

# Altis Warehouse and Logistics Hub

State Significant Development Modification Assessment (SSD 7173 MOD 4)

#### December 2018

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#### Cover photo

First Estate, 585-649 Mamre Road, Erskine Park (Altis Property Partners)

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AHD BCA CIV CIP Consent	Australian Height Datum Building Code of Australia Capital Investment Value Community Involvement Plan Development Consent
CIV CIP	Capital Investment Value Community Involvement Plan
CIP	Community Involvement Plan
	-
Consent	Development Consent
Council	Penrith City Council
Department	Department of Planning and Environment
DPI	Department of Primary industries
EIS	Environmental Impact Statement
EPA	Environment Protection Authority
EP&A Act	Environmental Planning and Assessment Act 1979
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
EPBC Act	Environment Protection and Biodiversity Conservation Act 1999
EPI	Environmental Planning Instrument
EPL	Environment Protection License
ESD	Ecologically Sustainable Development
FRNSW	Fire and Rescue NSW
LEP	Local Environmental Plan
Minister	Minister for Planning
OEH	Office of Environment and Heritage
RMS	Roads and Maritime Services
RtS	Response to Submissions
SEARs	Secretary's Environmental Assessment Requirements
Secretary	Secretary of the Department of Planning and Environment
SEPP	State Environmental Planning Policy
SRD SEPP	State Environmental Planning Policy (State and Regional Development) 2011
SSD	State Significant Development
SSI	State Significant Infrastructure



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This report provides an assessment of an application to modify the State Significant Development (SSD) for the Altis Warehouse and Logistics Hub. The modification application seeks approval to amend the site layout of approved lot 5 including dividing the warehouse into two tenancies. The application has been lodged by Willowtree Planning Pty Ltd, on behalf of Altis Property Partners (the Applicant) pursuant to section 4.55(1A) of the *Environmental Planning and Assessment Act 1979 (EP&A Act)*.

## 1.1 Background

On 15 December 2016, the Executive Director, Key Sites and Industry Assessments granted consent for the construction and operation of a warehouse and logistics hub over four stages (SSD 7173) known as the Altis Warehouse and Logistics Hub. The proposal included the creation of nine industrial allotments, the construction of three warehousing buildings, 357 car parking spaces, bulk earthworks, infrastructure and services, and internal access and estate roads.



Figure 1 | Site Location

The subject site is located at 585-649 Mamre Road, Orchard Hills in the Penrith local government area (LGA) (see **Figure 1**). The site is located in Precinct 11 of the Western Sydney Employment Area, which is strategically identified employment land under *State Environmental Planning Policy (Western Sydney Employment Area)* 2009 (WSEA SEPP). The site is 44.98 hectares (ha) in area, located approximately 10 kilometres (km) south-east of Penrith and 40 km west of the Sydney CBD. The site has been historically used for rural and residential purposes and is located in a semi-rural area. The site also has a 890 metre (m) frontage to Mamre Road.

Surrounding land uses include those associated with industrial activities in the WSEA to the east and residential land uses are located further to the north, south and west. Land uses in the vicinity of the site include:

- rural residential properties 450 m to the north along Mandalong Close
- rural residential properties 280 m to the west along an unnamed road
- rural residential properties 690 m to the west along Luddenham Road, to the west of South Creek
- the Erskine Business Park to the east
- the WaterNSW Warragamba Pipeline Corridor along the sites southern boundary
- South Creek to the west

## 1.2 Approval History

On 15 December 2016, the Executive Director, Key Sites and Industry Assessments approved the Altis Warehouse and Logistics Hub (SSD 7173) at 585-649, Orchard Hills in the Penrith local government area (LGA).

Consent was granted for the construction and operation of a warehouse and logistics hub over four stages (SSD 7173). The development consent permits the following works:

- subdivision of the site to create nine industrial allotments ranging in size between 2.06 ha and 7.9 ha
  and to create a lot approximately 20 m wide along the site's frontage with Marnre Road (for the purpose
  of road widening);
- construction of three warehouse buildings ranging in size between 9,400 metres squared (m<sup>2</sup>) and 41,500 m<sup>2</sup>, including office space;
- 357 car parking spaces;
- bulk earthworks, infrastructure and services;
- an internal access road from Mamre Road to the site's northern boundary; and
- intersection works between Mamre Road and an internal estate road.

