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Request for Director General's Requirements

Construction of Warehouse Distribution Centres – Oakdale Central, Horsley Park

Western Sydney Employment Area

Prepared by McKenzie Group Consulting Planning on behalf of Goodman Limited

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1 INTRODUCTION

This document has been prepared by McKenzie Group Consulting Planning (NSW) on behalf of Goodman Limited (Goodman) and is submitted to the Department of Planning and Infrastructure (DoPI) in support of a formal request for Director-General's Requirements (DGRs).

The DGRs are requested in relation to proposed campus of Warehouse & Distribution Facilities on lots 1C, 2B and 3 of the approved Oakdale Central Concept Plan (MP08_0066). Ancillary works related to infrastructure and services for the lots are the subject of separate Development Applications to Fairfield City Council. However, the application seeks approval for upgrade of Old Wallgrove Road to a regional road to service the site and all land south of the Sydney Catchment Authority (SCA) pipeline.

This application satisfies the definition of State Significant Development pursuant to Schedule 1 Clause 12 of *State Environmental Planning Policy (State and Regional Development) 2011* as the proposal involves the development of Warehouse Distribution Centres with a capital investment value of more than \$50,000,000.

This document provides a brief overview of the proposal and the planning framework that applies to enable the issue of Director-Generals Requirements (DGRs) that will guide the preparation of a formal Environmental Impact Statement.

The proposal promotes development of the Western Sydney Region, providing employment opportunities and contributes to the growth of industrial development in an environmentally sustainable manner.

Environmental considerations relevant to the proposal have been identified to include:

- Soil and water;
- Air quality;
- Noise;
- Flora and fauna;
- Aboriginal and historical heritage;
- Traffic and transport; and
- Visual amenity and site design

This report outlines the statutory and policy context as well as concept design details to enable the issue of DGRs that will guide the preparation of a formal Environmental Impact Statement.



2 SITE DETAILS

The land which is the subject of this request comprises three (3) allotments, being lots 1C, 2B, and 3 located within the approved Central Oakdale Concept Plan (Figure 1). The entire Oakdale Central Precinct and is currently legally defined as Lot 21 in Deposited Plan 1173181.

Ropes Creek forms the western extent of the Oakdale Central precinct and is separated from Lot 3 by a riparian/biodiversity reserve. Lots 1C and 2B are located immediately east of a biodiversity area comprising Ropes Crossing which bisects the precinct in a north-south direction.

The subject site is relatively flat and was previously used for rural purposes including low intensity cattle grazing, and the topography is therefore conducive to accommodate development of the scale proposed for industrial purposes. Based on previous investigations, the geology of the site comprises Bringelly Shale, while alluvial deposits of sand silt and clay are located within the riparian areas of Ropes Creek tributary. Contamination throughout the site is generally considered to be low risk due to the previous land use.

The site is regulated by State Environmental Planning Policy (Western Sydney Employment Area) **(Figure 2)** an important regional hub for major logistics, distribution, warehousing and production industries, with strategic access to Sydney's key arterial road network including the M7 and M4 Motorway. Vehicle access to the site is available from Old Wallgrove Road to the east with direct access to the M7 Motorway.

Central Oakdale is approximately 61.2 hectares in area and forms part of the larger Oakdale Estate which is 421 hectares in total. The land which is the subject of this proposal lies within the Fairfield Local Government Area and is located adjacent the interface of the Penrith Local Government Area boundary to the south. Future stages of the broader employment lands exist to the north, south, east and west of Oakdale Central and will be subject to future applications.

As Central Oakdale is experiencing rapid transformation, the eastern portion of the estate has undergone extensive earthworks through the construction of roads and warehouses which have previously been approved. As illustrated in **Figure 1**, the built form and ancillary site works on Lot 2A has been completed while the approved built form on Lots 1A is currently under construction. The approval of the proposed built form on Lot 1B has recently been issued by Fairfield City Council.

The subject estate allotments within Central Oakdale incorporate site areas as provided in **Table 1** below.

