



Planning & Infrastructure

**Section 75W Modification Request
Bungarabee Industrial Estate, Huntingwood West Precinct
Metcash Distribution Centre Project Approval MP10_0140 MOD1**



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

March 2013

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1 INTRODUCTION

This report assesses a modification request made by Goodman Property Services (the proponent) for the Metcash distribution facility at the Bungarribee Industrial Estate, Huntingwood West Precinct within the Blacktown local government area.

In particular, the modification seeks to alter the design of the extension to warehouse 1 which was approved under project approval (MP10_0140) (but is yet to be built). The primary change is to increase the height of the extension from 13.7m to 27.2m to enable a high-bay warehouse.

2 THE SITE

The subject site is located in the south east corner of the Huntingwood West Precinct (the precinct) which was the subject of concept plan approval issued by the then Minister for Planning on 9 December 2006 (MP06_0203). The precinct is a 56ha industrial estate which is currently under construction. It is bounded by the M4 Motorway to the south, the Great Western Highway to the north, Brabham Drive to the east, and Western Sydney Parklands to the west. Beyond Western Sydney Parklands is the M7 Motorway. Beyond the M4 Motorway is Eastern Creek Raceway and beyond Brabham Drive is industrial development. The nearest residential properties lie to the west of the precinct, approximately 500m from the subject site, along Pikes Lane. See **Figure 1**.

The subject site is located on the corner of the M4 Motorway and Brabham Drive. It is approximately 18.7ha and is owned by the proponent. It has been developed for a warehouse and distribution facility, operated by Metcash for IGA Distribution, Campbells Cash & Carry and Australian Liquor Markets.



Figure 1 – Regional context

3 BACKGROUND

On 1 February 2011, the Deputy Director-General approved a project application for the staged construction of a purpose built distribution centre to be operated by Metcash (MP10_0140) located within the Huntingwood West Precinct (MP06_0203). See **Figure 2**. The approval consisted of:

- 3 warehouse buildings and an ancillary office building with staff amenities, with a total gross floor area (GFA) of 103,087m²;
- a two level car park structure for 797 cars;
- landscaping works; and
- development in five stages.



Figure 2: Metcash distribution centre project approval (MP10_0140)

During the preparation of the construction certificate drawings and the construction phase of stages 1-3 (what has been built to date) the total GFA and parking were amended. These changes were approved by the certifier and the department was notified of the amendments in writing. An additional 1,842m² of GFA resulted and parking was reduced by 7 spaces to 790 spaces.

Therefore, the current (ie after the amendments made via the construction certificate) staging and GFA breakdown is shown in **Table 1** and **Figure 3**. Total GFA is 104,929m² and 790 parking spaces are provided.

Table 1: Staging of the Metcash distribution centre as per the construction certificate showing GFA breakdown

Stages	Description
1	Warehouse 1 – large ambient warehouse (42,388m ²) Office (5,276m ²) Awning Car park
2	Warehouse 2 – fresh produce warehouse (19,258 m ² – combined figure for warehouses 2 & 3) Warehouse 3 – perishables warehouse Office (1,173 m ²) Awning
3	Warehouse 1 expansion (14,386 m ²) Office (64 m ²) Awning

Stages	Description
4A	Office (2,315m ²) Car park
4B	Office (4,630m ²) Car park
5	Warehouse 1 - expansion (8,722m ²) Warehouse 2 – expansion (2,244m ²) Warehouse 3 – expansion (4,473m ²) Awning