The development consent has previously been modified on two occasions (see **Table 1**).

#### Table 1 | Summary of Modifications

Mod No.	Summary of Modifications	Approval Authority	Туре	Approval Date
MOD 1	Amended site layout on Lot 8 and tenant specific fit out.	Department	4.55(1A)	15 August 2017
MOD 2	Amendments to the internal road and subdivision layout.	Department	4.55(1A)	20 December 2017
MOD 3	Amendments to the existing estate drainage channel.	Department	4.55(1A)	19 December 2018
MOD 4	Construct and operate two warehouses on approved Lot 8A of the Warehouse and Logistics Hub	Department	4.55(1A)	Subject assessment
MOD 5	Amendments to the plan of subdivision creating three new proposed allotments – Lots 10, 11 & 12; and, the removal of reference to Lots 7 & 9	Department	4.55(1A)	Under assessment
MOD 6	Subdivision of Lot 8, creating of four new allotments – Lots 13, 14, 15 & 16; and, the removal of reference to Lot 8	Department	4.55(1A)	Under assessment

To date the Applicant has commenced bulk earthworks, road construction, on-site construction of warehouse buildings on lots 2, 3 and 6 (see **Figure 2**).



Other approvals and proposals relevant to the site are outlined in Figure 2 and Table 2.

Figure 2 | Site Context

Table 2 | Other Approvals and Development Proposals on the site

Lot	Propossal/Development	Authority	Application Number	Status
2	Fire and Rescue New South Wales headquarters and training facility	Part 5 Approval unde 1979	r the EP&A Act	Constructed
3	Warehouse and Distribution Centre	Penrith City Council	DA16/1118	Constructed
7	Construction and operation of a high-bay warehouse	Department	SSD9429	Under Assessment
8	Two Warehouses with ancillary Office Space	Penrith City Council	DA18/0628	Approved 12 October 2018
	Warehouse and Distribution Facility		DA18/0689	October 2018



The Applicant has lodged a modification application under section 4.55(1A) of the EP&A Act to facilitate the construction and operation of two warehouses as opposed to one on Lot 5 of the Altis Warehouse and Logistics Hub approved under SSD 7173. The modification is described in full in the Statement of Environmental Effects (SSE) included in **Appendix B** and is summarised below in **Table 2**.

The Applicant has proposed the following revised layout as part of the modification:

- Warehouse 8A1:
  - o Warehouse 11,980 m²
  - $o = Office 400 \ m^2$
- Warehouse 8A2;
  - o Warehouse 5,500 m<sup>2</sup>
  - o Office 600 m<sup>2</sup>
- Two loading docks providing access to each warehouse that have frontage to Distribution Drive;
- Set down and pick up locations for temporary shipping containers and a proposed permanent location for additional refrigerated containers.

Aspect	Existing	Proposed	
	<ul> <li>One warehouse building with single tenancy</li> </ul>	<ul> <li>One warehouse building with two tenancies</li> </ul>	
	• Total GFA: 21,725m <sup>2</sup>	o Warehouse 8A1 – total GFA 12,380 m²	
	<ul> <li>Car parking: 85 spaces provided</li> </ul>	o Warehouse 8A2 – total GFA 6,100 m <sup>2</sup>	
	<ul> <li>Building height: 13.7 m</li> <li>Bulk earthworks have been</li> </ul>	Car parking: 83 spaces provided	
	carried out to establish building pads on the estate allotments as-well-as balance	<ul> <li>Building height: 13.7 m</li> </ul>	
Varehouses / Ancillary Offices		<ul> <li>Bulk earthworks: minor regrading for the second warehouse (bulk earthworks previously complete under SSD 7173)</li> </ul>	
		<ul> <li>Internal estate road: two access points to each warehouse via the eternal estate road known as Distribution Drive</li> </ul>	
		<ul> <li>Set down and pick up location for up to seven temporary shipping containers in the north-west of the site</li> </ul>	
	·	<ul> <li>Two permanent refrigerated shipping containers to be located on the hardstand area of warehouse 8A2</li> </ul>	

fronting Distribution Drive.



