MAJOR PROJECT ASSESSMENT:
Metcash Distribution Centre
Bungarribee Industrial Estate

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

January 2011

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EXECUTIVE SUMMARY

Goodman International Pty Ltd (Goodman) proposes to develop a purpose-built distribution centre to be occupied by Metcash Trading Ltd (Metcash), at the Bungarribee Industrial Estate (Huntingwood West), in the Blacktown local government area.

The Bungarribee Industrial Estate, approximately 56 hectares (ha) in size and known as the 'Huntingwood West Precinct' in the *State Environmental Planning Policy (Major Development) 2005*, was granted concept approval by the then Minister for Planning on 9 December 2006 for subdivision and future employment uses (MP 06_0203).

The recently approved Stage 1: Infrastructure Project (MP 08_0225) involves infrastructure works for the site, such as the construction of internal roads and upgrades to intersections; bulk earthworks; estate landscaping; and stormwater and drainage management.

The proposed Metcash facility would occupy approximately 18.7 ha of the Bungarribee Industrial Estate. The proposal includes staged construction of three warehouse buildings and office block, with a total floor area of 103,087m^2, as well as a two level car park, associated infrastructure, and landscaping works.

The project has a capital investment value of approximately $65 million; and is expected to generate up to 400 construction jobs and support approximately 600 jobs once fully operational.

The project constitutes a 'major project' under Part 3A of the *Environmental Planning and Assessment Act 1979* (the Act), and consequently the Minister is the approval authority.

During the exhibition period, the Department received 3 submissions on the proposal, all from government agencies. These submissions raised concerns broadly in relation to contributions, stormwater infrastructure and maintenance; road layout; and traffic impacts.

The Department has reviewed the submissions in detail, and assessed the Environmental Assessment (EA) in accordance with the objectives of the Act.

The Department is satisfied the project is consistent with the State Plan, the Metropolitan 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 considers that the 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 the proposed development, and that the project offers significant economic benefits for the region.

Consequently, the Department considers that the Metcash Distribution Centre Project is in the public interest and should be approved, subject to conditions.

1. BACKGROUND

1.1 Background

On 9 December 2006, the then Minister for Planning approved a concept plan (MP06_0203) proposed by Landcom, for the Bungarribee Industrial Estate, under Part 3A of the EP&A Act.

The concept plan approval provided for the creation of employment lands over a 56 ha site, including:

- a 47 lot subdivision for employment generating uses;
- associated roads, services and infrastructure; and
- public open space.

On 11 May 2007, the Huntingwood West site was gazetted as a State Significant Site in Schedule 3 of the *State Environmental Planning Policy (Major Development) 2005* (Major Development SEPP) and rezoned as IN1 General Industrial, to facilitate employment uses.

In August 2008, the Minister for Planning approved a Major Project application (08_0055), for the subdivision of the site into 6 consolidated lots (Figure 1) to facilitate the staged purchase of the site by Goodman.

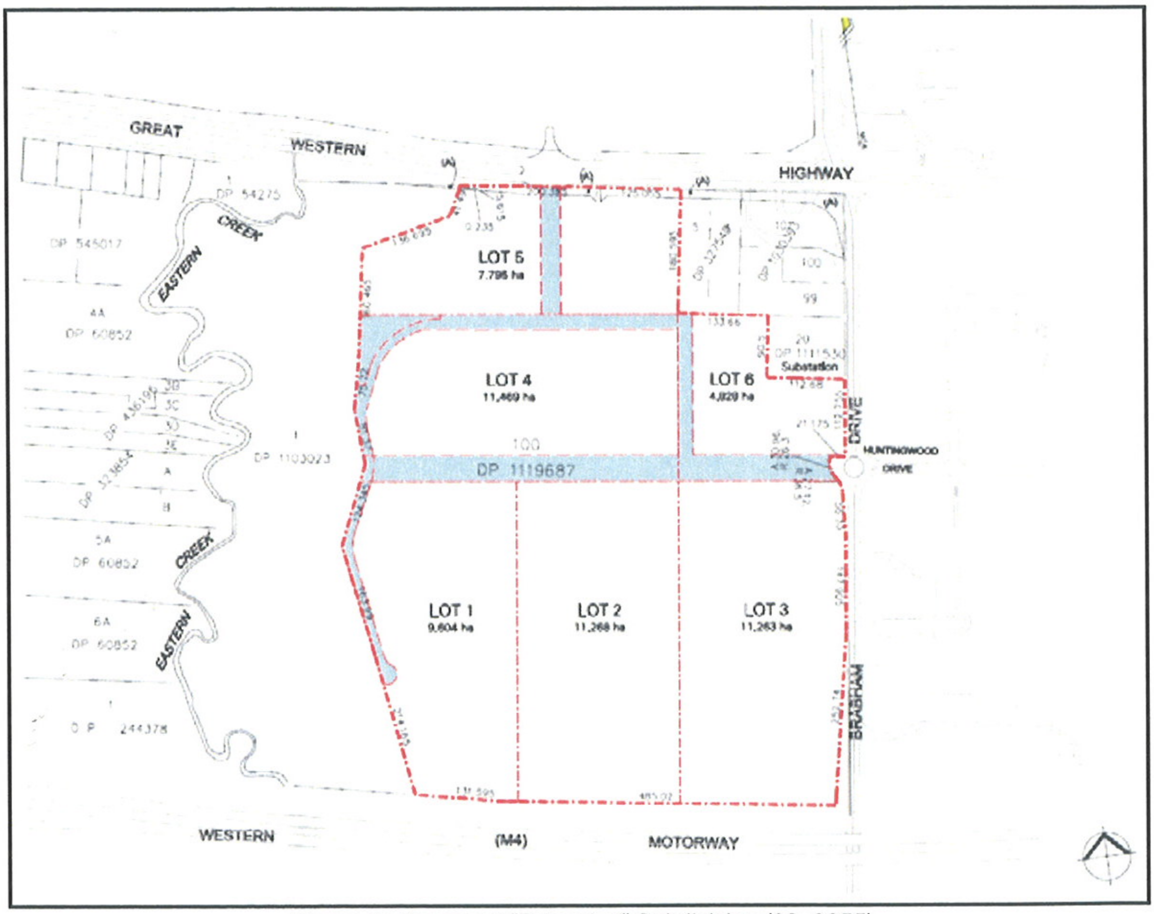

Figure 1: *Approved "Super Lot" Subdivision (08_0055)*

A project application for infrastructure works relating to the site, known as the Bungarribee Industrial Estate Stage 1: Infrastructure Project (08_0225), was recently approved (25 January 2011). This project involves infrastructure works, such as the construction of internal roads and upgrades to intersections; bulk earthworks; estate landscaping; and stormwater and drainage management. This project application also modified the Concept Plan approval for the site (MP 06_0203 MOD 1), to reflect a revised subdivision layout to accommodate the internal roads; and amended design controls, increasing building setbacks to reflect surrounding development standards. Figure 2 shows the infrastructure works and amendments to the approved Concept Plan.

