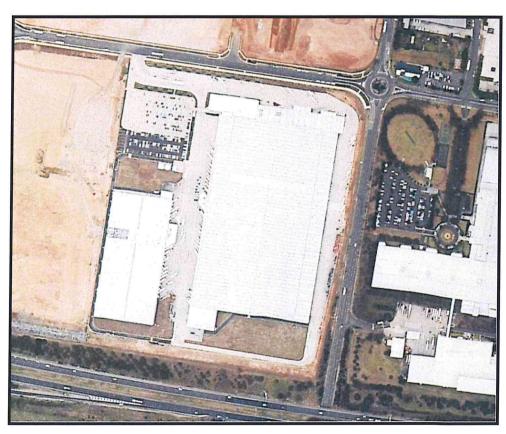


MODIFICATION REQUEST: Metcash Distribution Centre; Bungarribee Industrial Estate, Huntingwood West Precinct

MP10_0140 MOD 2



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

February 2014

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ABBREVIATIONS

Agency Planning and Infrastructure CIV Capital Investment Value

DGRs Director-General's Requirements

Director-General Director-General of Planning and Infrastructure, or his delegate.

EA Environmental Assessment

EP&A Act Environmental Planning and Assessment Act 1979

EP&A Regulation Environmental Planning and Assessment Regulation 2000

EPI Environmental Planning Instrument

LEP Local Environmental Plan

MD SEPP State Environmental Planning Policy (Major Development) 2005

Minister Minister for Planning and Infrastructure PAC Planning Assessment Commission

Part 3A Part 3A of the Environmental Planning and Assessment Act 1979

PPR Preferred Project Report

Proponent Goodman International Pty Limited or its successors in title

RtS Response to Submissions

SEPP State Environmental Planning Policy

Cover Photograph: Photomontage of the approved development on the site

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1. BACKGROUND AND THE SITE

1.1 Introduction and Scope

This report is an assessment of a request to modify the project approval (MP 10_0140) for the Metcash Distribution Centre, which is located in the Huntingwood West Precinct within the Blacktown local government area pursuant to section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

1.2 Site Location and Surrounding Land Uses

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 (MP 06_0203). The Precinct is a 56 hectare industrial estate which is currently under construction, within an area formerly known as the Western Sydney Employment Hub, however, is outside the Western Sydney Employment Area.

The subject site is located on the corner of the M4 Motorway, Brabham Drive and Huntingwood Drive, Huntingwood West and forms part of the Bungarribee Industrial Estate ('the Estate'). The site is legally described as Lot 34 in DP 1169557 (previously known as part Lot 2 and Lot 3 DP 1127100) and comprises an area of approximately 18.8 hectares. The site has partly been constructed for a warehouse and distribution facility, operated by Metcash for IGA Distribution, Campbell's Cash & Carry and Australian Liquor Markets. The location of the site is illustrated in **Figure 1**.

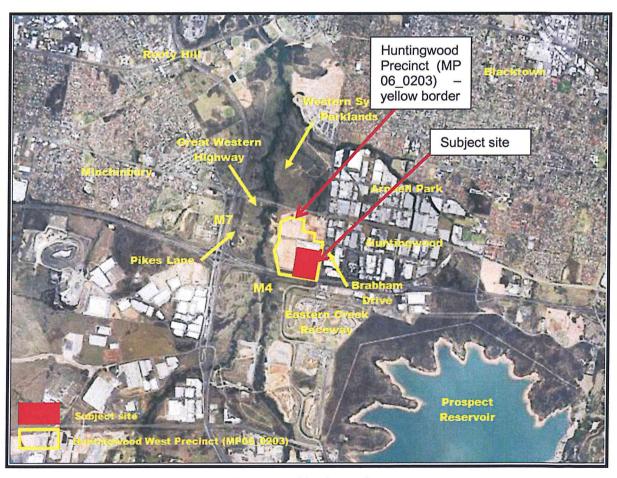


Figure 1: Site Location

(Source: Section 75W report, prepared by McKenzie group, October 2013)

