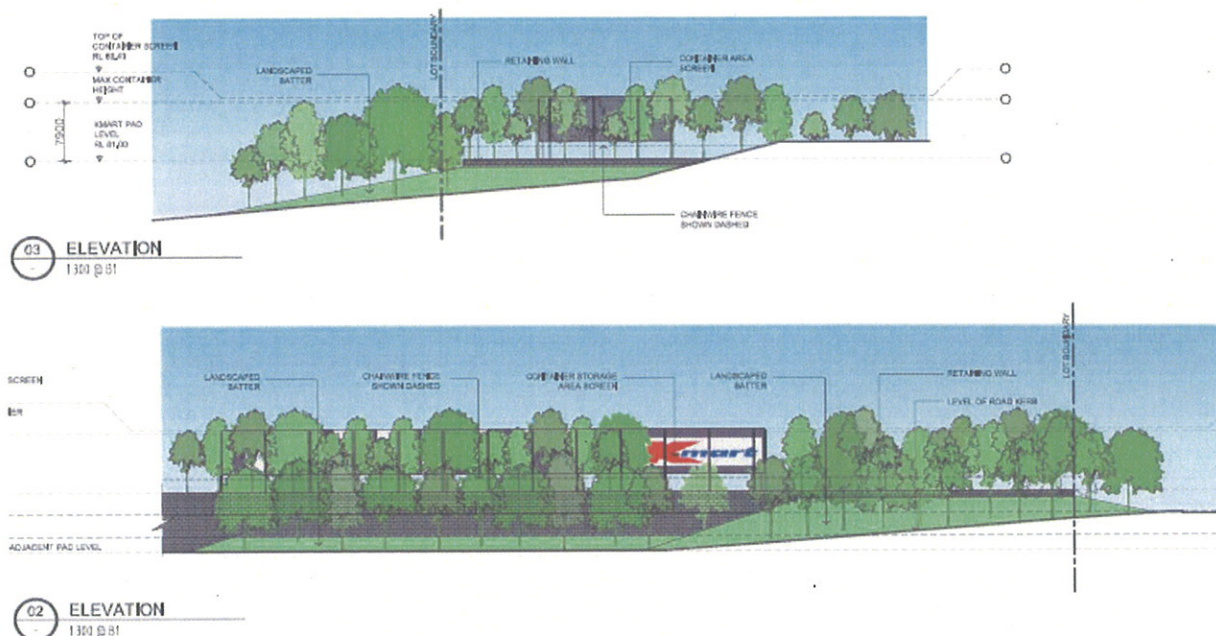


Figure 11: Landscaping Details

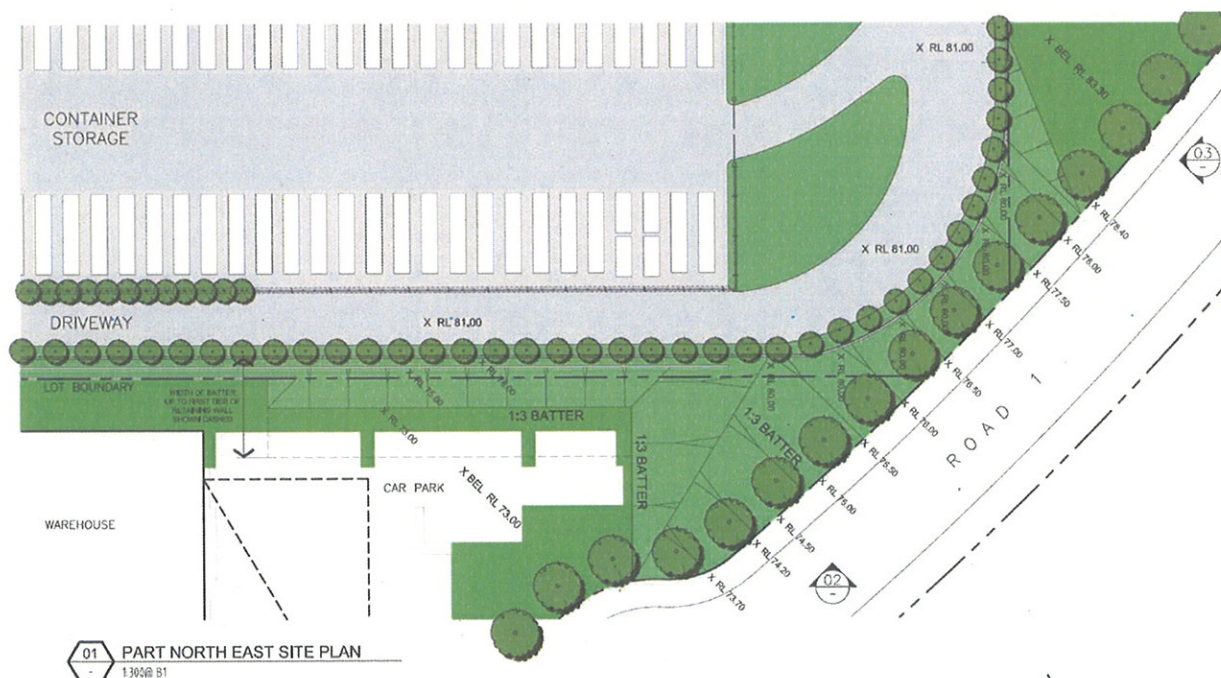


Figure 12: East Batter Details

The Department is satisfied that the proposed landscaping would soften any visual impacts to users of the adjacent road network and surrounding areas.

4.9 Other Issues

The Department's consideration of other issues is provided below.

Table 4: Other Assessment Issues

Issue	Consideration	Recommended Conditions
Air Quality	- No assessment of air quality emissions was undertaken for the operation of the warehouse and distribution centre. - However, due to the earthwork onsite	The Department is satisfied that air quality would not be compromised as a result of the proposed development and has included a condition requiring Australand

<i>Issue</i>	<i>Consideration</i>	<i>Recommended Conditions</i>
	being subject to a previous development consent, besides vehicular movements, there are no processes undertaken on-site that would significantly cause emissions. Dust control impacts during construction would be managed through the use of dust suppression sprays.	to cover all truck loads leaving and entering the site during the construction period in order to limit any potential dust related impacts.
<i>Noise</i>	- The noise assessment was undertaken with reference to sensitive receivers in the vicinity of the project site, including potentially affected residents, located beyond the Western Motorway and to the west of the site at St Clair. - The predicted noise levels indicate that operations undertaken on site would remain below established noise criteria of 35 dB(A), at all receivers. - Additional truck movements on public roads to and from the site are likely to increase traffic noise. However, as the site is located in an industrial area and in close proximity to Wallgrove Road and the M7 motorway, it is predicted that any noise increase would be negligible.	The Department has included these noise criteria levels in the conditions of approval, which has been agreed to by Australand.