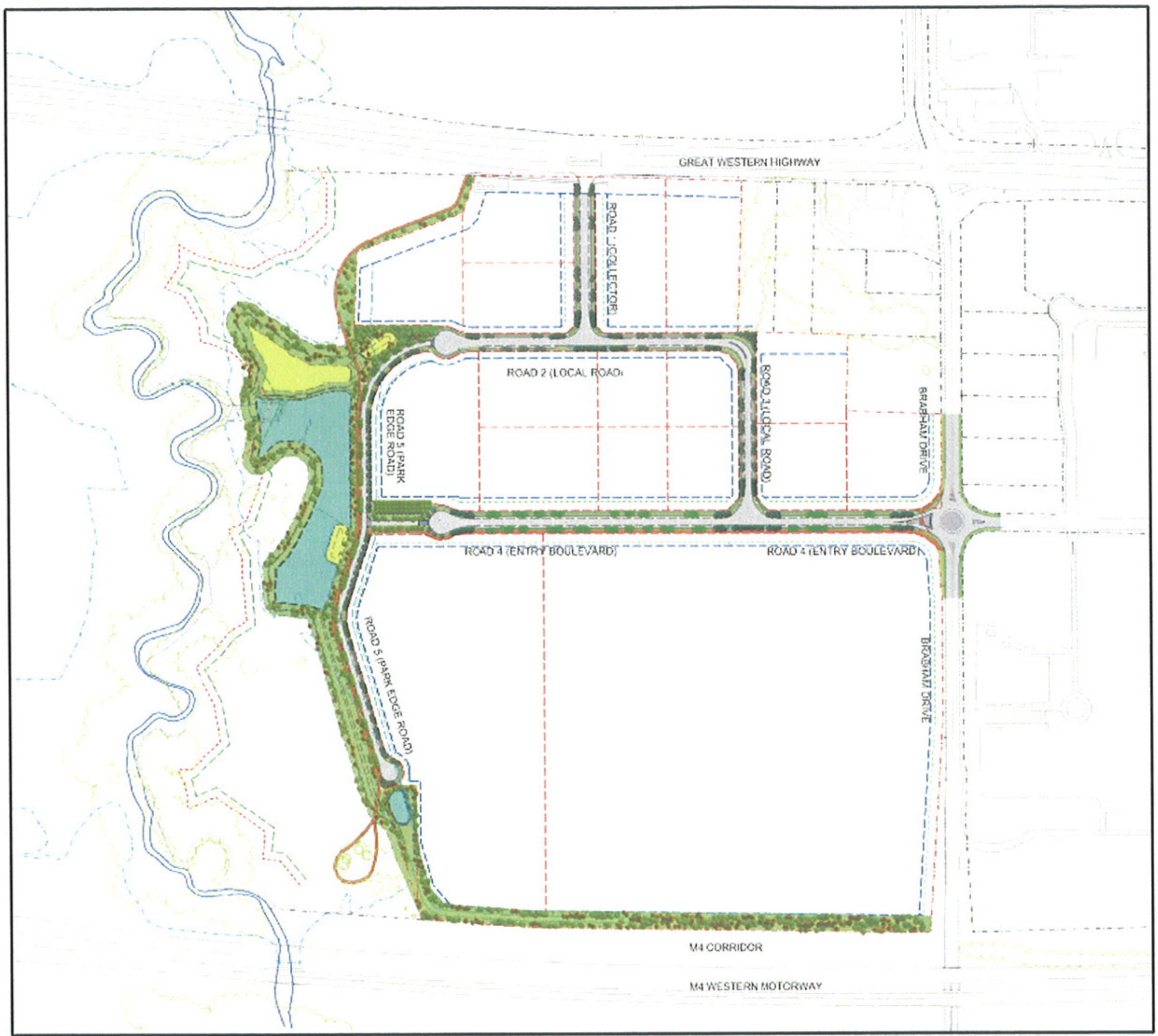

Figure 2: *Proposed Infrastructure Works for Bungarribee Industrial Estate*

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. The importance of the region is reflected in the expansion of the employment area through the gazettal of the *State Environmental Planning Policy (Western Sydney Employment Area) 2009* (WSEA SEPP) in 2009. The area spans four local government areas - Fairfield, Penrith, Blacktown and Holroyd (see Figure 3).

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, manufacturing facilities and data storage facilities. In addition, Concept Plan applications for the Minchinbury Employment Park and Oakdale Central Estate have also been approved by the Minister.

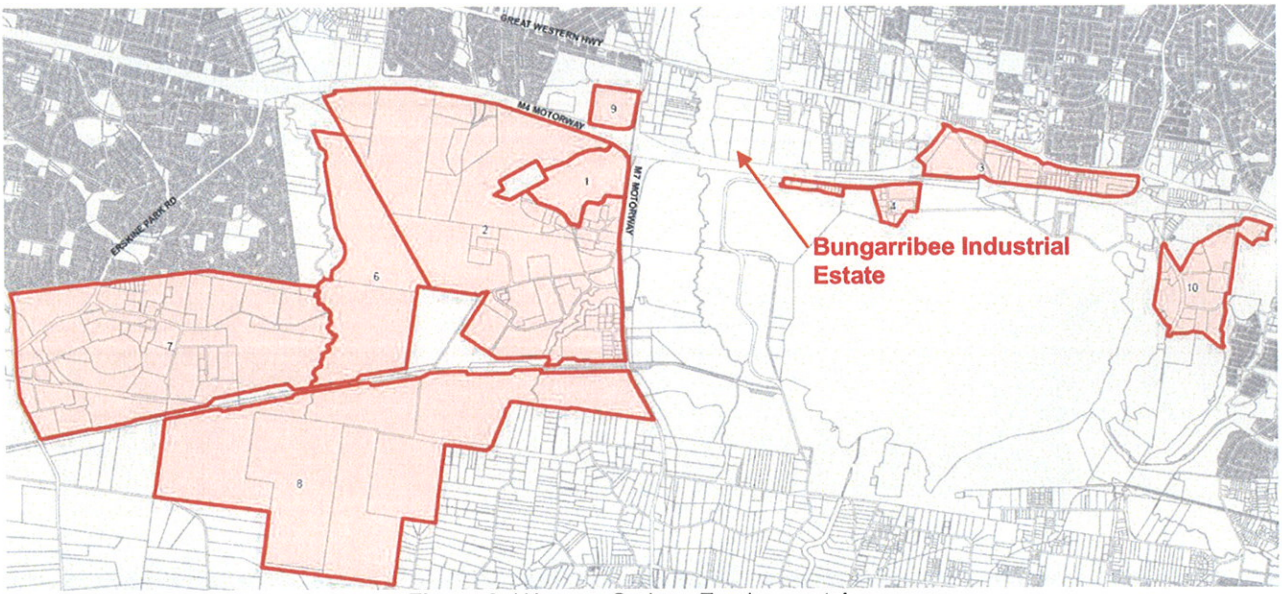

Figure 3: *Western Sydney Employment Area*

The Bungarribee Industrial Estate was not included as a component of the WSEA as the site had previously been gazetted as an SSS and rezoned for industrial use. However, the site is strategically located near the intersection of the M4 and M7 Motorways (Lighthorse Interchange), providing access to Kingsford-Smith Airport, Sydney orbital road network, Port Botany and the national highway network.

1.2 Site History

The site, located in the Blacktown local government area, was formerly used for agricultural purposes, including poultry farming and market gardening. The site has also been used for horse services such as agistment, stabling and training.

Goodman currently owns Lots 1 and 2 and is due to purchase Lot 3 in 2012, with the remainder of the estate to be purchased on a staged basis.

1.3 Location and Surrounding Land uses

Immediately surrounding the site identified for the proposed Metcash development is the M4 to the south, the remainder of the Bungarribee Industrial Estate to the north and west, and Brabham Drive to the east (Figures 4 and 5).

The nearest residential receivers, a few scattered properties, lie to the west of the site on Pikes Lane, approximately 500m from the proposal site.

Further east of the site lie the suburbs of Huntingwood and Arndell Park, largely comprising industrial uses, with the Western Sydney Parklands directly north and west beyond the boundaries of the Bungarribee Industrial Estate. Stretching from the north-east to the north-west are the residential areas of Mount Druitt, Rooty Hill, Doonside and Blacktown. The Eastern Creek International Raceway and the Prospect Reservoir sit to the south of the site beyond the M4 Motorway.