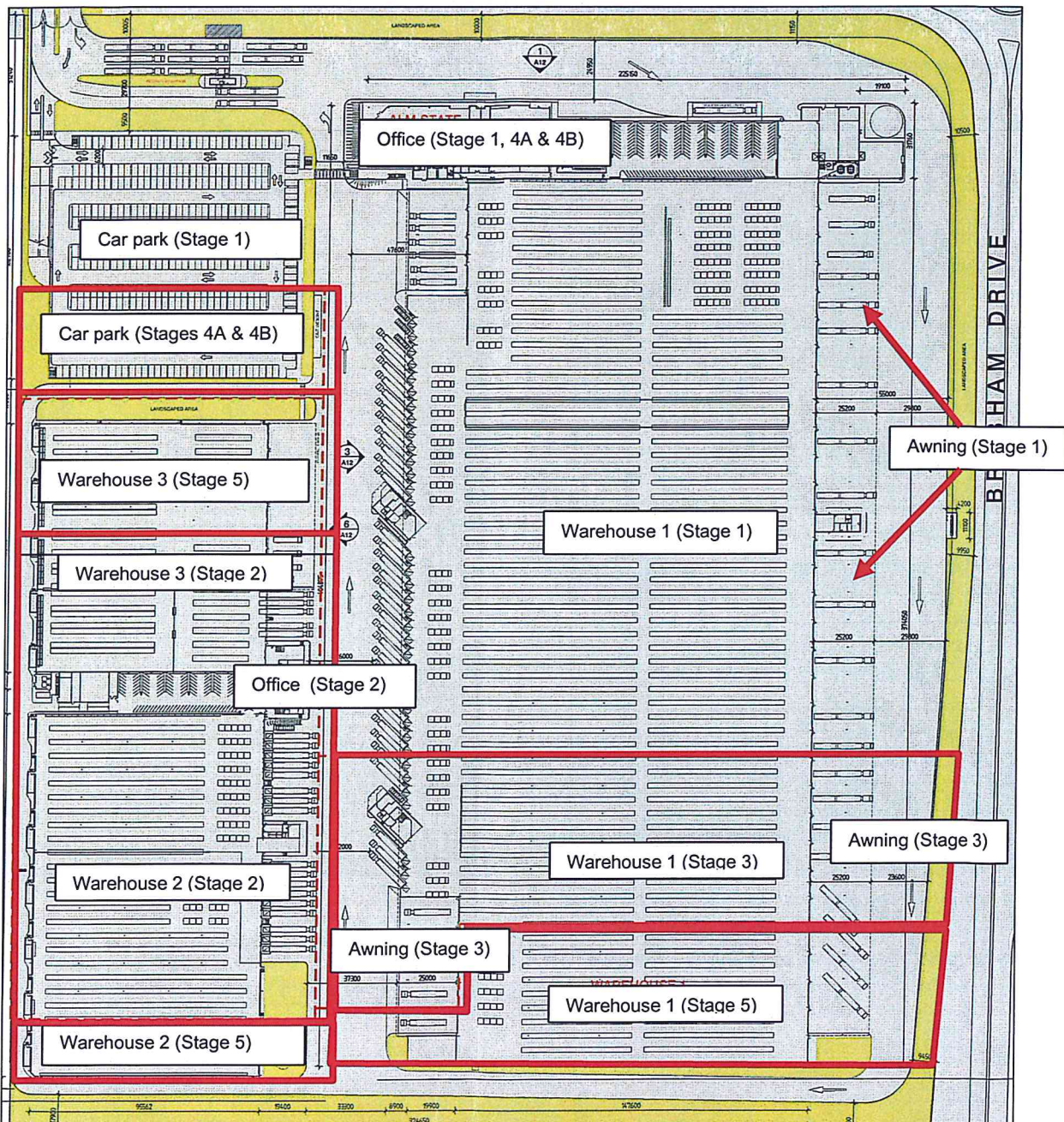


Figure 3: Approved staging of the Metcash distribution centre

4 PROPOSED MODIFICATION

The modification request seeks to:

- increase the height and gross floor area of the extension to warehouse 1, including changes to the external facade;
- provide additional trailer parking;
- amend the landscaping;
- alter the approved staging of development; and
- provide a new substation and switchroom.

Figure 4 shows some of the elements to be amended and **Appendix B** provides the proposed amended plans that form part of the modification request.