Figure 2 | Existing Approved Warehouse 8A over Lot 5 in SSD 7173



Figure 3 | Proposed Warehouses 8A1 & 8A2 in SSD 7173



# 3.1 Scope of Modifications

The Department has reviewed the scope of the modification application and considers that the application can be characterised as a modification involving minimal environmental impacts, and relates to substantially the same development as the original development consent on the basis that:

- the primary function and purpose of the approved development would not change as a result of the proposed modification
- the modification is of a scale that warrants the use of section 4.55(1A) of the EP&A Act
- any potential environmental impacts would be minimal and appropriately managed through the existing or modified conditions of consent
- would not involve any further disturbance outside the already approved disturbance areas for the development.

Therefore, the Department is satisfied the proposed modification is within the scope of section 4.55(1A) of the EP&A Act and does not constitute a new development application. Accordingly, the Department considers that the application should be assessed and determined under section 4.55(1A) of the EP&A Act rather than requiring a new development application to be lodged.

# 3.2 Consent Authority

The Minister for Planning is the consent authority for the application under section 4.5(a) of the EP&A Act. However, under the Minister's delegation dated 11 October 2017, the Director, Industry Assessments, may determine the application under delegation as:

- the relevant local council has made no objection
- a political disclosure statement has not been made
- there are no public submissions by way of objection.



## 4.1 Department's Engagement

Clause 117(3B) of the Environmental Planning and Assessment Regulation 2000 (EP&A Regulation) specifies that the notification requirements of the EP&A Regulation do not apply to State significant development. Accordingly, the application was not notified or advertised. However, it was made publicly available on the Department's website on 05 September 2018 and was referred to Penrith City Council (Penrith), Fire Safety NSW, The Roads and Maritime Services (RMS), the Rural Fire Service (RES) and the NSW Department of Planning and Environment's internal Hazards Team for comment.

## 4.2 Summary of Submissions

During the notification period one submission was received from Council which did not object to the proposal, however made a number of comments.

## 4.3 Key Issues - Council

Council did not object to the modification, however had a number of concerns relating to the public domain presentation, including the location of the refrigerated containers at the street frontage, advertising signage and waste management were raised. Council highlighted that their preference was the design of the facility as originally approved.

## 4.4 Response to Submissions

On 5 October 2018, Willowtree Planning, on behalf of the Applicant provided an initial Response to Submissions (RTS) report on the issues raised during the notification period. The RTS included an amendment to the scope of the proposal including revisions to the SEE, clarification regarding the DG's quantities to be stored onsite, as well as additional justification regarding the location of the second proposed loading bay and location of the proposed shipping containers. The RTS was made publicly available on the Department's website and was provided to key agencies to consider whether it adequately addressed the issues raised.

The RTS adequately addressed the concerns raised by the Department's internal Hazards team that the proposed modification would not introduce an additional quantity of DG's which would breach the threshold of SEPP 33 requiring the preparation of a Preliminary Hazard Analysis (PHA).

Council remained unsatisfied with the site layout in regard to the public domain presentation. Through meetings and further discussions with Council, the Department facilitated revisions to the site layout to appeare Council's concerns. Ultimately, the Applicant relocated the refrigerated containers to adjacent to the warehouse and proposed a screen which will hide the appearance of the containers when viewed from the street.

The Department has considered the issues raised in the submissions, the RTS and additional information received in its assessment of the modification.



The Department has assessed the merits of the proposed mortification. During the assessment, the Department has considered the:

- SEE and RTS provided to support the proposed modification (see Appendix B)
- assessment report for the original development application and subsequent modification application(s)
- submission from Council and State government authorities (Appendix C)
- relevant environmental planning instruments, policies and guidelines
- requirements of the EP&A Act, including the objects of the EP&A Act.

The Departments assessment is provided in Table 3.