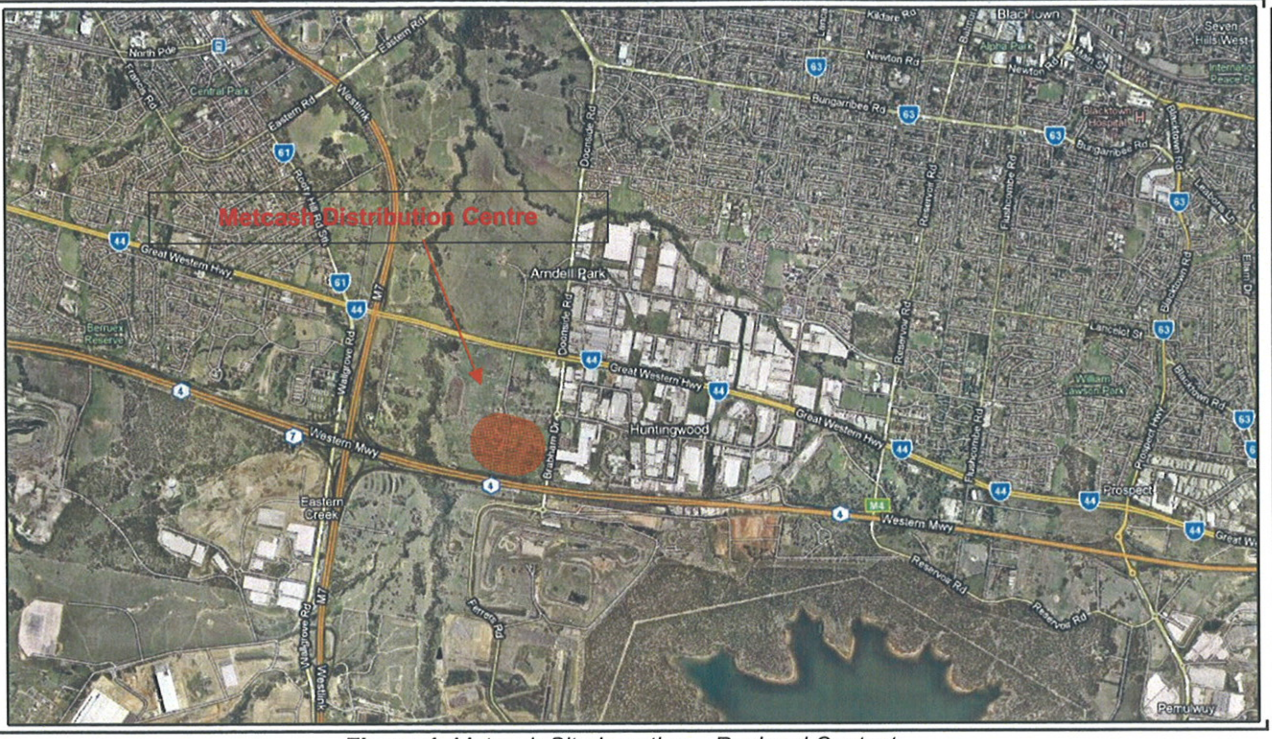

Figure 4: Metcash Site Location – Regional Context

Figure 5: Metcash Site Location – Local Context

2. PROPOSAL

2.1 Project Description

Goodman proposes to develop a purpose-built distribution centre for Metcash at the Bungarribee Industrial Estate (Huntingwood West).

The project is known as the Metcash Distribution Centre Project (the Project). The major components of the project are summarised in Table 1, and depicted in Figure 6 and Figure 7. The project is described in full in Goodman's Environmental Assessment (EA), which is attached as Appendix G.

Table 1: *Major Components of the Metcash Distribution Centre Project*

Aspect	***Description***
Project Summary	The project involves the staged construction of a purpose-built distribution centre for Metcash Trading Ltd at the Bungarribee Industrial Estate (Huntingwood West), including: • 3 warehouse buildings and an ancillary office building and staff amenities, with a total GFA of 103,087m²; • a two level car park structure for 797 cars (including bicycle parking); and • landscaping works.
Setbacks	10m landscaped setback to Brabham Drive 10m landscaped setback to Huntingwood Drive 20m landscaped setback to M4 Motorway
Building Height	20m for office block 13.7m for Warehouses 1, 2 and 3
Access	Access to the site for all vehicles would be through a shared entrance off the proposed extension to Huntingwood Drive. Trucks would circulate clockwise around the site to access the loading areas, while cars would drive south into the visitor and staff car parking area. The car park would have a bridge linking it to the main office to separate pedestrians from trucks.
Parking	The car park would provide for 797 car spaces over two levels; 398 spaces on the ground floor and 399 on the first floor of the car park facility.
Hours of Operation	Goodman is seeking 24 hour operations.
Capital Investment Value	$65 million
Construction	Staged construction over approximately 18 months.
Signage	Signage does not form part of this project application.

The project would involve the construction of the site in stages (see Table 2 and Figure 7) with landscaping and associated hardstand, loading and service areas to be completed once the staged building construction is complete.

Table 2: *Staging of Metcash Distribution Centre Project*

Stages	***Description***
1	Warehouse 1 – Large Ambient Warehouse (42,030m^2) and Regional Office (5,030m^2)
2	Warehouse 2 – Fresh Produce Warehouse; Warehouse 3 – Perishables Warehouse (19,395 m^2); and Office (1,060 m^2)
3	Warehouse 1 Expansion (14,110 m^2) and Office (390 m^2)
4A	Office (1,090 m^2)
4B	Office (4,450 m^2)
5	Warehouse 1 Expansion (15,532 m^2)