<i>Greenhouse Gas Emissions</i>	- The primary sources of emissions from the project are expected to be from vehicles and energy consumption. - Vehicular emissions are difficult to minimise for projects that are reliant on vehicular transport. - However, emissions associated with energy consumption can be minimised through reduced energy consumption, improved efficiency and provision of energy from alternate sources. - The EA includes an energy report prepared by Steensen Varming and outlines the use of energy efficient lighting and the use of 'roof lights' for natural lighting. - The report confirmed that the development would operate in an energy efficient manner.	The Department is satisfied that the proposal would not be a significant contributor of greenhouse gas emissions. Notwithstanding the Department has included a condition requiring Australand to develop an energy management plan outlining options for alternative energy sources.
<i>Waste</i>	- Australand has included a comprehensive waste management plan in the EA, which covers the construction and operation of the proposed warehouse and distribution facility. - No hazardous or offensive industries or storage establishments would be permitted onsite.	The Department is satisfied that the waste management plan prepared for the site is sufficient in minimising, managing and monitoring waste generated by the project.
<i>Flora and Fauna</i>	All vegetation to be removed from the site would be undertaken in accordance with DA 06-1992, approved by Council in 2009.	N/A

5. RECOMMENDED CONDITIONS

The Department has prepared recommended conditions of approval for the concept plan (see Appendix B) and summarised these conditions in Appendix A. These conditions are required to:

- prevent, minimise, and/or offset adverse impacts of the project;
- set standards and performance measures for acceptable environmental performance;
- ensure regular monitoring and reporting; and
- provide for the ongoing environmental management of the project.

Afteron has reviewed and accepts the recommended conditions.

6. CONCLUSION

The Department has assessed the merits of the project in accordance with the requirements in the EP&A Act.

This assessment has found that the environmental impacts of the project can be mitigated and or managed to ensure an acceptable level of performance.

It has also found that the proposal is consistent with the objectives of the State Plan, Metropolitan Strategy, and broader strategic planning being carried out for the area.