Property Description	Lot Size
Lot 1C	46,417sqm
Lot 2B	60,010sqm
Lot 3	155,006sqm

Table 1 – Site Details



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Oakdale Central, Horsley Park– Warehouse Distribution Centres Lots 1C, 2B & 3



Figure 1. Subject Allotments of Proposed Development (Source: Design + 2013)



Figure 2. Site Location (Source: Land and Property Information, 2013)



3 DEVELOPMENT HISTORY

Concept Approval MP08_0066 was granted on 2 January 2009 for the establishment of Oakdale Central Estate including subdivision, earthworks, internal road layout, recreation and biodiversity land, seven industrial buildings, pad levels, external upgrades and infrastructure. A concurrent Stage 1 Project Application was also granted for the establishment of a DHL Logistics Hub and associated infrastructure which comprises 3 buildings being those of lots 1A and 2A. Subsequent to the Concept and Project Approval, a number of modifications were carried out pursuant to Section 75W of the *Environmental Planning & Assessment Act 1979*. These modifications are summarised as follows in **Table 2**.

Modification No.	Date of Approval	Description
Mod 1 to Concept Plan and Project Approval	4 November 2010	Under this application, the Concept Plan subdivision was amended to change configuration and reduce the number of internal estate roads.
		The Project Approval was also amended so that stage 1 on lots 1A and 2A with two warehouse buildings on lot 2A being proposed in lieu of one larger building.
Mod 2 to Project Approval	17 February 2011	Due to the timing of notification of the of the Voluntary Planning Agreement (VPA) between the Minister for Planning, Goodman and the land Trustee for contributions towards regional transport infrastructure and services for lot 1A and 2A, entry into the VPA was amended prior to issue of occupation or subdivision certificate.
Mod 3 to Project Approval	8 July 2011	The VPA was entered into on 25 March 2011. Approval was granted for minor amendments to warehouses 2 and 3 on lots 2A including changes to the appearance of the warehouses, site layout and quantum of floor space.
Mod 4 to Project Approval	20 September 2012	Approval was granted to modify the Project Approval to reorient and reposition the warehouse to be constructed on lot 1A, this involved rotating the building to 180 degrees and siting it in a similar position to that originally approved.
Mod 2 to concept plan and Mod 5 to Project Approval	5 March 2013	Modifications approved under this application included the subdivision layout, shape and location of the estate stormwater basin, bulk earthworks, pad levels, staging and the importation of fill.
Mod 6 to Project Approval	10 May 2013	Amendments for which approval was granted under this application included relocation of the swing and sliding gates at the truck entry, increase of office floor space within the approved building footprint and provision of storage and workshop areas within the approved building footprint.

Table 2 – Modification History

To date, the approved warehouses on Lot 2A has been completed while 1A and 1B are currently under construction.



4 SITE CONTEXT & DESCRIPTION

The land which is the subject of this development lies within the Fairfield Local Government Area and forms part of SEPP Western Sydney Employment Area. The Oakdale Estate is 421 hectares in area with Central Oakdale comprising an area of 61.2 hectares.

Land use in the immediate area surrounding the site includes:

- North: Sydney Water Supply Pipeline Corridor, with Sydney West Electrical Substation and Employment Lands (DOP Site 6 of the Western Sydney Employment Hub) beyond;
- East: Old Wallgrove Road, with Austral's quarry/brickmaking plant beyond;
- South: Burley Road corridor (road not made), with CSR/PGH quarry/brickmaking plant and vacant employment land beyond.

The future character of the locality is anticipated to be of similar industrial/employment lands character. This is evident through the transition currently being undertaken throughout the wider locality where a number of estates have been developed within the WSEA.

The local context is shown in Figure 3.



Figure 3. Local Context (Source: Design + , 2013)



5 PROJECT SUMMARY

The proposed development seeks to provide Warehouse Distribution Centres on Lots 1C, 2B and 3 consistent with the building footprints approved Concept Plan Approval MP08_0066 (as amended).

The use of the proposed facilities will be for DHL as they expand their existing logistics facilities comprising the buildings on lots 1A and 2A (tenanted by JJ Rep and Cannon). Lot 1B will also form part of DHL campus to be tenanted by an undisclosed tenant.

The remaining lots will be constructed for DHL as they fulfill their existing requirements.

It is envisaged that the proposal will comprise the following key components for each respective lot:

Property	Development Description
Lot 1C	 23,590sqm of built area comprising office (600sqm), warehouse (22,800sqm) and dock office (190sqm) 170 car parking spaces Ancillary landscaping
Lot 2B	 30,985sqm of built area comprising warehouse (29,480sqm), dock office (380sqm), office (100sqm), office entry (100sqm), gatehouse (25sqm) 154 car parking spaces (28 provisional) Ancillary landscaping
Lot 3	 82,000sqm built area 450 car parking spaces Ancillary landscaping

 Table 3 – Development Description

In addition to the built form proposed, it is proposed to use the Ropes Creek vegetation area as a bio bank.