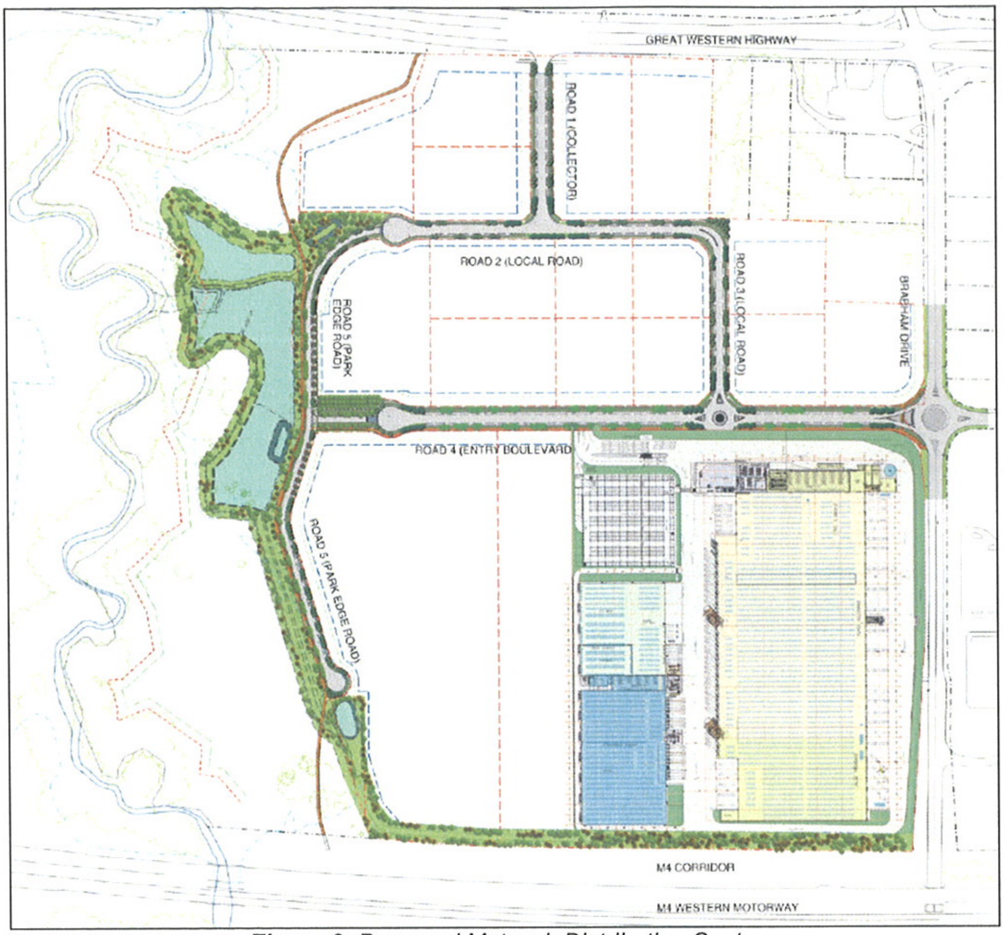

Figure 6: *Proposed Metcash Distribution Centre*

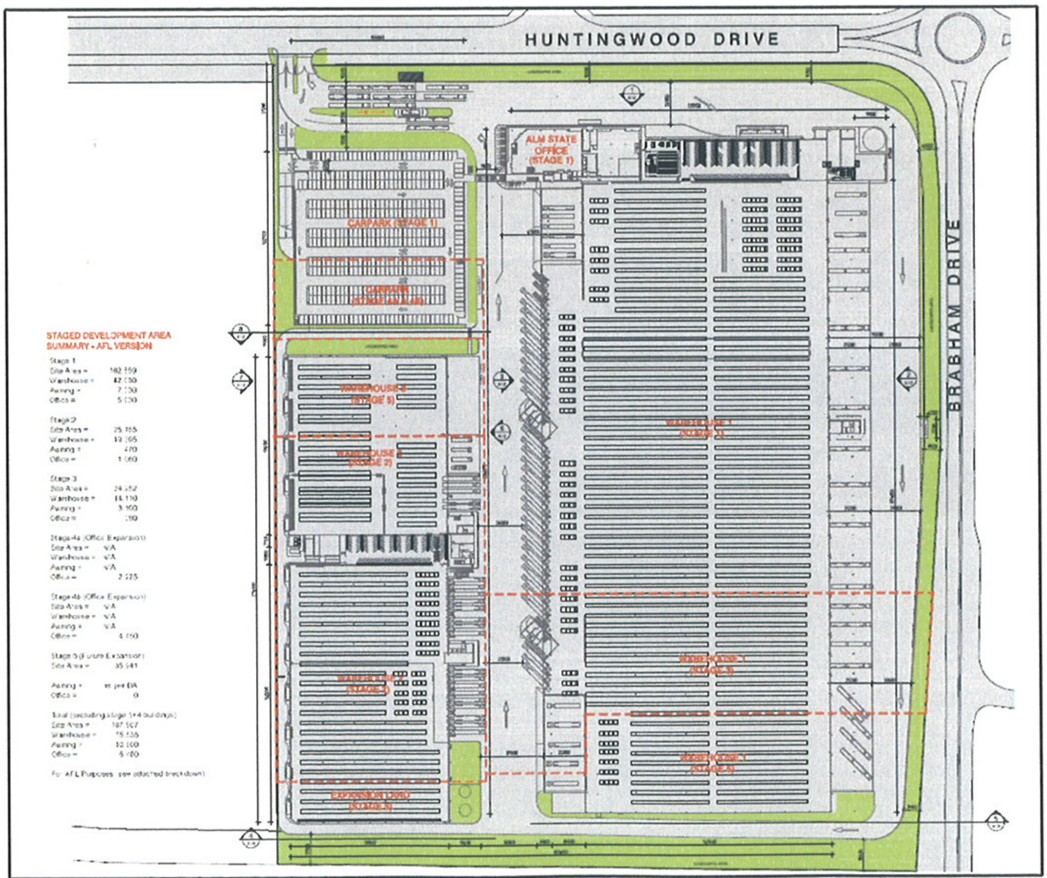

Figure 7: *Staged Construction of Metcash Distribution Centre Project*

3 STATUTORY CONTEXT

3.1 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 distribution and storage facilities with a capital investment value of more than $30 million, and is therefore development of a kind that is described in Schedule 1 of the Major Development SEPP. Consequently, the Minister for Planning is the approval authority for the project.

On 28 July 2010, the Executive Director, Major Projects Assessment, 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 then 25 public submissions, the Deputy Director-General may determine the carrying out of the project under the Minister's delegation of 25 January 2010.

3.2 Permissibility

The site is zoned IN1-General Industrial under the WSEA SEPP. Development for the purposes for storage and distribution centres is permissible, with consent, in this zone.

3.3 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 October 2010 until 29 November 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;
- preliminary environmental assessment;
- Director-General's environmental assessment requirements;
- EA;
- submissions received; and
- Goodman's response to those submissions.

3.4 Environmental Planning Instruments

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

- SEPP that substantially governs the carrying out of a project; and
- environmental planning instruments 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 SEPP (Major Development) 2005, SEPP (Infrastructure) 2007, SEPPs 33 and 55, and the *Blacktown Local Environmental Plan 1998*. The Department is satisfied that, subject to the implementation of the recommended conditions of approval, the project is generally consistent with the aims and objectives of these instruments. Consideration of the environmental planning instruments is provided in Appendix D.

3.5 Objects of the *Environmental Planning and Assessment Act 1979*
The Minister is required to consider the objects of the Act when making a decision under the Act. These objects are detailed in section 5 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.'*

With respect to ecologically sustainable development (ESD), the Act adopts the definition in the *Protection of the Environment Administration Act 1991 (POEO Act).* 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 Act, including the encouragement of ESD, in its assessment of the project application. The Department considers that the development of a rainwater harvesting system and water saving devices, as well as energy efficient lighting are consistent with the ESD principles.

3.6 Statement of Compliance
Under section 75I of the 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.

3.7 Strategic Planning

Strategic Objectives
The key strategic planning instruments governing the area include:
- the State Plan; and
- the Metropolitan Plan.

<u>*State Plan*</u>
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 Plan
The Metropolitan Plan presents a plan for sustainable growth in the Sydney region until 2036. The plan sets out key aims for employment, housing, infrastructure and service provision. One of the objectives of the plan is to protect and enhance employment opportunities in western Sydney.

The broad aims of the plan promote development in the regional cities of western Sydney including Parramatta; Liverpool; Penrith; Campbelltown; and Blacktown, to accommodate the increasing population to these areas.

The entire Bungarribee Industrial Estate is expected to provide around 800 jobs once 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 Plan. Further, the proposal provides for the development of infrastructure and services which is a key strategic objective for the area.

4 ISSUES RAISED IN SUBMISSIONS

During the exhibition period, the Department received a total of 3 submissions on the project, all of which were from government authorities.

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

4.1 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.

Blacktown City Council (Council) did not object to the proposal in principle, however raised a number of concerns including traffic and access arrangements, stormwater drainage and salinity levels in soil.

The **Sydney Regional Development Advisory Committee** (SRDAC) did not object to the proposal, however noted issues in relation to the proposed voluntary planning agreement and recommended that Goodman redesign the site access, to separate heavy and light vehicles to avoid the potential for future pedestrian/bicycle/truck incidents. The SRDAC also recommended conditions regarding parking standards and that Goodman submit a Construction Traffic Management Plan for the project.

Sydney Water did not object to the proposal, and confirmed that the existing services had sufficient capacity to accommodate the proposed development. Sydney Water also provided recommendations on potable water supply, wastewater discharge, trade water and servicing issues.

4.2 Response to Submissions
The proponent has provided a response to the issues raised in submissions, as well as a revised Statement of Commitments for the project (see Appendix F). These documents, as well as the 3 submissions, have been made publicly available on the Department's website.

The Department has considered the issues raised in submissions, and the Proponent's response to these issues in its assessment of the project.

5 ASSESSMENT

The Department has considered the EA, the issues raised in submissions, and Goodman's response to these issues, in its assessment of the project. The Department identifies the key issues as being transport, infrastructure requirements and visual impacts. All other issues are considered in Table 5.

5.1 Transport
The EA included a Traffic Impact Assessment, undertaken by Halcrow Pacific Pty Lty (Halcrow). 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 and the approved Huntingwood West Concept Plan (06_0203).

The Great Western Highway, M4 Motorway, M7 Motorway and Wallgrove Road provide the major arterial links to and from the site.

The Concept Plan (06_0203) and proposed Stage 1 Infrastructure Project (08_0225) have provided for the development of internal roads and upgrades to access roads to service the Bungarribee Industrial Estate (see Figure 8). This includes the construction of a new four way intersection treatment to the Great Western Highway (GWH), upgrades to the intersection at GWH/Doonside Road/Brabham Drive, a new access road at the intersection of Brabham Drive and Huntingwood Drive, and a new Park Edge Road along the boundary of the Western Sydney Parklands area.

In terms of construction traffic, Goodman predicts that the construction of the project would generate approximately 210 heavy vehicle movements per day, during the peak construction period estimated to be between June 2011 and October 2011. The Department has included a condition requiring Goodman to develop a Construction Environmental Management Plan, which includes a Traffic Management Plan, for the management of all construction related traffic generated at the site during the development process.