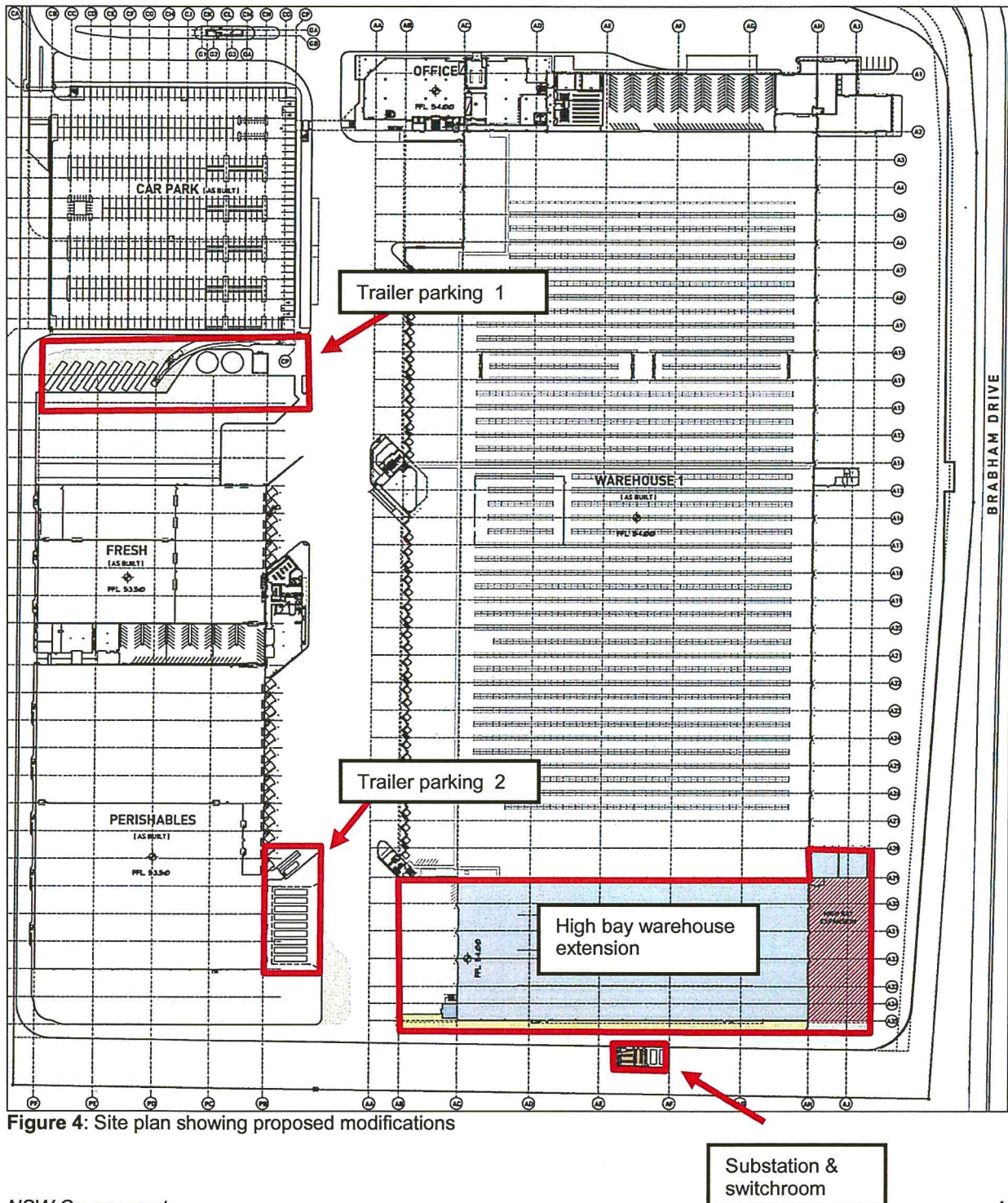


Figure 4: Site plan showing proposed modifications

4.1 Warehouse extension

The development was approved in stages and stage 5 included an extension to warehouse 1, see **Figure 3**. The extension (which is not yet constructed) had a maximum height of 13.7m and a GFA of 8,722m². The extension was the same height and width as the remainder of warehouse 1.

The proponent is now proposing that stage 5 be a high bay warehouse with a maximum height of 27.2m. It will have a total GFA of 10,697m². Awnings are proposed on the eastern and western elevations, as they were under the project approval. They will each have a height of 9.4m (the western awning was approved at 10.6m). The proposed extension will result in an additional total GFA of 1,975m².

The high bay component will accommodate a state of the art storage and packing system known as a 'case warehouse'. The technology used for this type of packing operates on a vertical storage axis, rather than the traditional horizontal axis, which therefore requires a greater height.

The extension will be built in three stages:

- the first stage (5A) proposes to include the warehouse (8,905m²), an awning on the western elevation (662m²), rooms that store and sort damaged goods (ullage room) (302m²), an elevated viewing room (20m²), an IT room (19m²) and a store room (39m²). Total GFA of 9,285m² (excludes the awning);
- the second stage (5B) proposes to include an awning on the eastern elevation (1,523m²); and
- the third stage (5C) proposes to enclose the majority of the eastern awning to form an extension to the high bay warehouse. This will result in an additional 1,412m² of warehouse floor space (and leave 111m² of awning).

The enclosing of the awning to provide more floor space (proposed stage 5C) is forecast for Metcash's operations but is unlikely to be built before the next 5 years.

Figures 5 and 6 show the approved and proposed eastern elevations. The extension will commence at bay A29 and continue to bay A35 whereas the approved extension terminated at bay A34.

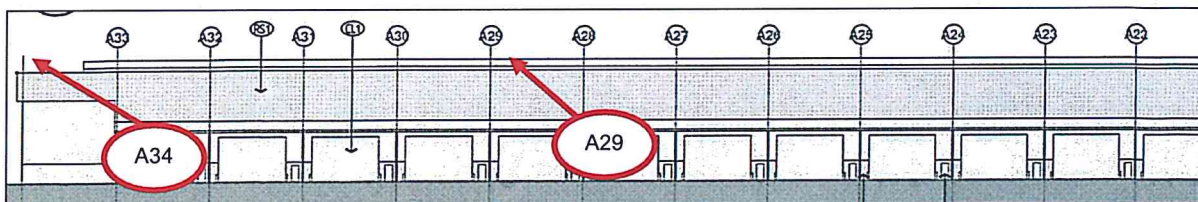


Figure 5: Approved eastern elevation (southern end of building)