Finally, it has found that the proposal offers significant economic and social benefits to the Western Sydney region, as it would attract up to \$31 million worth of capital investment and create up to 220 jobs close to the homes within western Sydney.

Consequently, the Department believes that the project is in the public interest and should be approved subject to conditions.

7. RECOMMENDATION

It is RECOMMENDED that the Deputy Director-General:

- consider the findings and recommendations of this report;
- approve the project application, subject to conditions, under section 75J of the EP&A Act; and
- sign the attached concept plan approval (see Appendix C).

Felicity Greenway
9/9/10

Felicity Greenway
Team Leader
Mining & Industry Projects

[Signature]
10/9/10

Richard Pearson
Deputy Director-General DASP

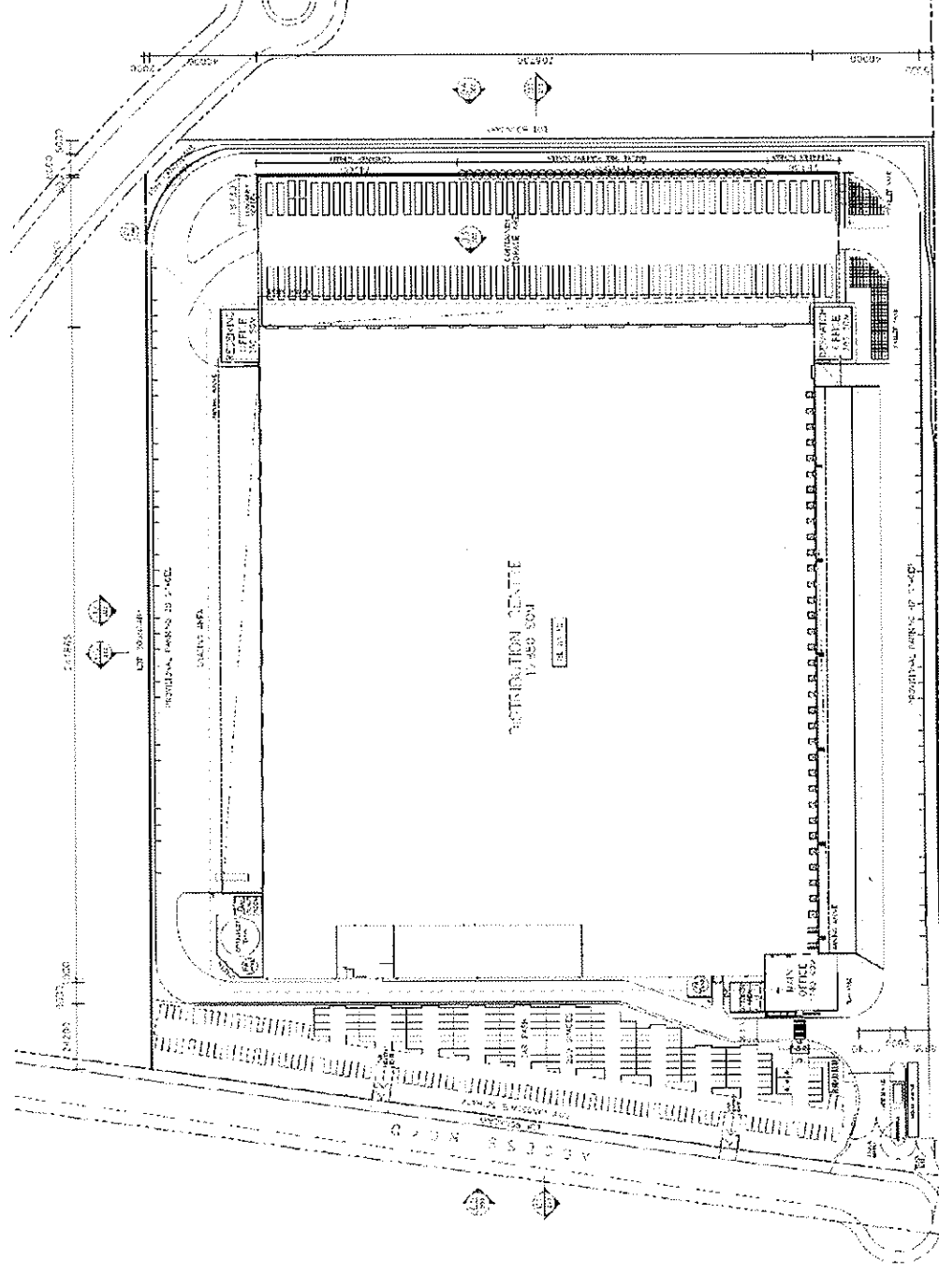
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Chris Wilson
Executive Director
Major Project Assessment