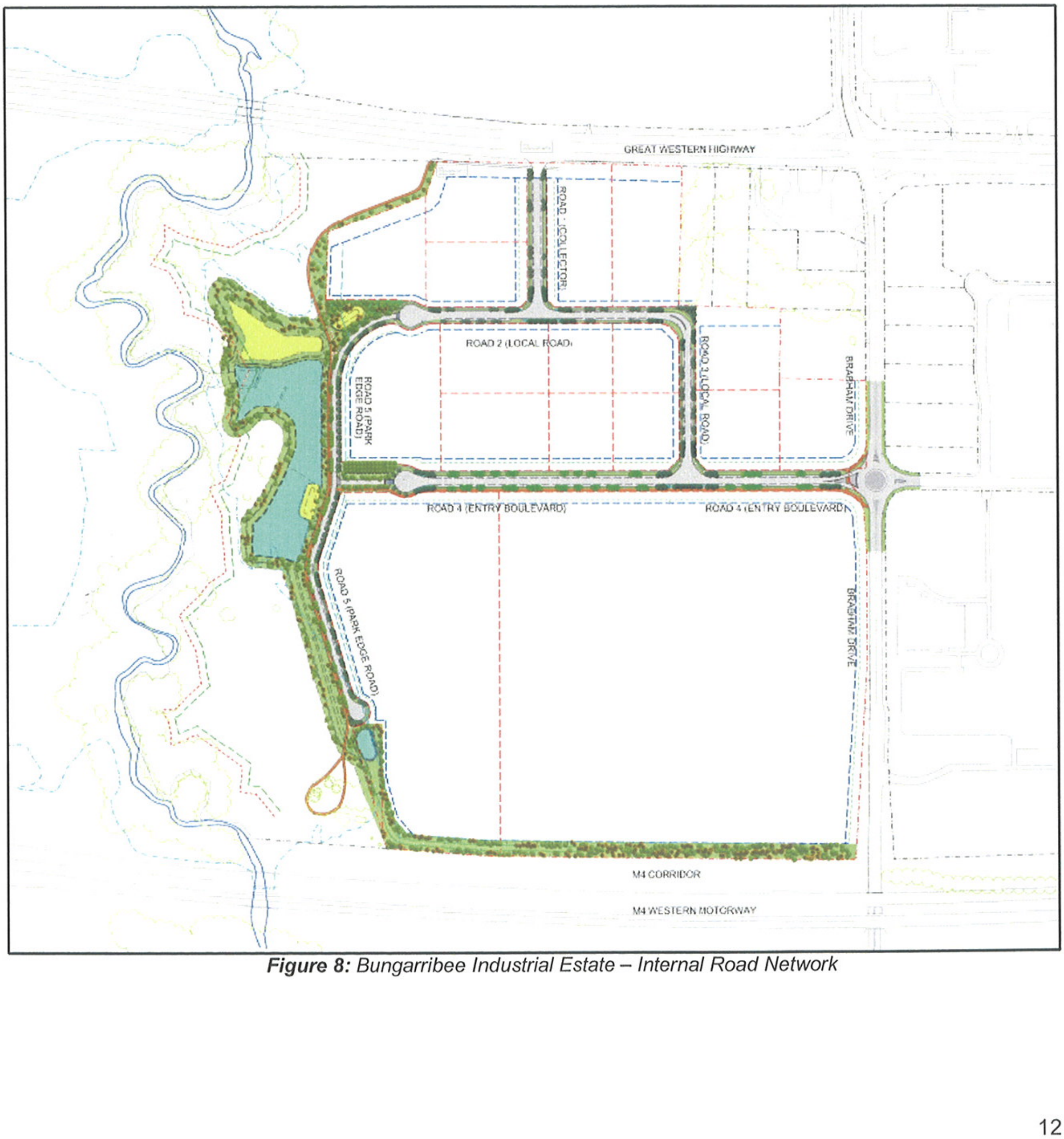

Figure 8: *Bungarribee Industrial Estate – Internal Road Network*

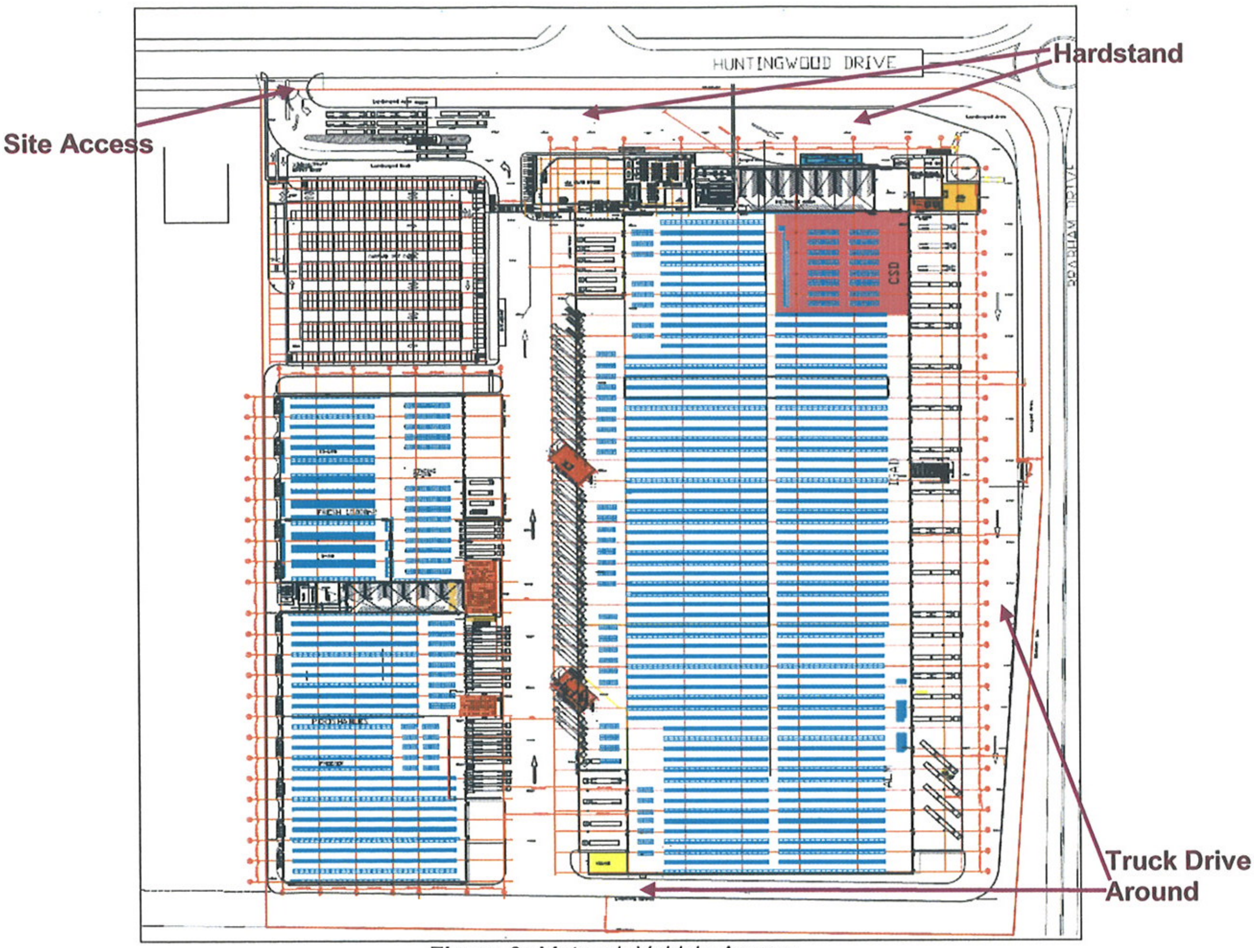

Figure 9: *Metcash Vehicle Access*

Vehicle access to the Metcash site, including during the construction phase, is proposed by the north western corner of the site, via Huntingwood Drive, as outlined in Figure 9 above. The construction of this access point and works to Huntingwood Drive would be undertaken as part of the initial construction works under the already approved Stage 1 Infrastructure Project.

Light vehicles would use the car park located immediately south of the site access, and would not circulate around the site in order to avoid conflict with truck manoeuvring. All trucks (including semi-trailers, B-Doubles, and NSW Fire trucks) would circulate clockwise around the site to access the loading areas.

Based on earlier studies undertaken for the Concept Plan approval, traffic estimates made by Halcrow, predict the traffic generation for the entire Bungarribee Industrial Estate once fully constructed, would total around 813 movements during the AM peak traffic period, of which 314 would access the site via the Huntingwood Drive access.

The Metcash development represents almost 37.7% of the total Bungarribee Industrial Estate area. On a simple pro-rata basis (ie a site coverage basis), the Metcash site could be expected to generate around 306 of the 813 AM peak hour trips estimated for the whole site.

However this is considered to be a conservative estimate, as Halcrow also assessed the proposed development in comparison with an already approved and operating Metcash site of a similar size at Crestmead in Queensland.

The comparison found that the volume of traffic which is more likely to be generated by the proposed Metcash site would be approximately 218 movements (including 78 truck and 140 car movements) during the AM peak traffic period. This is significantly less than the volume anticipated by the approved Concept Plan traffic impact assessment and therefore is considered unlikely to result in any significant traffic impacts above those previously assessed.