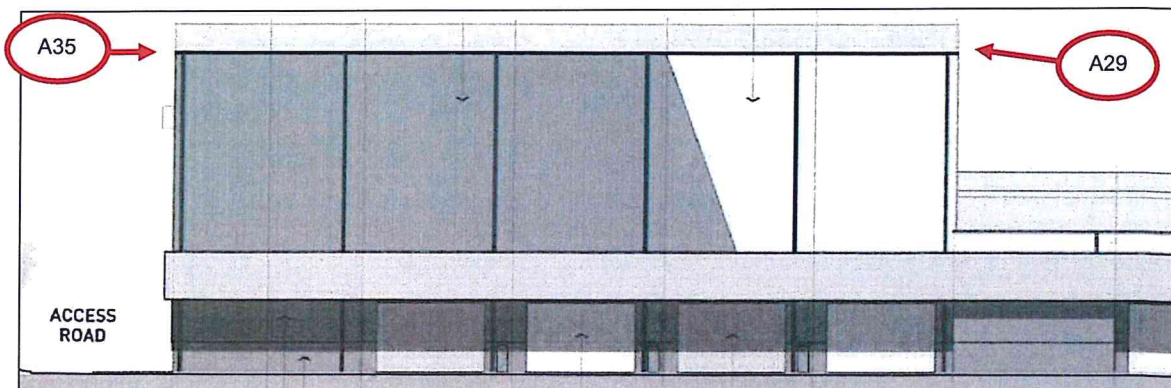


Figure 6: Proposed eastern elevation (southern end of building)

The approved southern elevation is shown in **Figure 7**. **Figures 8 and 9** show the proposed southern elevations before and after the proposed stage 5C high bay extension which will enclose the eastern awning.

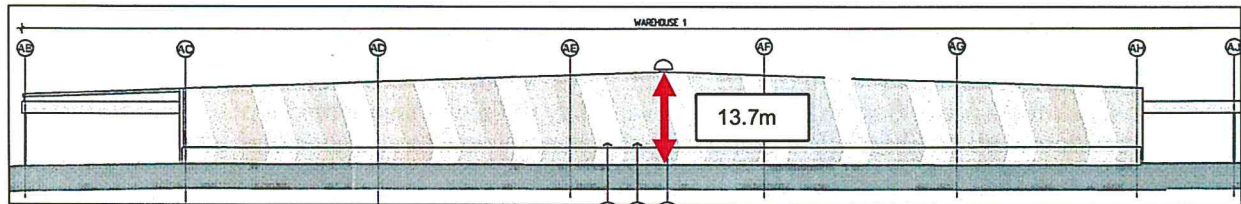


Figure 7: Approved southern elevation

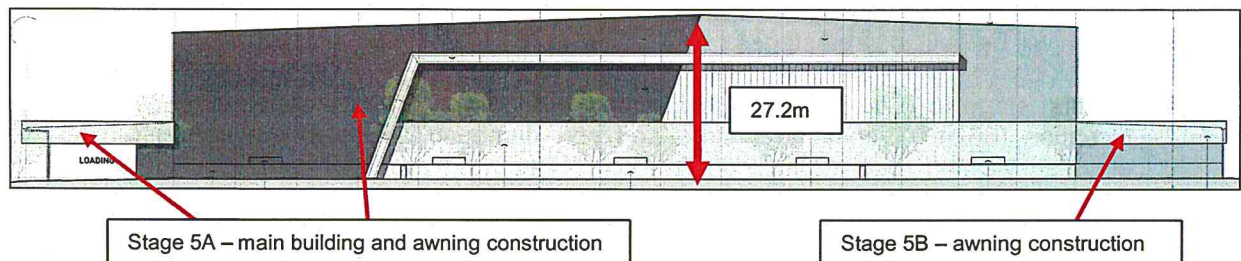


Figure 8: Proposed southern elevation (showing eastern and western awnings)

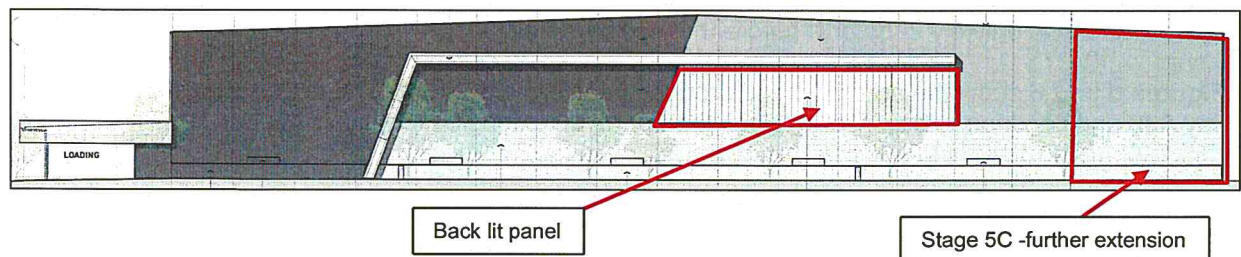


Figure 9: Proposed southern elevation (showing western awning + further high bay extension)

Materials and Visual appearance

The approved facade extension was to be clad in colorbond sheeting and have a chevron pattern (see **Figure 7**). Colours included three pale tan tones. No structural features were proposed to break up the bulk.

The external appearance of the proposed warehouse extension will be a mixture of materials and shades with structural features to break up the bulk. See **Figure 9**.

Materials include colorbond sheeting, precast concrete panels and translucent polycarbonate sheeting.