APPENDIX A: SUMMARY OF CONDITIONS OF APPROVAL

Aspect	Condition	Requirement
Schedule 3: Specific Environmental Conditions		
Construction Works	13-14	Requirement to carry out construction activities in a reasonable manner and to manage impacts satisfactorily.
Soil and Water	15-17	Discharge limits, bunding, and stormwater management
Traffic and Transport	18-20	Requirement to develop internal roads and hardstand areas to meet Australian Standards; management of traffic impacts and sustainable transport alternatives; and allow for the provision of bicycle parking onsite.
Noise	21-22	Noise level criteria and hours of operations.
Air	23-24	Requirements to minimise dust and ensure no offensive odour emissions.
Energy	25	Requirement to prepare a energy management plan.
Visual	26-28	Requirements for landscaping, fencing, signage, and lighting.
Waste	29	Requirement to minimise and monitor waste.
Environmental Management Strategy	30	Requirement to prepare an environmental management strategy detailing roles and responsibility of staff during construction and operation.
Pre-Operation Compliance Audit	31-32	Submission of work as executed plans, prior to operations onsite.
Incident Reporting	33	Requirement to report incidents

APPENDIX B: SITE LAYOUT



DEVELOPMENT AREAS	
DISTRIBUTION CENTRE	17,450 SQM
OFFICE	1,140 SQM
DESPATCH OFFICE	285 SQM
RECEIVING OFFICE	26 SQM
GATE HOUSE	50 SQM
PUMP ROOM	75 SQM
FIRE CONTROL CENTRE	75 SQM
TOTAL BUILDING AREA	
AWNING	1,215 SQM
CAR PARKING	250 SPACES
PROVISIONAL CAR PARKING	80 SPACES
DOT CAR PARKING	300 SPACES
DEVELOPMENT AREAS - SITE COVERAGE	
TOTAL SITE AREA	437,317 SQM
TOTAL BUILDING AND AWNING AREA	57,875 SQM
SITE COVERAGE	13.2%

Figure 1: K Mart Warehouse and Distribution Centre Layout

APPENDIX C: CONDITIONS OF APPROVAL

APPENDIX D: CONSIDERATION OF ENVIRONMENTAL PLANNING INSTRUMENTS

State Environmental Planning Policy (Infrastructure) 2007

SEPP (Infrastructure) 2007 aims to ensure the RTA is made aware of and allowed to comment on projects for developments listed in Schedule 3 of the SEPP. Schedule 3 identifies development including industry with a site area of more than 20,000m², or any purpose with a capacity of 200 or more motor vehicles. The project therefore triggers the Infrastructure SEPP. The project was referred to the RTA for comment in accordance with the Infrastructure SEPP.

State Environmental Planning Policy (Western Sydney Employment Area) 2009

As discussed in Section 4.1, the proposal is consistent with the aims of the WSEA SEPP as it will assist in meeting the objectives of the Sydney Metropolitan Strategy, provide for new economic activity in Western Sydney and provide for efficient land use in the employment lands.

State Environmental Planning Policy No. 64 – Advertising and Signage

SEPP 64 aims to ensure signage is appropriately located and designed and to regulate signage within transport corridors. The Department has recommended conditions to ensure detailed signage plans are prepared in consultation with Blacktown City Council, and to the satisfaction of the Director-General.

Draft State Environmental Planning Policy No. 66 – Integration of Land Use and Transport

Draft SEPP 66 aims to ensure that urban structure, building forms, land use locations, development designs, subdivision and street layouts help achieve the following planning objectives:

- a) improving accessibility to housing, employment and services by walking, cycling and public transport,
- b) improving the choice of transport and reducing dependence solely on cars for travel purposes,
- c) moderating growth in demand for travel and distances travelled especially by car,
- d) supporting the efficient and viable operation of public transport services,
- e) providing for the efficient movement of freight.

The Department is satisfied the proposal is not contrary to the above objectives and considers that the project would help achieve the objectives of draft SEPP 66 by providing employment lands within proximity to residential areas in Western Sydney and major transport routes including the M4 and M7 motorways.

APPENDIX E: RESPONSES TO SUBMISSIONS & ADDITIONAL INFORMATION

APPENDIX F: SUBMISSIONS

APPENDIX G: ENVIRONMENTAL ASSESSMENT