In its submissions for the Metcash project, Council objected to the removal of the originally proposed roundabout located at the end of road 3, and both Council and the SRDAC raised concerns regarding the use of a shared driveway for heavy and light vehicles accessing the site. Council suggested that the heavy vehicles could use the originally proposed roundabout and that the light vehicles could use the proposed western entry/exit. The SRDAC recommended that the Proponent redesign the entry/exit to separate heavy and light vehicles and also recommended a number of conditions of approval, including parking standards and on-site truck manoeuvring, and the requirement for Goodman to develop a Construction Traffic Management Plan.

As part of the Stage 1 Infrastructure Project Goodman provided additional information regarding safety studies undertaken for the proposed roundabout, which confirmed that the roundabout was not required on safety grounds and could be removed from the proposal without impacting on the efficiency of the internal road network, or the safety of road users. This was also agreed to by Council. As the issue with the removal of the roundabout was dealt with as part of the recommendations made in the Stage 1 Infrastructure Project it does not need to be addressed as part of this assessment. Further, as the proposed roundabout is no longer part of the Stage 1 Infrastructure Project (08_0225), the Council's suggestion to use this as an access for Metcash trucks is no longer relevant.

In response to the issue of the shared access, raised by Council and the SRDAC, Goodman included further assessments from their traffic consultants Halcrow (dated 8th and 9th December 2010) in its response to submissions, which describes the proposed shared driveway in more detail. The shared driveway would incorporate traffic control measures and manage traffic by means of give way intersection controls and boom gates, as shown in Figure 10. The significant distance between the site entrance and the Gatehouse would allow numerous trucks to park, providing adequate space to ensure no queuing on the estate roads. This would ensure that cars entering or exiting the site are not obstructed by trucks, reducing the risk of an accident. Also, when exiting the site trucks would stop at the boom gates giving way to traffic exiting or entering the car park. Cars exiting the car park would also have to give way before exiting.

Halcrow also included additional information regarding AM and PM peak traffic movements for the Metcash access to further justify the proposed configuration. Any potential conflict in the AM peak would be between 39 trucks leaving the site, 8 cars and 8 cyclists. For the potential conflicts in the PM peak there would be between 18 trucks leaving the site, 157 vehicles and 8 cyclists. It is considered that the proposed give way system would not raise any adverse safety concerns during peak periods.

The Department and the SRDAC are satisfied that Goodman has adequately demonstrated that the proposed shared access could be operated so as to maintain the safety of road users exiting and entering the Metcash site. As such, the Department considers that Council's concerns regarding the shared access have also been adequately resolved.

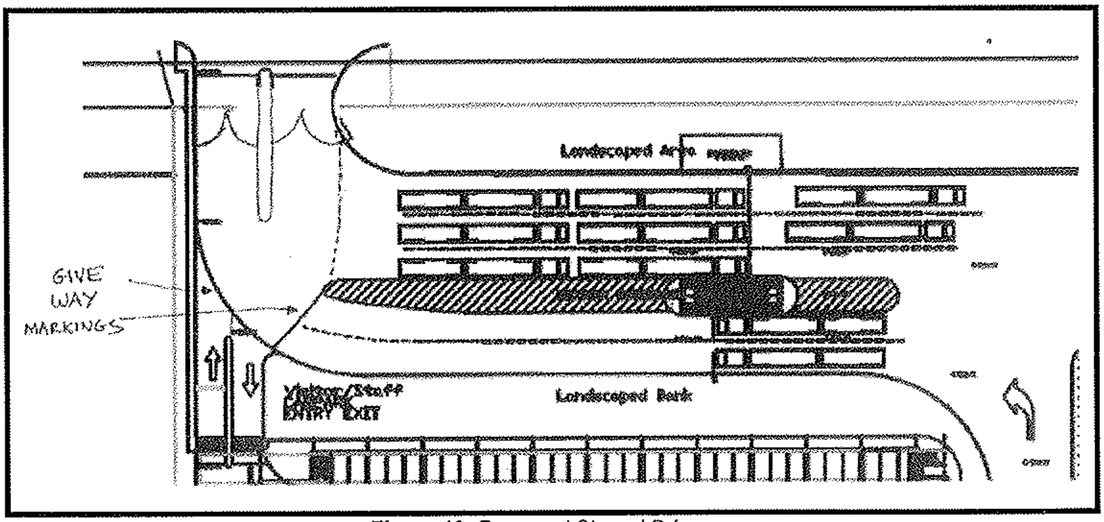

Figure 10: Proposed Shared Driveway

Further, the Department, Council and SRDAC are satisfied that whilst the proposal is a fairly significant traffic generator, the intersections in this part of the Bungarribee Industrial Estate would continue to function satisfactorily, due to proposed upgrades to the GWH intersection; the GWH/Doonside Road/Brabham Drive intersection; and the Brabham Drive/Huntingwood Drive roundabout as required under the Stage 1 Infrastructure Project approval (08_0225). Whilst the proposal is likely to generate a significant amount of traffic overall, it would not result in any significant vehicle impacts to the surrounding road network.

Parking
The parking provisions for the project are based on the Council's DCP 2006 parking guidelines for industrial developments. The guidelines specify a minimum of 756 spaces, as shown in Table 3 below.

***Table 3:** Council DCP 2006 Parking Guideline Calculations*

Use	GFA (m²)*	DCP 2006	
		Rate	Spaces
Warehouse	91,067	1/200 m²	455
Office	12,067	1/40 m²	301
Total Required			**756**
Total Proposed			**797**

** Gross Floor Area*

Goodman proposes to provide a total of 797 spaces configured over two parking levels. The parking would be constructed in 3 stages of 399 spaces at grade; 232 spaces in the deck; and a further 167 spaces in the deck. The decked car park would have a bridge linking it to the main office building, separating pedestrians from trucks.

Parking for heavy vehicles is proposed on the northern hardstand area and within recessed loading docks skirting the perimeter of the warehouse facility. Council are satisfied with the level of parking proposed, however recommended conditions requiring that the parking areas, circulation widths, driveway widths, manoeuvring areas and loading areas be constructed in accordance with Australian standards; and that all vehicles enter and leave the site in a forward motion.

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

5.2 Infrastructure Requirements and Contributions

As part of the development of the Bungarribee Industrial Estate, Goodman is required to provide a number of infrastructure services to the site, eg. water services; sewerage; and electricity supply. However, in order to accommodate the Metcash development, augmentation of certain services would be required. Table 4 summarises the infrastructure requirements for the Metcash project.

***Table 4:** Infrastructure requirements to service the Metcash project*

Infrastructure Requirements	*Comments*
Internal	Goodman would construct the car and truck access driveways for the development, internal truck access around the warehouse building; and vehicle parking to Australian Standards.
Potable Water	The Concept Plan and Stage 1 Infrastructure Project address water service requirements for future developments, based on Sydney Water's guidelines. Sydney Water has confirmed that there is adequate capacity to service the proposed Metcash development; however Goodman would be required to design and construct an extension to the available 150mm water main at Brabham Drive.

Infrastructure Requirements	*Comments*
Stormwater	The Stormwater Management Strategy prepared by GHD, proposed stormwater management for the Metcash facility in accordance with the overall WSUD strategy developed for the Bungarribee Industrial Estate. The strategy includes: • an internal site and pit network, designed for the 1 in 20 year ARI event, which would direct stormwater to discharge points at the south and north west corners of the site; • provision of gross pollutant traps at each discharge point; and • runoff from the site to drain to previously approved stormwater quality management infrastructure, which includes constructed wetlands and stormwater detention basins, before being discharged to Eastern Creek. Council has recommended a number of conditions of approval with regard to stormwater drainage for the site. These include requirements for the identification of post development discharge volumes; that drainage be designed in accordance with Council's engineering guidelines and the approved Concept Plan stormwater strategy; assessment of final drainage plans; and provision for a positive covenant over the Southern Drainage Channel. Goodman has addressed these recommendations in its response to submissions and has agreed to develop the detailed stormwater system in accordance with Council's recommendations. The Department has also included a condition requiring Goodman to develop a Stormwater and Drainage Management Plan in consultation with Council. A Soil and Water Management Plan, including a Concept Erosion and Sediment Control Plan, has been included in the EA. The plan addresses erosion, sedimentation, water pollution, fuel and chemical storage management during construction, and outlines measures to limit impacts on the riparian environment at Eastern Creek.
Sewerage, Electricity, Gas and Telecommunications	Provision for sewerage, electricity supply, gas and telecommunications are included as part of the approval of the Stage 1 Infrastructure Project (08_0225). Existing services in the area include: • Sewer - 375mm main located on the eastern side of Brabham Drive; • Water – mains varying from 150mm to 600mm along the Great Western Highway and Brabham Drive; • Electrical – overhead transmission lines along the Great Western Highway; • Communications – 100mm diameter conduits linking the estate with the Blacktown exchange are located within Brabham Drive; and • Gas – 110mm main located along Brabham Drive and the Graet Western Highway. Connection and augmentation of these services to the Metcash site would be required.