A back lit panel of polycarbonate sheeting (see **Figure 9**) is proposed. It will be subtly lit to show up proposed future signage at night. Regardless of any proposed signage, the back lit panel will provide interest to the facade and assist in breaking up the bulk of the extension.

Signage was proposed as part of this modification but at the request of the proponent, that element of the application has been withdrawn and no signage is being assessed as part of this application.

Substation and Switchroom

A substation and switchroom are proposed in the buffer planting zone to the M4 Motorway. They will have a total area of 95m² and be just over 4m in height. See **Figure 4** for their location.

4.2 Trailer parking

Additional trailer parking is proposed in the location currently approved for the extension to warehouse 3. See **Figure 4** (indicated as 'Trailer parking 1').

This proposed trailer parking will be temporary as after the extension to warehouse 3 is built, it is proposed to be relocated to the eastern side of warehouse 2, see **Figure 4** (indicated as 'Trailer parking 2').

4.3 Landscaping

Grass landscaping along the southern elevation of the Metcash building was approved under project approval MP10_0140 (see **Figure 10**). As part of the modification request, tree, shrub and grass planting along this elevation are now proposed which includes nine water gums spaced along the frontage with shrubs and native grasses located in between.

A 20m landscaped buffer area which extends along the entire site's frontage to the M4 Motorway (approved under MP10_0140, see **Figure 10**) remains unchanged under this modification, with the exception of the new substation and switchroom which are now proposed to be located in this area. The proponent states that planting in this area will be relocated around the new structures.

4.4 Staging

A revised staging plan which breaks down the approved stage 5 into a further five stages has been submitted with the modification, as outlined in **Table 2** and **Figure 10**.

Table 2: Proposed amended staging of the Metcash Distribution Centre and GFA breakdown

Stages	Proposed
5A	Warehouse 1 extension (9,285m ²) Western awning (662m ²)
5B	Eastern awning (1,523m ²)
5C	Warehouse 1 extension to enclose awning
6	Warehouse 2 extension (2,244 m ²)
7A	Temporary trailer parking (trailer parking 1)
7B	Warehouse 3 extension (4,473 m ²) Relocate temporary trailer parking (trailer parking 2)