The subject site has a southern frontage to the M4 Motorway of 385 metres, a northern frontage to Huntingwood Drive of 392 metres and an eastern frontage to Brabham Drive of 457 metres. The western boundary adjoins land allocated for future industrial development as part of the Estate, however, is currently vacant. The Western Sydney Parklands are located further west of the site, beyond which is the M7 Motorway. Beyond the M4 Motorway to the south is the Eastern Creek Raceway and to the east, beyond Brabham Drive, is existing industrial development. The nearest residential properties are located to the west of the precinct, approximately 500m west of the subject site, along Pikes Lane.

Access to the site is currently via Huntingwood Drive, with no direct vehicular or pedestrian access from Brabham Drive or the M4 Motorway. The site is generally flat with a slight fall from the eastern to the western boundaries.

1.3 Previous Approvals

Concept Plan MP 06_0203

Concept Plan Approval was granted by the then Minister for Planning on 9 December 2006 (MP 06_0203) for the subdivision and future employment uses within the Huntingwood West Precinct. The approval also included a 47-lot subdivision for employment generating uses, associated roads, services and infrastructure and open space. Development Design Controls for the Huntingwood West Precinct were also approved as part of the Concept Plan Approval.

Project Application MP 10_0140

Project Approval MP 10_0140 was issued by the then Deputy Director-General, as delegate for the Minister for Planning, on 1 February 2011 for a purpose built distribution centre for Metcash Trading Limited. The approval comprised the following:-

- Staged construction of three (3) warehouse buildings (including fit-out) with ancillary office building and staff amenities (total gross floor area of approximately 103,087m² and warehouse height of 13.7 metres). This included warehouse 1, a Fresh food warehouse and a Perishables Warehouse;
- Two-level car parking structure for 797 cars;
- Associated hardstand, loading and servicing areas;
- Landscaping; and
- Use of the facility by Metcash.

Consolidation of Part Lot 2 and Lot 3 was undertaken in accordance with the Statement of Commitments of Project Approval MP 10_0140 to establish the current property description.

Modifications

On 8 March 2013, the Planning Assessment Commission ('PAC'), under delegation, granted approval to a modification to the project approval (MP 10_0140 MOD 1). The PAC determined this Section 75W application as a political disclosure statement was made by Metcash trading Limited, the site operator and lessee. The modification granted approval to the demolition of minor building structures (awning and pre-cast panels) and the installation of a new high bay warehouse (revised racking layout) to replace the existing stage 5 of Warehouse 1 (southern extent). Additional hardstand, heavy vehicle parking, landscaping and signage to further support the High Bay Warehouse was also approved.

2. PROPOSED MODIFICATION

2.1 Modification Description

On 4 November 2013, the proponent submitted a Section 75W modification request (MP 10_0140 MOD 2) seeking to modify the Project Approval to enable the construction and use of a small loading dock viewing area in the south-western corner of Warehouse 1.

The proposed viewing area will be located on the first floor and is to be connected to the existing lunchroom facilities at the southern end of the warehouse. The proposal is adding a small amount of floor space, similar to a mezzanine area of approximately $25m^2$, to the south of the existing amenities and lunchroom area above existing floor space. The proposed additions are to be constructed of materials to match the existing building comprising metal cladding and detailing as approved.

The approved modified layout (under MOD 1) and the proposed modified layout are shown in **Figure 2** and the floor plan for the proposed new viewing room is shown in **Figure 3**. The plans for the proposed modification are at **Appendix C**.

The approved Metcash Warehouse is generally constructed and operational although the internal fit out works is still ongoing, as illustrated in **Figure 4**.

While the proposed modifications represent a minor increase in the gross floor area of the site, there will be no change to the approved land use, operational hours, truck movements, staff or visitors or quantity/type of materials to be handled and stored at the facility.