The Department is satisfied that there is adequate provision of infrastructure to service the development of the Metcash project, subject to augmentation where necessary.

Contributions

The approved Concept Plan (06_0203) included a number of contribution items, previously identified by the RTA; Council; and Landcom (the original Proponent), to be funded or delivered by Goodman. These contributions are required to facilitate the development of the site and are subject to the Stage 1 Infrastructure Project approval. The items include:

- construction of a 4 way intersection to the Great Western Highway to provide access to the site and the Parklands to the north;
- upgrades to the Great Western Highway/Brabham Drive intersection;
- construction of a new Park Edge Road;
- construction of a new wetland to manage stormwater from the site and the 20 hectare industrial catchment to the east;
- new cycle path for the full length of the western boundary of the site and of the central estate spine road; and
- a cash contribution of $3.6 million to the RTA for regional road infrastructure.

Goodman has formalised these contribution items (minus the $3.6 million cash contribution which is subject to a separate agreement between Goodman and the RTA) in a letter of offer with Council and the WSPT to enter into a Voluntary Planning Agreement with Goodman for the delivery of these items. The detailed letter of offer outlined the contribution items, specifications, timing and maintenance arrangements and has been agreed to and signed by all relevant parties and was finalised as part of the Stage 1 Infrastructure Project.

In August 2009 the Government announced its intention to impose an $180,000 per developable hectare Special Infrastructure Contribution (SIC) levy for developments in the WSEA. The SIC is required to assist in the provision of regional road infrastructure including the 'Erskine Park Link Road Network'. Other developments in the area (such as Goodman's Oakdale Business Park) are already committed to contributing this rate toward the provision of regional road infrastructure in the WSEA.

However, as mentioned above, an agreement was entered into prior to the Government's announcement of the SIC. As part of the Concept Plan approval, Goodman is required to pay a monetary contribution to the RTA of $75,000 per developable hectare, which amounts to approximately $3.6 million for the entire Bungarribee Industrial Estate. Under the terms of this agreement, Goodman is required to pay the contribution on a staged basis, when a construction certificate is issued for each development within the Estate.

The Department considers the existing deed of agreement between Goodman and the RTA, requiring Goodman to contribute to regional infrastructure, adequate in providing for regional transport infrastructure and services in place of a State Infrastructure Contribution.

The Department is satisfied that through commitments and payments made by Goodman that adequate provision has been made for local and regional infrastructure.

5.3 Visual

Visual

The Metcash site is located a reasonable distance from sensitive residential receivers, with the nearest properties being approximately 500m to the west, beyond the Eastern Creek and Parklands area. The Huntingwood Industrial Estate is located to the east of the site which is predominately occupied by large warehousing and distribution facilities, and industrial developments similar to the proposal.

The proposal involves various components including three warehouses (to accommodate for different storage requirements, such as frozen and refrigerated goods), and an office component and carpark. Warehouse 1 is rectangular in shape and has dimensions of around 374m x 167m, Warehouses 2 and 3 are together approximately 275m x 96m in size. All warehouses have an overall height of 13.7m. The ancillary office building would be around 225m x 32m, with a height of 20m.

Together, with the 3 warehouse buildings, staff amenities and ancillary office space, the entire building footprint would be approximately 103,087m^2. Whilst the development would result in a large building footprint, it is broken up into a number of segments such as the warehouse and office components with varying heights, which would therefore reduce the overall bulk of the facility.

The main warehouse building is to be of contemporary steel frame construction. External finishing would include metal cladding finishes with subtle colouring, forming a chevron pattern, designed to create a sense of movement and complement the surrounding landscape. The office component would be constructed using pre-cast concrete, aluminium louvers and glazing to provide an aesthetic introduction to the Metcash development upon entry into the site (see Figures 11 and 12). Further, the Huntingwood Drive boundary would feature 2.1m high palisade fencing, while the side and rear boundaries would include 2.1m high black coated chain wire fencing, with barbed wire over.

The development controls for the entire Bungarribee Industrial Estate were outlined in the Concept Plan approval and amended (in part) during the assessment of the Stage 1 infrastructure Project (06_0203 MOD 1). The proposed Metcash development is consistent with these development controls.

With regard to views from the surrounding areas, although significant in size, the Metcash development would be consistent with the general industrial and employment uses of the area and generally compatible in style and design with warehousing and industrial developments to the east of the site in the adjacent Huntingwood Industrial Estate.

Figure 11: *Proposed Metcash Distribution Centre (north western corner)*

Further, although the detailed signage strategy for the Metcash facility is yet to be finalised, Goodman propose 2 building mounted "Metcash" signs, one of which to face Huntingwood Drive and the other the M7 Motorway; as well as a Goodman/Metcash co-branded monolith sign located at the site entrance. Notwithstanding, the Department has included a condition requiring Goodman to develop a detailed signage strategy in consultation with Council, for approval by the Director-General, prior to any sign being erected on-site.

Council raised no objections to the potential visual impacts associated with the project. The Department considers that the visual impacts associated with the development would be consistent with the strategic objectives for transforming the area into an employment use. 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.

Figure 12: Proposed Metcash Distribution Centre (aerial perspective)

Landscaping
The EA is accompanied by a landscape design report prepared by Site Image. A minimum 10m landscaped set back is proposed to the frontage with Brabham Drive and Huntingwood Drive, with a 20m landscaped buffer proposed along the boundary with the M4 Motorway.

The landscape plan incorporates a hierarchy of planting tailored to provide adequate screening and softening of the site, particularly along the northern boundary, which aims to provide a strong identity and branding through planting design; and along the southern boundary to help ameliorate views into the site. Planting would range from streetscape planting and vegetated boundary set backs (see Figures 13 and 14) containing plant species that are substantially consistent with species native to the area and consistent with the approved Concept Plan and Stage 1 Infrastructure Project.