Note: All infrastructure and services are the subject of separate Development Applications to Fairfield City Council. For the purpose of the this project, it is to be assumed that at the time of occupation of the warehouses, all essential infrastructure and services will be available to service the sites in an operational capacity.

Concept Development plans for each lot are attached as **Appendix 1** of this report.



6 JUSTIFICATION

The intention of the proposal is to provide a number of warehouse facilities that meets the requirements of anticipated end users within a location that:

- allows for the development as a permissible use;
- has appropriate access to the regional road network;
- is compatible with surrounding development and local context;
- will result in minimal impact on the environment; and
- will allow for the implementation of suitable mitigation measures where required.

The site is considered to be commensurate with the objectives of the project as it allows for the use of the site for warehouse and distribution purposes in an emerging industrial precinct. The site design and layout of the built form seeks to maintain consistency with the objectives of the zone and enhance the underlying industrial character intended for the locality. This will be achieved by virtue of the resultant built form which reinforces the industrial nature of the land and is sensitive to the surrounding environment.

The options considered, and subsequently dismissed, in arriving to the current proposal included:

(a) 'Do Nothing' Scenario

This option was dismissed as the objectives of the project would not be met.

If the proposal was not to proceed, the site would be developed for other industrial purposes.

(b) Development on an Alternative Site

Consideration to alternative sites were made, however these were dismissed as the subject site resulted in the most beneficial outcomes for the proposal as:

- it will be located within a site zoned for land uses such as Warehouse Distribution Centres;
- the site has appropriate proximity from sensitive land activities including residential development;
- all potential environmental impacts of the proposal can be suitably mitigated within the site;
- the proximity to the regional road network provides increased economic benefits;
- the proposal will not affect any area of heritage or archaeological significance; and
- the proposal can be developed with appropriate visual amenity given its surrounding context.

The proposal is justified on the basis it is compatible with the locality in which it is proposed while having no significant economic, environmental or social impact.



7 CONSULTATION

Consultation is being undertaken with Fairfield and Blacktown City Council's regarding Old Wallgrove Road extension at the time of writing this Report. It is the intention of Goodman to ensure that all community and stakeholder consultation requirements are seamlessly addressed.

Consultation with relevant stakeholders will be undertaken whilst preparing a detailed Environmental Impact Statement in keeping with the Department's Major Project Community Consultation Guidelines October 2007.

8 Capital Investment Value

While costs have not yet been finalised, the estimated capital investment of this project is expected to be in excess of \$75,000,000. The costs will be finalised once the final design is prepared.

It is noted that the cost alone of the warehouse on Lot 3 exceeds \$50,000,000 and therefore qualifies as State Significant Development.

9 PLANNING FRAMEWORK

9.1 State Planning Context

Environmental Planning and Assessment Act 1979

The *Environmental Planning and Assessment Act 1979* (EP&A Act) is the overarching governing document for all development in NSW and pursuant to Section 89D (2) provides that:

A State environmental planning policy may declare any development, or any class or description of development, to be State significant development.

The proposed development has been identified as State Significant Development under *State Environmental Planning Policy (State and Regional Development) 2011* as outlined below.

State Environmental Planning Policy (State and Regional Development) 2011

Proposals involving activities that are listed in Schedule 1 of *State Environmental Planning Policy (State and Regional Development) 2011* (State and Regional Development SEPP) are identified as being State Significant Development (SSD).

Clause 12 of Schedule 1 states:

12 Warehouses or distribution centres

- (1) Development that has a capital investment value of more than \$50 million for the purpose of warehouses or distribution centres (including container storage facilities) at one location and related to the same operation.
- (2) This clause does not apply to development for the purposes of warehouses or distribution centres to which clause 18 or 19 applies

The Capital Investment Value of the project is approximately \$75 million. It is noted that despite that there are separate warehouses, as the major component of the development pertains to the warehouse on Lot 3 which in itself is greater than \$50 million and the development is staged, the entire development is classified as SSD, pursuant to Clause 8 of the SEPP. All facilities will be provided on one title and utilised by one end user as their logistics, warehouse and distribution centre.



It is noted that the guidelines published by the Department of Planning and Infrastructure to assist in the operation of the SEPP also confirm that a development may be considered SSD in its entirely even if only a part of the proposal triggers the SSD threshold.

Accordingly, the procedures established for this category of development need to be followed. This Request for Director-General's Requirements represents the first step in the SSD process for the proposal.