The conditions which will require modification under this proposal include:-

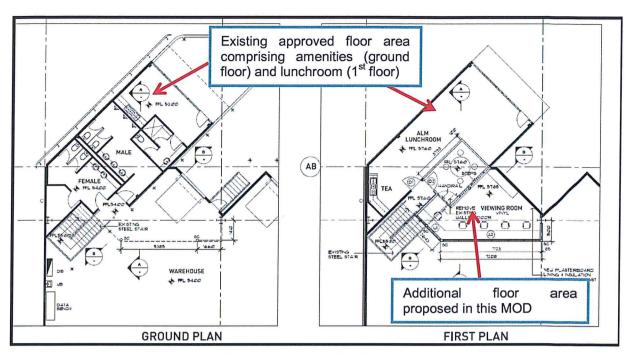
- a) Definitions to be updated to identify and refer to modification application; and
- b) Condition 2(b) of Schedule 2 to be altered to reflect amended plans and supporting specialist reports.

These matters are further discussed in Section 5.

2.2 Modification Justification

The existing approved facility on the subject site has been developed to consolidate the Metcash facilities spread throughout Sydney and create a single, centralised hub for warehousing and distribution operations. The Proponent states that the demand on the facility has revealed the need for the introduction of a new, advanced system to efficiently manage deliveries and loading in concert with order preparation and storage. This requires the provision of a loading dock viewing room proposed in this modification application, which will allow for the supervision of delivery vehicles.

Given there are minimal impacts associated with the proposal, it is considered that the changes are justified.



<u>Figure 3: Proposed New Viewing Room Plan</u> (Source: MOD 2 (MP 10_0140) dated October 2013)



Figure 4: Existing Metcash Warehouse (partly constructed) (Source: www. http://maps.six.nsw.gov.au/

3. STATUTORY AND STRATEGIC CONTEXT

3.1 Modification of the Minster's Approval

Project application MP 10_0140 was granted approval under section 75J of the EP&A Act. Section 75W of the EP&A Act provides for the modification of the Minister's approval.

In accordance with Clause 3 of Schedule 6A of the EP&A 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.

Pursuant to section 75W(2) of the EP&A Act, the proponent may request the Minister to modify the project approval. A copy of the proponent's modification request is included at **Appendix B**.

Section 75W(3) of the EP&A Act provides that the Director-General may notify the proponent of environmental assessment requirements (DGRs) with respect to the proposed modification. Following an assessment of the modification request, it was considered that DGRs were not required as sufficient information was submitted to assess the application. Under Section 75W(4) of the Act, the Minister may modify the approval (with or without conditions) or disapprove the modification. The following report outlines Planning and Infrastructure's (the agency) assessment of the modification request.

3.2 Delegated Authority

Under the Instrument of Delegation dated 4 April 2013, the Minister has delegated his functions to determine section 75W modification requests to the Executive Director – Development Assessment Systems and Approvals, whereby:

- the relevant local council has not made an objection to the proposal;
- a political disclosure statement has been made, but only in respect of a previous related application; and
- there are less than 10 public submissions in the nature of objections.

Blacktown City Council did not make an objection to the proposal as outlined in Section 4.2 of this report. The proponent has not made a political donation as outlined on the application form for this modification application, however, a political donation was declared for the original major project, MP 10_0140 and for MOD 1 to MP 10_0140. No public submissions in the nature of objections were received. The Executive Director – Development Assessment Systems and Approvals, may determine the modification request under delegation.

4. CONSULTATION AND SUBMISSIONS

4.1 Notification

Under section 75X(2)(f) of the EP&A 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 *Environmental Planning and Assessment Regulation 2000*, the request for modification was made publicly available on the agency's website. Due to the minor nature of the modification, the request was not exhibited by any other means. No public submissions were received.

4.2 Consultation

Blacktown City Council

The modification request was referred to Blacktown City Council for comment. The Council

stated that based on the description of the modifications sought, provided all the works are internal and BCA matters are addressed, no objections are raised to the proposed modification (**Appendix D**).

5. ASSESSMENT

The key assessment issues associated with this modification request are generally related to consistency with the concept and project approvals, potential visual and acoustic impacts and compliance with the planning controls. These issues are discussed below.