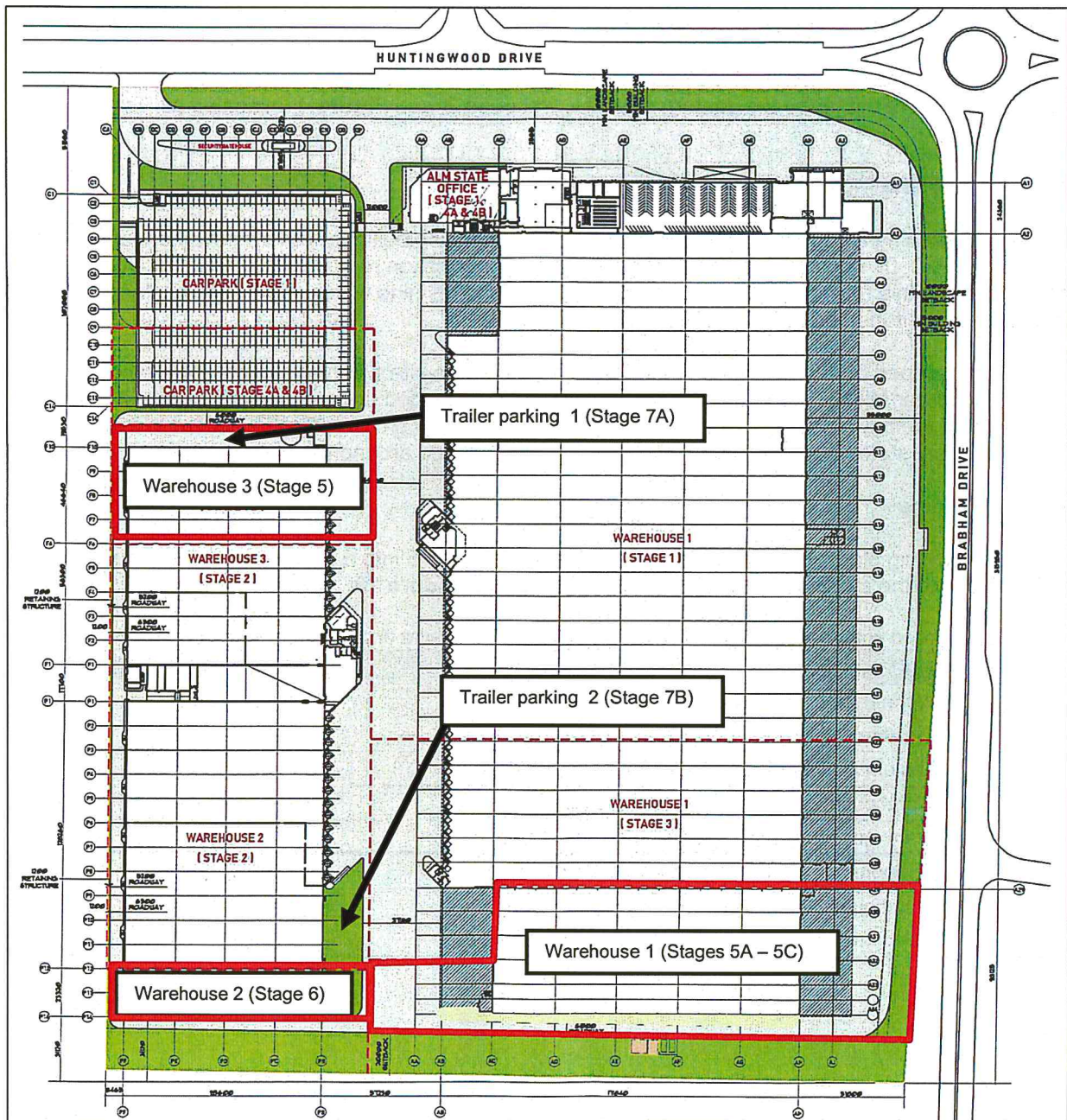


Figure 10: Proposed staging plan

5 STATUTORY CONTEXT

5.1 Modification of the Minister's Approval

Approval of MP10_0140 was granted in accordance with Part 3A under section 75J of the Act. In accordance with clause 3 of Schedule 6A of the Act, section 75W of the Act as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A, continues to apply to transitional Part 3A projects.

Section 75W(2) of the Act provides that a proponent may request the Minister to modify the Minister's approval of a project. The department is of the opinion the application can be modified under section 75W(2) of the Act because the modifications are minor and the proposal will remain substantially the same as that approved under MP10_0140.

5.2 Environmental Assessment Requirements

Section 75W(3) of the Act provides that the Director-General may notify the proponent of environmental assessment requirements (DGRs) with respect to the proposed modification that the proponent must comply with before the matter will be considered by the Minister.

In this instance, following an assessment of the modification request, it was not considered necessary to issue revised DGRs with respect to the proposed modification, as sufficient information was provided to the department to consider the request.

5.3 Delegated Authority

The Minister has delegated his functions to the Planning Assessment Commission (PAC) to determine section 75W modifications where a political disclosure statement has been made. A political disclosures statement has been made by Metcash Trading Ltd, the site operator and lessee.

Metcash Trading Ltd has a 'financial interest in the application' as set out by section 147(3)(a) of the Act.

6 EXHIBITION AND SUBMISSIONS

6.1 Exhibition

Under section 75X(2)(f) of the Act, the Director-General is to make publicly available requests for modifications of approvals given by the Minister. In accordance with clause 8G of the *Environment Planning & Assessment Regulation 2000*, the request for modification was made publicly available on the department's website.

Referrals were sent to Blacktown City Council (council), the Roads and Maritime Services (RMS), Western Sydney Parklands Trust (WSPT), the Office of State Lands (OSL) and Sydney Metro Airports (Bankstown & Camden).

6.2 Submissions

Responses were received from council, RMS and Sydney Metro Airports. All responses did not object to the proposal, however council provided comments to be addressed.

Separate responses were not received from OSL and WSPT, however, the Design Review Panel applicable to the Huntingwood West Precinct, which is made up of officers from the OSL and WSPT did provide comments. The Panel reached a consensus that the modification should be approved.

6.2.1 Blacktown City Council comments

Three issues raised by BCC are listed below:

- It is recommended that a condition of approval be imposed to require the proponent to provide additional planting within the landscaped buffer area between the M4 Motorway and the building.

The submitted landscape plan indicates only 9 trees with a mature height of 9m will be planted. This is not considered sufficient for an area approximately 200m in length. It is considered a minimum of 25 trees shall be planted to a mature height of between 15-20m.

- Signage details have not been provided as part of the modification and it is noted any signage shall comply with State Environmental Planning Policy 64 – Advertising and Signage and is subject to separate approval.
- All building materials on the southern elevation must not be reflective to ensure no impacts or distractions to traffic.

7 ENVIRONMENTAL ASSESSMENT

The department has considered the key issues associated with the modification request, including:

- the high bay warehouse extension;
- the location of trailer parking;
- stormwater management; and
- signage.

7.1 High bay warehouse extension

Visual impact

The subject site is located a reasonable distance from sensitive residential receivers, with the nearest properties being approximately 500m to the west, beyond Western Sydney Parklands. 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, including the Arnott's high bay warehouse.

An extension to warehouse 1 was approved in the south eastern corner of the subject site under MP10_0140. The height was approved at 13.7m and the area approved was 8,722m² GFA. The extension would have been a continuation of warehouse 1 in terms of height, width and appearance.

As discussed in section 4.1, the proponent is now proposing that the extension to warehouse 1 be in the form of a high bay warehouse with a maximum height of 27.2m. This is an additional 13.5m or almost double the approved height. It will have a total GFA of 10,697m², an additional 1,975m² GFA above the approved extension.

