

**INNOVATIVE**

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<b>ITEM NUMBER</b>	18.2
<b>SUBJECT</b>	FOR APPROVAL: Gateway Request: Planning Proposal for land at 1 Windsor Road, North Rocks
<b>REFERENCE</b>	RZ/9/2019 - D07484958
<b>REPORT OF</b>	Project Officer Land Use
<b>LANDOWNER</b>	J L Dunrose Pty Ltd
<b>APPLICANT</b>	Fabcot Pty Ltd

**DEVELOPMENT APPLICATIONS CONSIDERED BY SYDNEY CENTRAL CITY PLANNING PANEL - NIL****PURPOSE:**

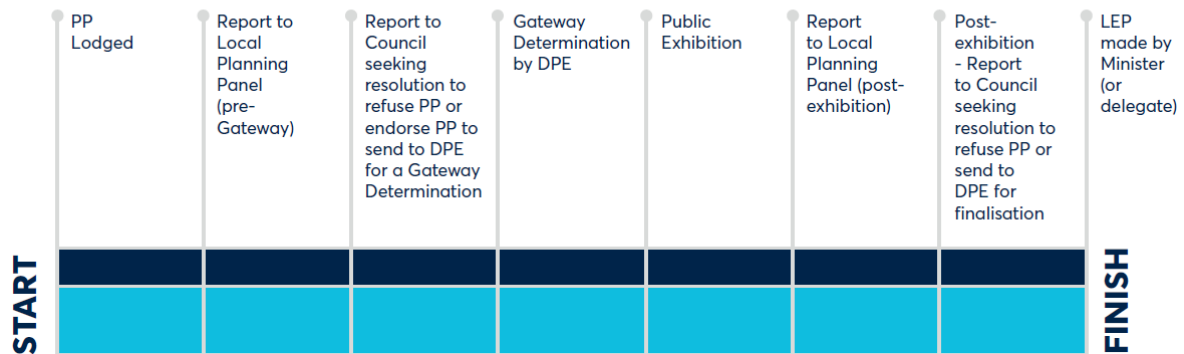
To seek Council's endorsement of a Planning Proposal for land at 1 Windsor Road, North Rocks to be forwarded to the Department of Planning, Industry & Environment for a Gateway Determination.

**RECOMMENDATION**

- (a) **That** Council endorse the Planning Proposal (at **Attachment 1**) for the purposes of seeking a Gateway Determination from the Department of Planning, Industry and Environment (DPIE) for land at 1 Windsor Road, North Rocks which seeks to amend Schedule 1 of the Parramatta (former The Hills) Local Environmental Plan 2012 by adding retail premises as an additional permitted use (limited to a maximum of 3,800 m<sup>2</sup>) to facilitate a Woolworths supermarket and a liquor store.
- (b) **That** the Planning Proposal be forwarded to the DPIE for a Gateway Determination.
- (c) **That** Council advises the DPIE that the Chief Executive Officer (CEO) will be exercising the plan-making delegations for this Planning Proposal as authorised by Council.
- (d) **That** Council authorise the CEO to negotiate a Planning Agreement on behalf of Council, with the outcome of negotiations to be reported back to Council prior to its concurrent public exhibition with the Planning Proposal, relating to the following:
  - 1. delivery of a roundabout on North Rocks Road, and
  - 2. augmentation of the existing bridge over Darling Mills Creek to facilitate increased capacity for pedestrians and cyclists.
- (e) **That** a delivery mechanism be agreed to by the State Government and the proponent to facilitate the delivery of the land required to accommodate future upgrades to the James Ruse Drive/Windsor Rd intersection prior to public exhibition of the Planning Proposal.

- (f) **That** Council authorise the CEO to correct any minor anomalies of a non-policy and administrative nature that may arise during the plan-making process.
- (g) **Further, that** Council note the advice of the Local Planning Panel dated 16 June 2020 in relation to this matter is not consistent with the above recommendation.