5.1 Consistency with Concept and Project Approvals

The proposed modification involves minor changes to a small portion of the approved warehouse 1 only. The proposal does not involve any changes to the land use, car parking, staff numbers or any significant external buildings works to the existing approved building. It is therefore considered that the proposed modification is generally consistent with the concept approval for the site (MP 06_0203), which provided for the overall subdivision, associated roads, services and infrastructure and open space as well as the Development Design Controls. The proposed modification is also generally consistent with the Project Approval for the development on the subject site (MP 10_0140), with only minor changes required to the approval to permit the proposed modification.

5.2 Visual Impact

The proposed modification involves a minor increase in gross floor area, with only a small extension to the existing building footprint of the approved warehouse. A small section of new external walls are proposed to enclose the proposed viewing room, which faces towards the internal circulation road. As the proposed modification is minor and largely internal, any visual impacts would be unlikely. There will be no loss of landscaping on the site as a result of the proposal and the small addition to the external walls of the warehouse is to be constructed of similar materials to the existing warehouse. It is therefore considered that there will be minimal adverse visual impacts associated with the proposed modification.

5.3 Acoustic Impact

The proposed modification involves a small increase in floor area within the existing building envelope for the purposes of a loading dock viewing room. This proposal will not result in any changes to truck movements or other activities external to the building. The proposal will also not introduce any new activities within the building or site which would deviate from the approved use of the site (i.e. no manufacturing or other industrial activity). All activities associated within the viewing room will be undertaken internally within the building. It is therefore considered that the proposed modification will not result in any adverse acoustic impacts.

5.4 Compliance with Planning Controls

State Environmental Planning Policy (Major Development) 2005 ('MD SEPP') applies as the subject site is listed under Part 9 of Schedule 3 ('Huntingwood West Precinct') and the proposal is consistent with these controls. The proposed modification is consistent with SEPP 55: Remediation of Land, SEPP 64: Advertising and Signage, and SEPP 33: Hazardous and Offensive Development which apply to the site. The proposed modification is also generally consistent the *Blacktown Development Control Plan 2006*.

The proposed modification is consistent with the *Huntingwood West Development Design Controls* ('DDCs'), prepared under the concept approval for the Estate, as it provides for

industrial development which is compatible with the overall intent of the Bungarribee Estate. The proposed viewing area is internal to the existing approved building envelope and the minor increase in the overall floor space of the development will not generate additional staff or further intensify the use and additional car parking spaces are not required. The proposed modification does not involve any changes to the approved car parking, site works, infrastructure/servicing, loading facilities, internal road layout and access, landscaping, advertising or use of the site (no retailing or manufacturing on the site). It is therefore considered that the proposed modification is generally consistent with the relevant planning controls.

5.5 Compliance with the Building Code of Australia

The proposed modification has been accompanied by a Building Code of Australia ('BCA') Report which states that the building changes in the proposed modification will be address in the Constriction Certificate documentation. Condition 8 (Structural Adequacy) of the project approval (MP 10_0140) requires that all new buildings and structures on the site are constructed in accordance with the relevant requirements of the BCA. It is considered that the BCA requirements are adequately covered in this condition (which will not be modified in this application).

6. CONCLUSION

The agency considers the proposal, as modified, achieves the same objectives as assessed under the original approval. The agency's original assessment of the application considered the proposed development would allow for the provision of additional industrial development to allow for future employment growth in the region. Furthermore, it will facilitate the continued development of the Huntingwood West Precinct and support the provision of jobs in Western Sydney.

The proposed modification ensures this objective can still be achieved. It is therefore recommended that the modification request be approved.

7. RECOMMENDATION

It is recommended that the Executive Director – Development Assessment Systems and Approvals, as delegate for the Minister for Planning and Infrastructure, under Section 75W of the EP&A Act approve the proposed modification (MOD 2) to MP 10_0140, as detailed in **Section 2** of this report, and vary the terms of approval as set out in the modifying instrument included at **Appendix A**.

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