The proposed extension will be substantially more visible from the M4 Motorway and surrounding areas than the approved extension. To mitigate against this, the design features horizontal elements, a range of materials and grey tones. The horizontal elements, including the polycarbonate back lit panelled section will help break up the facade and give the appearance of a sleek elevation and the colours will assist in the blending of the extension into the surrounding landscape. The grey tones proposed will mean the extension is less obvious than the approved lighter tones.

This treatment is contrast with the Arnott's high bay warehouse on the other side of Brabham Drive, also fronting the M4 Motorway. This high bay warehouse is completely clad in an off-white metal sheeting with no articulation or breaking up of the facade (other than by Arnott's signage) and consequently the high bay component of the warehouse has a greater visual impact than the proposed modification would.

The subject site is 3.5m lower than the level of M4 Motorway. This will mean the height of the building will appear lower when viewed from the Motorway. This along with the proposed landscaping, which is

flush with the building facade and the existing 20m landscaped buffer to the M4 Motorway will assist in screening the extension from the M4 Motorway.

Development Design Controls (DDC) formed part of the concept plan approval (MP06_0203) for the precinct. Any subsequent development within the precinct must show compliance with the DDC, as amended. The controls do not set a height limit for the site. The proposed extension complies with the DDC, in particular:

- the 20m landscaped buffer to the M4 Motorway is retained;
- the facade to the M4 Motorway will be articulated using a variety of materials;
- new landscaping along the southern perimeter of the building proposes endemic species; and
- total site coverage is 64% (where the controls state a maximum 65%).

The proposed modification remains generally consistent with the concept plan approval.

Council has stated that all building materials on the southern elevation must be non reflective materials to ensure no impacts or distractions to traffic. This can form an additional condition to any modification approval.

The proposed back lit panelling in the facade will be covered by condition 30 in the project approval which requires the lighting associated with the project to comply with the latest version of 'AS 4282 (INT) – Control of Obtrusive Effects of Outdoor Lighting'.

The department is satisfied that the architectural design features and colours proposed for the extension, along with proposed and existing landscaping will reduce the visual impact of the extension when viewed from the M4 Motorway and surrounds.

Traffic and parking

Traffic

As detailed above, the GFA for the site was originally approved at 103,087m² and this increased by 1,842m² GFA to 104,929m², during the construction stage (approved by the certifier). This comprised of 91,471m² of warehouse floor space and 13,458m² of office floor space. The extension to warehouse 1 was originally approved at 8,779m² and then amended to 8,722m² (approved by the certifier). A difference of 57m².

Traffic studies done by Halcrow as part of the project approval (based on a GFA 103,087m²) found the volume of traffic to be generated by the site would be approximately 218 movements during the AM peak and 209 movements during the PM peak. The AM peak was estimated to consist of 78 truck and 140 car movements and the PM peak would consist of 33 truck and 176 car movements. -

The traffic assessment submitted as part of this modification request considers the increase in vehicle movements based on the increase in GFA for the extension to warehouse 1, as originally approved by the department (ie 8,779m²).

No additional staff are proposed as a result of the proposed warehouse extension and expected operational traffic movements will increase by 3 vehicles per hour, therefore the minor increase in movements will not adversely impact the surrounding road network and is considered acceptable.

Parking

The approved development provided sufficient car parking on the site with a total of 797 spaces. Under the certifier's approved plans, which increased the size of the warehouse and office floor space and reduced parking by 7 spaces to 790 spaces, a deficit of 3 car spaces occurred.

As part of this modification, the increase in warehousing (1,936m²) and office (39m²) floor space generates a demand for an additional 11 car spaces. This is based on council's DCP 2006. Therefore, if approved, the entire development would have a parking deficit of 14 spaces.

No additional parking is proposed because the application does not propose any additional staff.

Overall, the department considers the minor shortfall in car parking is acceptable because no additional staff are proposed. The department is satisfied the provision of 790 spaces is adequate for the proposal.

Even though the extension does not affect loading areas and truck turning facilities, it has been confirmed a B-double truck will be able to circulate in the south east corner of the site. This corner will have the extra building width once the awning is enclosed.

Council and the RMS did not raise any issues with traffic and parking.

Landscaping

As discussed in section 4.3, a 20m landscaped buffer to the M4 Motorway was approved under the project application (the southern boundary). This buffer will be maintained as part of this modification request with the only alteration being an area cleared for the substation and switch room. Existing trees will be removed and relocated around the proposed substation and switchroom to screen them. The department is satisfied with this approach.

The plantings proposed along the building frontage to the proposed high bay warehouse extension will include tree, shrub and grasses. Nine water gums will be spaced along the frontage with shrubs and native grasses in between the trees. One of council's concerns was the lack of planting in this location to screen the extension. It has been clarified with council that the new plantings along the building frontage are not for screening purposes but to break up and soften the facade. Screening will continue to be provided by the 20m wide landscaped buffer to the M4 Motorway along with the landscape buffer external to the site, in between the site boundary and the M4 Motorway. Additional trees along the building facade would contribute little to screening when there is substantial buffer planting within and immediately outside the subject site.