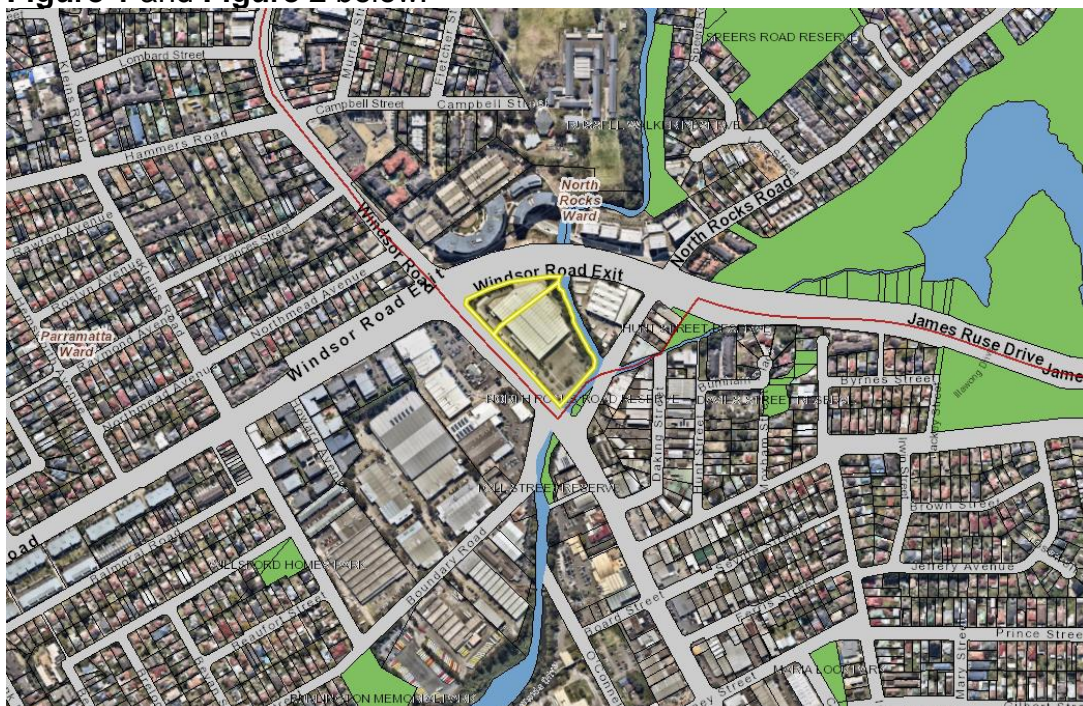
# Planning Proposal Timeline



**WE ARE HERE**

## THE SITE

- The subject site is located on the corner of Windsor Road and James Ruse Drive. The site comprises two lots and is legally described as Lot 1 in DP 112482 and Lot 6 in DP 247452, with a total area of approximately 2.52ha. See **Figure 1** and **Figure 2** below.



**Figure 1** – Site at 1 Windsor Road, North Rocks subject to the Planning Proposal





**Figure 2** – Aerial view

2. The site has frontage to Windsor Road to the west and to James Ruse Drive (slipway) to the north. It is adjacent to, but does not have frontage to, North Rocks Road, being separated by Darling Mills Creek which runs adjacent to the site to the eastern and southern boundaries.
3. The main access to the site is from North Rocks Road with vehicular entry/exit and a pedestrian walkway via an elevated concrete bridge over Darling Mills Creek. Secondary vehicular access is available to Windsor Road.
4. The site is currently occupied by a large warehouse building (previously occupied by Bunnings Warehouse), with a gross floor area of 7,405m<sup>2</sup>. At grade car parking is provided on the site, with 260 spaces located predominantly to the south of the building with the remainder to the north and west.