State Environmental Planning Policy (Western Sydney Employment Area) 2009

Land Use and Permissibility

Under the provisions of *State Environmental Planning Policy (Western Sydney Employment Area) 2009* (SEPP WSEA), the subject land is zoned IN1 Industrial. Pursuant to Clause 11, Warehouse Distribution Centres are permissible with consent. Nothing in the SEPP WSEA prohibits the proposed Warehouse Distribution Centres on lots 1C, 2B & 3.

Principal Development Standards

Ecological Sustainable Development

The proposed development will provide sustainable development measures to reduce consumption of potable water and greenhouse gas emissions. The ongoing use of the warehouses will provide more explicit detail in terms of water consumption and greenhouse emissions, which will require approval separate to the SSD Application.

Height of Buildings

No maximum building height applies to the land. The height of the buildings shall not result in adverse amenity impacts on surrounding land.

Rainwater Harvesting

Provision for rain water harvesting is made through on-site detention basin servicing on site detention tanks where appropriate. The drainage strategy is deemed consistent with the Concept Plan to mitigate any adverse impacts derived from stormwater.

Development on or in the vicinity of proposed transport infrastructure routes

The proposed development will not affect proposed transport infrastructure routes. Approval under the Concept Plan was granted having regard to the capacity of transport infrastructure to accommodate development of the scale proposed.

Miscellaneous

Industrial Release Area - satisfactory arrangements for the provision of regional transport infrastructure facilities

All necessary arrangements for the provision of regional transport infrastructure have been dealt with under Concept Approval for the site.

Design Principles

The proposed built form responds to the design principles of the SEPP by virtue of the design quality and architectural merit. Detailed architectural plans shall accompany any future SSD Application seeking consent.



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Figure 4. Site Zoning (Western Sydney Employment Area, 2013)

State Environmental Planning Policy No. 19 – Bushland in Urban Areas

The provisions of *State Environmental Planning Policy No 19 — Bushland in Urban Areas* (SEPP 19) do not apply to land to which SEPP WSEA applies.

State Environmental Planning Policy No 30-Intensive Agriculture

The provisions of *State Environmental Planning Policy No 30—Intensive Agriculture* (SEPP 30) do not apply to land to which SEPP WSEA applies.

State Environmental Planning Policy No. 33 – Hazardous and Offensive Development

As no end user is allocated to any facility at the time of writing, the proposal does not seek approval for the storage or handling of materials which may be potentially hazardous. A Preliminary Hazard Analysis is not required in this context.

State Environmental Planning Policy No. 44 – Koala Habitat Protection

The Fairfield Local Government Area is not subject to *State Environmental Planning Policy No. 44 – Koala Habitat Protection* (SEPP 44).

State Environmental Planning Policy No. 55 – Remediation of Land

No known contamination issues affect the subject site. The land has been previously used for grazing. No intensive purposes such as industrial use are known to have occurred on the site.

The prior use of the land indicates that the land is unlikely to have been contaminated.

State Environmental Planning Policy No. 64 – Advertising and Signage

Detail of proposed signage will be assessed as part of an Environmental Impact Statement.

State Environmental Planning Policy (Infrastructure) 2007

State Environmental Planning Policy (Infrastructure) 2007 (SEPP Infrastructure) repeals the former *State Environmental Planning Policy No. 11 – Traffic Generating Development* and provides for certain proposals, known as Traffic Generating Development, to be referred to NSW Roads and Maritime Services (RMS) for concurrence.



Schedule 3 lists the types of development that are defined as Traffic Generating Development. The referral thresholds for 'commercial premises and industry' development are:

- 15,000m² or more in area with site access to any road; or
- 4,000m² or more in area where the site has access to a classified road or to a road that connects to a classified road (if access is within 90 metres of connection, measured along the alignment of the connecting road).

The development proposes an industrial floor area in excess of 20,000m² warehouse floor area with site access to the M7 Motorway. As such, the proposal will require referral to RMS under the provisions of SEPP (Infrastructure) 2007.

9.2 Local Planning Context

Fairfield Local Environmental Plan 2013

Fairfield Local Environmental Plan 2013 is not applicable to the land as the provisions of State Environmental Planning Policy (Western Sydney Employment Area) 2009 apply.

Blacktown Development Control Plan 2006

It is noted that Section 11 of *State Environmental Planning Policy (State and Regional Development) 2011* states:

Exclusion of application of development control plans

Development control plans (whether made before or after the commencement of this Policy) do not apply to:

(a) State significant development

Notwithstanding, the proposal is generally consistent with the provisions of the adopted Development Control Plans applicable to industrial development.