### Table 4 | Assessment issues

Issue	Findings	Recommended Condition
Advertising Signage	<ul> <li>The proposed modification includes the addition of a second warehouse and additional identification signage (façade and pylon signage).</li> </ul>	
	<ul> <li>Council made a submission on the proposed modification, noting that a condition of consent should be applied to ensure a separate development application should be lodged for any signage not clearly identified or detailed within the approved plans.</li> </ul>	
	• The Applicant provided a response to Council's submission including Architectural Plans and Signage Plans as well as an assessment against <i>State Environmental Planning Policy No 64 - Advertising and Signage</i> (SEPP 64) which notes the proposed development is considered consistent with the provisions of SEPP 64.	
	<ul> <li>Council did not raise any further issues in relation to the advertising signage as part of the application.</li> </ul>	
	<ul> <li>The Department considers the proposed signage is compatible with the industrial character of the site and its surrounds and would support the operation of the proposed warehouse facilities. Similarly, when the proposed signage is assessed against SEPP 64 the proposal is considered permissible and is consistent with the objectives of the SEPP.</li> </ul>	
	<ul> <li>The Department's assessment concludes the proposed signage is minor in nature and would not result in any impacts beyond that which has been assessed as part of the original approval and MOD 3 and is ultimately considered appropriate.</li> </ul>	
Dangerous Goods (DGs) quantities permitted	<ul> <li>The modification application included a State Environmental Planning Policy No. 33 (SEPP 33) preliminary risk screening undertaken for proposed Warehouse 8A2 only, Warehouse 8A1 was excluded</li> </ul>	<ul> <li>The Applicant must ensure that the total quantities of dangerous goods within or transported to and from Warehouses 8A1 and 8A3</li> </ul>

from the assessment due to a lack of tenant at the time of lodgment.

- The Department's internal Hazards Team had initial concerns that the screening undertaken for Warehouse 8A2 indicated it would not be storing DGs apart from DG Class 9, and DG Class 9 is correctly excluded in the screening as per the Department's Applying SEPP 33 guideline.
- The Department requested that given no SEPP 33
  preliminary risk screening was undertaken for
  Warehouse 8A1, it was recommended the Applicant
  provide confirmation that the total DG quantities in
  both Warehouse 8A1 and 8A2 can remain below the
  screening quantities in the Department's Applying
  SEPP 33 guideline.
- In response, the Applicant requested that a general condition of consent be imposed on the whole site (Lot 5) that should the future use of Warehouse 8A1 propose to exceed the DG threshold in SEPP 33 a modification or new development application would be required which would need to include a PAH.
- The Hazards Team was satisfied with this response and recommended additional conditions regarding the quantity of DG to be stored or transported to and from the site, as well as standards for any chemicals, fuels and oils used on-site to meet all relevant Australian Standards.
- The Department's assessment concluded that the Applicants response was satisfactory and that conditions of consent would be imposed to ensure the proposal operates and stores goods in accordance with SEPP 33 and with all relevant Australian Standards (AS).

Public Domain Presentation

- The revised site layout raised a number of concerns in relation to the public domain presentation of the site.
- Council were unsatisfied with aspects of the proposal including the location of loading docks on both street frontages. Council noted the previously approved plans concealed the loading dock from the public domain and ensured that servicing for the development did not dominate the streetscape.
- Similarly, Council raised concern regarding the proposed location of refrigerated containers on the sites south-western boundary (fronting Distribution Drive) and temporary shipping containers on the south-western corner of the site. Council suggested the proposed locations of the containers are within or partially within the front setback, and as such do not present a desirable interface with the public domain.
- The Applicants RTS noted that the proposed site layout provides an opportunity for both proposed warehouses to operate through a reduction in the overall ground floor area (GFA), by ultimately increasing the hardstand area along the western boundary, allowing the proposed loading facilities to be implemented along both the southern and western boundaries accordingly.
- With regard to the shipping containers, the Applicant's RTS noted the containers would serve only a temporary purpose and function, for which they

remain below the screening threshold quantities in the Department's Hazardous and Offensive Development Guidelines Applying SEPP 33.

 The Applicant must store all chemicals, fuels and oils used on-site in accordance with all relevant Australian and NSW standards.

 The cladding used to screen the refrigerated containers is to be maintained for the life of the development. would be concealed by proposed landscaping. The shipping containers location within the loading dock area was required to ensure safe 'pick up' and 'set down' on a hardstand area and could not be located internal to the warehouse as it is standard operational procedure for logistics companies to set down, load / unload containers on hardstand externally.