***Figure 13:** Metcash Landscape Strategy*

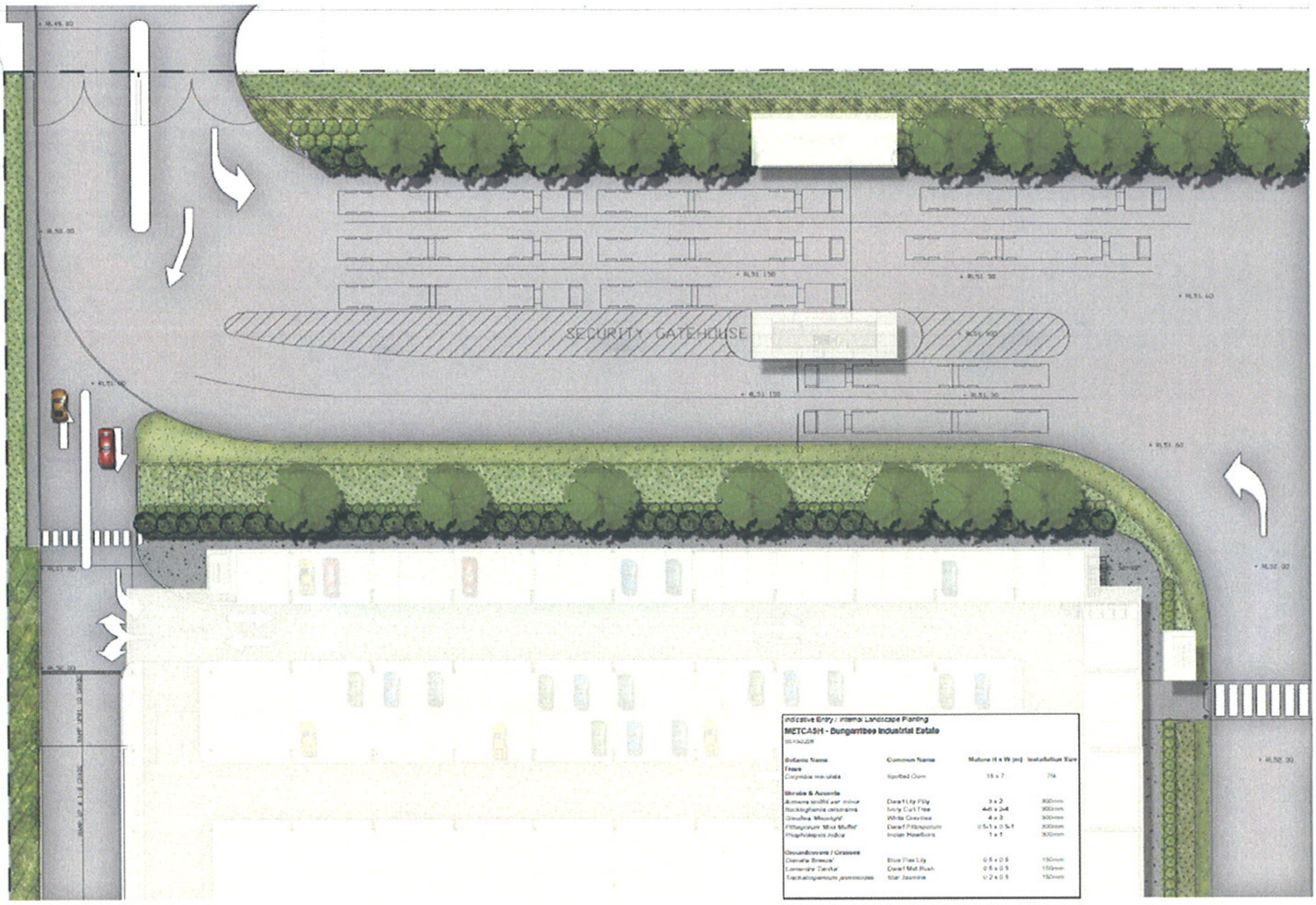

Figure 14: *Northern Boundary Landscape Setback Details*

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

5.4 Other Issues

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

Table 5: *Other Assessment Issues*

Issue	***Consideration***	***Recommended Conditions***
Dust	• An air quality assessment was undertaken by Heggies Pty Ltd (Heggies) and included in the EA. • The construction of the development has the potential to increase dust levels in the area. • Goodman has committed to implementing the recommendations outlined in the Heggies report, which include watering earthworks, stockpiles and unsealed roads; constructing wind breaks; maintaining trucks and equipment; and limiting construction activities during periods of high wind. • Heggies consider that it is unlikely that any proposed operational processes undertaken on-site would result in significant dust related impacts at surrounding sensitive receivers. • The Department is satisfied that air quality would not be compromised as a result of the proposed development.	• The Department has included a condition requiring Goodman to cover all truck loads leaving and entering the site during the construction period in order to limit any potential dust related impacts.
Noise	• A noise assessment was undertaken by Heggies with reference to sensitive receivers in the vicinity of the project site, including potentially affected residents located to the west of the site, in accordance with DECCW's *Industrial Noise Policy*. • Based on the recorded background noise levels for the area, Heggies recommended project specific noise criteria (PSNC) of 55dB(A).	• The Department has included operational noise criteria levels in the conditions of approval, which has been agreed to by Goodman

Issue	Consideration	Recommended Conditions
	• The predicted noise levels indicate that operations undertaken on site would be up to 41dB(A) at Residence 1 for the worst case scenario, which is below the proposed PSNL for the site. • Further, an assessment of predicted night time noise levels from the proposed development were found to be a maximum of 42dB(A), which is below the proposed sleep disturbance criteria of 61dB(A) at surrounding receivers, and therefore it is considered unlikely that night time operations at the Metcash facility would cause sleep disturbance at surrounding residential locations. • 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 the Great Western Highway and the M4 Motorway, it is predicted that any noise increase would be negligible. • The Department is satisfied that construction and operational activities onsite can be managed so as not to result in any significant noise impacts at surrounding residential receivers.	
Greenhouse Gas Emissions	• 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 a sustainability report prepared by Cundall, which outlines the use of energy efficient lighting and 'roof lights' for natural lighting. • The report also details improved efficiency in energy and indoor environmental quality by including energy efficient glazing to the office areas and a fresh air recovery system for air-conditioning. • The project incorporates a carbon reduction strategy which aims to reduce carbon by approximately 40% compared to current BCA standards. • The report confirmed that the development would operate in an energy efficient manner. • The Department is satisfied that the proposal has incorporated elements to reduce carbon emissions where possible and would not be a significant contributor of greenhouse gas emissions.	• The Department has included a condition requiring Goodman to develop an energy management plan outlining measures to reduce energy consumption.
Waste	• A Material & Equipment Disposal paper prepared by Metcash was included in the EA. The paper covers the operations of the proposed warehouse and distribution facility and details Metcash's effort to reduce the level of waste sent to landfill by increasing recycling efforts. • No hazardous or offensive industries or storage establishments would be permitted on-site. • Construction waste would be sorted on-site in accordance with recycling requirements, before being transferred to an appropriate waste processing facility. • The Department is satisfied that waste generated from the construction and operation of the Metcash Distribution Centre would be sufficiently managed on-site.	• The Department has included a condition of approval requiring Goodman to ensure that all waste generated on site during construction and operation is classified in accordance with the DECCW's *Environmental Guidelines: Assessment, Classification and Management of Liquid and Non-Liquid Wastes* and disposed of at the appropriate facility.
Flora and Fauna	• All vegetation to be removed from the site would be undertaken in accordance with the Concept Plan approval (06_0203) and the Stage 1 Infrastructure Project (08_0225).	• N/A

6. RECOMMENDED CONDITIONS

The Department has prepared recommended conditions of approval for the Metcash Distribution Centre Project (see Appendix C) 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 the project is generally consistent with the approval Huntingwood West (Employment Lands) concept plan (06_0203);
- provide flexibility in use for potential end-users; and
- provide for ongoing environmental performance and management of the project.

The Department has included Council's recommendations in the conditions of approval. The proponent has also reviewed and accepts the recommended conditions.

7. 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 project is consistent with the objectives of the NSW State Plan, Metropolitan Plan, and broader strategic planning being carried out for the western Sydney area; and that it has been designed appropriately to ensure that it will not compromise views from the surrounding sensitive receivers.

Finally, it has found that the project offers significant economic and social benefits to the Western Sydney region, as it would attract up to $65 million worth of capital investment and support up to 600 jobs close to homes within western Sydney.

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

8. RECOMMENDATION

It is recommended that the Minister:

- **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 project approval (refer Appendix C).

Haley Rich
Mining & Industry Projects

31/1/11

Chris Ritchie
Manager, Industry

31.1.11

Chris Wilson
Executive Director

1/2/11

Richard Pearson
Deputy Director-General

APPENDIX A: SUMMARY OF CONDITIONS OF APPROVAL

Aspect	*Condition*	*Requirement*
Schedule 3: Specific Environmental Conditions		
Construction Works	14-15	Requirement to carry out construction activities in a reasonable manner and to manage impacts satisfactorily.
Soil and Water	16-18	Discharge limits, bunding, and stormwater management
Transport	19-21	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	22-23	Noise level criteria and hours of operations.
Energy	24	Requirement to prepare a energy management plan.
Waste	25	Requirement to minimise and monitor waste.
Hazards	26	Manage dangerous goods in accordance with the relevant Australian standards.
Visual	27-30	Requirements for landscaping, fencing, signage, and lighting.
Air Quality	31	Requirements to minimise dust and ensure no offensive odour emissions.
Environmental Management Strategy	32	Requirement to prepare an environmental management strategy detailing roles and responsibility of staff during construction and operation.
Incident Reporting	33-34	Requirement to report incidents
Pre-Operation Compliance Audit	35-36	Submission of work as executed plans, prior to operations onsite.

APPENDIX B: SITE LAYOUT

Figure 1: *Metcash 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 20,000m^2, 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 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 that should signage be required, that 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: RESPONSE TO SUBMISSIONS & ADDITIONAL INFORMATION

APPENDIX F: SUBMISSIONS

APPENDIX G: ENVIRONMENTAL ASSESSMENT

APPENDIX G: ENVIRONMENTAL ASSESSMENT