9.3 Oakdale Central Concept Plan Controls

The development controls detailed in the concept plan outlines a set of development controls to guide future project and development applications which will be considered as part of a formal EIS.

9.4 Draft Planning Instruments

No draft Environmental Planning Instruments apply to the site.

10 ENVIRONMENTAL ASSESTMENT

A screening analysis of the environmental issues applicable to the proposal is presented in **Table 4** below. This risk-based analysis has been used to identify the key environmental issues for further assessment, and assist the preparation of the (DGRs) for the proposed development.

The analysis is based on preliminary environmental assessment of the site only. The Environmental Impact Statement (EIS) for the proposal will fully address these and other environmental issues relevant to the proposal.



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Issue	Analysis/comment	
Soil and water	•	Flooding was considered under the Concept Plan for Central
		Oakdale which concluded that the flood extents for the 100
		year event do not encroach on lots 1C, 2B and 3. The levels of
		the proposed building pads are therefore deemed sufficient to
		accommodate the built form proposed. Previous studies carried out indicate there is no significant
	-	contamination to restrain future industrial development.
		No further bulk earthworks beyond that already approved for
		the site is required to support the proposed built form.
Noise	•	Sensitive receivers in the surrounding area include:
		- rural-residential land-users to the south and east; and
		- schools and a retirement village to the west.
	•	A preliminary Noise impact assessment carried out under the
		Concept Plan indicates that the development would not result
		in a significant noise impact to surrounding land-users and is
		able to comply with noise criteria (subject to implementation of noise mitigation measures in individual developments).
		Any future SSD Application shall consider traffic volumes
		generated and the resultant acoustic impact.
Air Quality	•	Given the nature of the development being for the purpose of
5		warehousing and distribution, it is not anticipated there will be
		any adverse impacts associated with air quality. During
		construction, air quality will be managed through appropriate
		dust mitigation measures.
Waste	•	Waste generated throughout the construction phase shall be
		disposed of in accordance with a Waste Management Plan, thus
Flora and fauna		making provision for recyclables and suitable off-site disposal. Tree removal is not required to facilitate the built form, thus
	-	there will be no impact on flora and fauna under the SSD
		application.
	•	It is proposed to use the Ropes Creek vegetation area as a bio
		bank.
Aboriginal Heritage	•	Based on previous investigations under the concept approval,
		management of archaeological sites/objects shall occur in
		accordance with the management strategy of the concept
	- I	approval which relates to Central Oakdale. The site design seeks to minimise any impact on identified sites
	-	of Aboriginal Heritage.
Historical Heritage		Based on previous investigations under the concept approval,
g		management of heritage shall occur in accordance with the
		management strategy.
	-	The site design seeks to minimise any impact on identified sites
		of Heritage.
Traffic & Transport	-	Suitable provision is made to accommodate and service the
		development in terms of traffic and transport. On-site car
		parking is proposed to support future use of the sites so as to not adversely affect the surrounding road network. Road
		widths are also sufficient for vehicles associated with future
		uses.
Other Infrastructure &	•	All infrastructure and services are the subject of separate
Services		applications for consent and as such do not form part of the
		proposed SSD Application.
Visual Amenity	•	The site is not adjacent to, or in close viewing proximity to, any

Table 4 - Environmental Assessment Table



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	 sensitive visual receivers outside the estate. A detailed Landscape Plan shall be prepared for the proposal, which will seek to minimise any identified visual impacts. 	
Hazards	 No storage of dangerous goods is proposed following issue of final Occupation Certificates for the warehouses. 	
Site Layout and Design	 The site layout and design responds to the site constraints through considered landscaping and architectural design, thus providing a highly functional development which enhances the visual amenity of the locality. Suitable provision is made for service vehicles for each warehouse along with staff car parking. 	



11 Conclusion

The proposed Warehouse Distribution Centres within Oakdale Central, will involve works which equate to a capital investment value of more than \$50 Million, with the built form on Lot 3 exceeding this threshold alone. As such, the development is defined as State Significant Development pursuant to Schedule 1 of *State Environmental Planning Policy (State and Regional Development) 2011*.

The subject site is appropriately zoned to permit the proposed development with no departure from any development standards required. Additionally, the site is located within close proximity to major road networks making it a convenient location and highly accessible within the region.

It requested that the Department issue formal Director-General's Requirements (DGRs) for the preparation of an Environmental Impact Statement for the proposal as State Significant Development.



Appendix 1 Concept Development Plans