- Council responded to the Applicant's RTS in which they noted they remained unsatisfied with aspects of the public domain presentation and did not support the proposed siting of the loading docks, or the location of the shipping containers.
- The Department advised the Applicant that the proposed location of the permanent refrigerated shipping containers would not be supported. The Department noted that the shipping containers had been proposed to be located immediately adjacent to, and encroaching within the front setback which was not considered desirable and caused an unnecessary visual impact which could be avoided by relocating them elsewhere on the site.
- As such, the Applicant provided amended plans which relocated the refrigerated containers along the western wall of Warehouse 8A2 and included a cladding screen to hide the appearance of the shipping containers. The Applicant noted that the original proposed location of the refrigerated containers was selected as the safest 'pick up' and 'set down' location on the available hardstand. They noted these areas could not be located internal to the warehouse as it is standard operational procedure for logistics companies to set down, load / unload containers on the hardstand. Furthermore, trucks cannot enter the warehouses due to WH&S requirements.
- The Department considered the revised approach acceptable as it would significantly reduce the visual impact of the containers and maintain the existing urban design character of the industrial area.
- The Department considers the amendments would not reduce the architectural quality of the development or jeopardise the achievement of a high standard of warehouse design within the Altis Warehouse and Logistics Hub.
- The Department also notes that Council has approved a number of warehouses with loading docks facing the street frontage within the industrial estate, including the existing warehouses located on the other side of Distribution Drive from the site. At maturity, the trees and other landscaping in the front setback areas will partially screen the views of the loading docks from the street.
- The Department's assessment concluded that the proposed relocation of the refrigerated containers was acceptable, as was the proposed design of the second warehouse and location of loading docks.
- However, the Department recommends that a condition be imposed to ensure the cladding used to screen the refrigerated containers be maintained for the life of the development.



The Department has assessed the proposed modification in accordance with the relevant requirements of the EP&A Act. The Department considers the proposed modification is appropriate on the basis that:

- the proposed modification will result in minimal environmental impacts beyond the approved facility
- the modification is of a scale that warrants the use of section 4.55(1A) of the EP&A Act
- it will facilitate the use of land for employment generating purposes in accordance with the *State* Environmental Planning Policy (Western Sydney Employment Area) 2009

The Department is satisfied that the modification should be approved, subject to conditions.



It is recommended that the Director, Industry Assessments, as delegate of the Minister for Planning:

- considers the findings and recommendations of this report; and
- **Determines** that the application for SSD 7173 MOD 4 falls within the scope of section 4.55(1A) of the EP&A Act
- **accepts and adopts** all of the findings and recommendations in this report as the reasons for making the decision to grant approval to the application;
- modify the consent SSD 7173; and
- signs the attached approval of the modification (Attachment D),

Recommended by:

STE 19/12/18 John Booth

Para-Planner Industry Assessments

Recommended by:

My March AcNicol 19/12/18. Kelly McNicol

Team Leader Industry Assessments



The recommendation is: Adopted by:

to 19/12/18 **Chris Ritchie** 

Director Industry Assessments

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# Appendix A – List of Documents

- State Significant Development Assessment Altis Properties Warehouse and Logistics Hub Mamre Road, Orchard Hills (SSD 7173), prepared by the Department of Planning and Environment, December 2016
- Response to Submission, prepared by Willowtree Planning, 5 October 2018
- Section 96(1A) Modification Assessment Report Altis Warehouse and Logistics Hub (SSD 7173 MOD 1), prepared by the Department of Planning and Environment, August 2017
- Section 96(1A) Modification Assessment Report Altis Warehouse and Logistics Hub (SSD 7173 MOD 2), prepared by the Department of Planning and Environment, December 2017
- Statement of Environmental Effects \$4,55(1A) Modification Application (MOD 4) SSD 7173 Altis Warehouse and Logistics Hub, Mamre Road, Kemps Creek, prepared by Willowtree Planning, 28 August 2018
- Existing conditions of consent
- Relevant environmental planning instruments, policies and guidelines
- Relevant requirements of the EP&A Act.

Appendix B – Statement of Environmental Effects/ Environmental Assessment

Appendix C – Submissions

# Appendix D – Consolidated Consent

# Appendix E – Notice of Modification

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