The proposed planting on site will remain consistent with the existing planting palette for the precinct.

The department does not object to the modifications to the landscaping. The proposed high bay warehouse extension will be partially screened by the existing landscaped buffer adjacent to the M4 Motorway. Further, the proposed additional planting directly along the building frontage will assist in breaking up the bulk of that frontage.

Noise impacts

The nearest residential uses are on Pikes Lane (see **Figure 1**), a minimum 500m from the subject site. Noise limits were set for two residential receivers on Pikes Lane in condition 23 of project approval MP10_0140. The modification request includes a report reviewing the noise impacts based on the proposed high bay warehouse extension.

The operational noise from the proposed extension has been assessed against condition 23 and the project specific noise criteria established in accordance with the NSW Industrial Noise Policy (INP).

It should be noted that the project approval noise criteria were based on the noise levels predicted under a worst-case scenario for the site's operation and not on the project specific noise levels identified in accordance with the INP (ie the levels likely to cause disturbance). These levels are higher.

Noise modelling results conclude the operational noise from the proposed high bay warehouse is predicted to comply with the project specific noise levels but exceed the levels set by condition 23 of the project approval by 1dBA at the residential receivers under a worst-case scenario. Given the background existing noise levels at these receivers, a 1dBA increase will not be detectable.

Noise levels from night time operations that may affect sleep have been shown to comply with the project approval as do the construction noise impacts.

The department concludes the operational noise from the proposed high bay warehouse will not adversely impact the nearby sensitive residential receivers. Nevertheless, it is recommended condition 23 be modified to accord with the new predictions, which are still well below the levels likely to cause disturbance.

7.2 Trailer parking

Additional trailer parking is proposed in the area set out for the extension to warehouse 3 and when the extension is built, the trailer parking will be relocated to the area adjacent to warehouse 2. See **Figure 4** for the two locations.

No objection is raised to the first trailer parking location as it is a temporary location which will ultimately be part of the building envelope. The relocation adjacent to warehouse 2 will require the loss of some landscaped area and the area is also designated for two 'possible' rainwater tanks (as stated on the approved plans). The rainwater tanks were approved as part of the non-potable water reuse system under the project approval.

This area was approved as grass landscaping and no objection is raised to the loss of a grassed area given the significant landscaping on site, being the northern, eastern and southern boundaries will be maintained. These boundaries provide screening and softening of the site. The proponent has advised the rainwater tanks could still be located underground (in this area) or relocated elsewhere on site.

7.3 Stormwater

Stormwater management has been reviewed with regard to the proposed high bay warehouse extension and the additional trailer parking.

Stormwater management for the subject site is integrated with the stormwater system for the Huntingwood West precinct. Individual site detention is not required because all sites discharge to the stormwater drainage system which conveys water to the precinct wetlands and then into Eastern Creek.

The management of runoff from the increased surface area of the proposed extension and the trailer parking area can be accommodated within the existing piped drainage network. As such the department is satisfied that stormwater management and disposal can be dealt with satisfactorily.

7.4 Signage

Signage details were originally included with this modification request. As the required consultation had not occurred with council, the proponent requested to withdraw this part of the application and therefore no signage is considered for approval.

Condition 28 of the project approval will continue to apply to any future signage proposed on site:

28. *The Proponent shall not install any signage on site without the written approval of the Director-General. In seeking this approval the Proponent shall:*
- a) *submit detailed plans of the proposed signage, which have been prepared in consultation with Council, and*
 - b) *demonstrate that the proposed signage is consistent with the relevant requirements in the "Huntingwood West Employment Lands – Development Design Controls".*

8 AMENDMENTS TO CONDITIONS

The proposed amendments to the instrument of approval include:

- Definitions – modify the reference to the Huntingwood West Employment Lands – Development Design Controls as modified by concept plan approval MP06_0203 MOD1 and MOD2.
- Condition 2 – reference the EA and plans submitted as part of the modification request;
- Condition 5 – reference the EA submitted as part of the modification request;
- Condition 13 – reference the EA and staging plan submitted as part of the modification request;
- Condition 23 – amend to include new noise limits; and
- Condition 27A – new condition in relation to non reflective building materials.

9 CONCLUSION

The department is satisfied that the proposed amendments to the project approval are justified and the existing and proposed conditions will ensure the proposal does not result in any additional adverse environmental impacts.

The amendments to the warehouse 1 extension (height and gross floor area), trailer parking, landscaping and staging will mean the development will remain substantially the same as that originally approved. Furthermore, it will facilitate the continued development of the Huntingwood West Precinct and support the provision of jobs in Western Sydney.

Consequently, the department is satisfied that the proposed modifications are minor and should be approved.

10 RECOMMENDATION

It is recommended that the Planning Assessment Commission:

- **consider** the recommendations of this report;
- **approve** the modification, subject to conditions, under section 75W of the *Environmental Planning & Assessment Act 1979* by **signing** the attached instrument of modification (refer **Appendix A**).



4/3/13

Heather Warton
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4.3.13

Chris Wilson
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