## **PLANNING PROPOSAL**

5. On 28 October 2019, the applicant, Planning Ingenuity Pty Ltd, on behalf of the landowner, Fabcot Pty Ltd, lodged a Planning Proposal with the City of Parramatta Council for land at 1 Windsor Road, North Rocks. The site was previously occupied by a Bunnings store however it is currently unoccupied.
6. The Planning Proposal seeks approval to permit 'retail premises' in the form of a supermarket and liquor shop on the site. The site is within the B6 Enterprise Corridor Zone which currently allows a range of non-residential (and commercial) uses but not 'retail premises'. The site also contains a small portion of land zoned SP2 Infrastructure (Public Transport Corridor) along the Windsor Road frontage, but this does not affect any existing structures. The proposed future development of the site seeks to utilise the existing warehouse building on the site to accommodate a full-line Woolworths supermarket of 3,800m<sup>2</sup> (including a BWS liquor store). The remainder of the existing building (3,015m<sup>2</sup>) is intended to be developed as a warehouse and distribution centre

(non-retail) which is permitted under the current B6 zone that applies to the site. Further, an existing mezzanine level of 590m<sup>2</sup> is proposed to accommodate office space that is also permitted within the current zone. A copy of the Planning Proposal is included at **Attachment 1**.

## SUMMARY OF COUNCIL OFFICER ASSESSMENT

7. Council officers' assessment of this matter is summarised below in Table 1. Please refer to the report to the Local Planning Panel (included at **Attachment 2** for further details of the assessment.

**Table 1: Summary of Council Officer Assessment**

<b>Economic Impact</b>
An economic impact assessment was provided in support of the Planning Proposal that stated that there is currently an undersupply of supermarket space within the identified trade area and any impacts on nearby centres or supermarkets both within and outside the main trade area are manageable. However it is recommended that the additional permitted use of 'retail premises' be limited to the 3,800m <sup>2</sup> included in the submitted planning proposal to ensure the entire site cannot change to this use. Further analysis is provided below in response to the Local Planning Panel recommendation that the Planning Proposal not be supported.
<b>Traffic and Transport</b>
<p>Council's Traffic and Transport team as well as Transport for NSW (TfNSW) have both raised issues with traffic generation, traffic and transport infrastructure upgrades and pedestrian and cyclist access to and from the site. It is considered that these matters can be addressed as follows:</p> <ul style="list-style-type: none"> <li>• Access improvements from North Rocks Road – augmenting the existing access bridge into the site to facilitate safe access (at least 3m wide) for pedestrians and cyclists entering and leaving the site.</li> <li>• Provision of a new roundabout to the east of the site on North Rocks Road to manage the right hand turn traffic movements out of the site during peak periods due to traffic build up at the intersection of North Rocks Road and Windsor Road. This will allow traffic to turn left when exiting the site and then undertake a U-turn at the roundabout.</li> <li>• Provision of a third lane on the westbound off ramp of James Ruse Drive onto Windsor Road. However, both James Ruse Drive and Windsor Road are State roads and are therefore the responsibility of TfNSW. Initial discussions have been held between the proponent and TfNSW regarding this matter and a Property Impact Plan is currently being undertaken by TfNSW to determine how much land is required to deliver the additional lane.</li> </ul> <p>While these traffic and transport matters are yet to be resolved, the key issue relates to the delivery mechanism for these items that may be in the form of a planning agreement with Council and/or TfNSW or satisfactory arrangements provisions within the amending LEP. In this regard, the Planning Proposal has appropriately considered the traffic and transport impacts and there is sufficient scope to address how these items will be delivered following Gateway Determination being issued. However, it is recommended that the delivery mechanism for these items be established prior to any public exhibition of the proposal to allow all matters associated with the proposed development to be considered concurrently.</p>
<b>Heritage</b>
The site contains a locally listed heritage item referred to as, 'Stone Bridge Approaches and Foundation Plaque, Sydney Woollen Mills'. The only known built heritage elements on the site is a portion of wall with inset foundation plaques located along Windsor Road. The Planning Proposal is not proposing to affect this portion of the site.
<b>Flooding</b>
An Overland Flow Assessment report was submitted in support of the Proposal. As the proposal is not seeking to alter the extent of the existing building envelope on the site, it does not appear to be obstructing any significant overland flow conveyance path ('floodway')

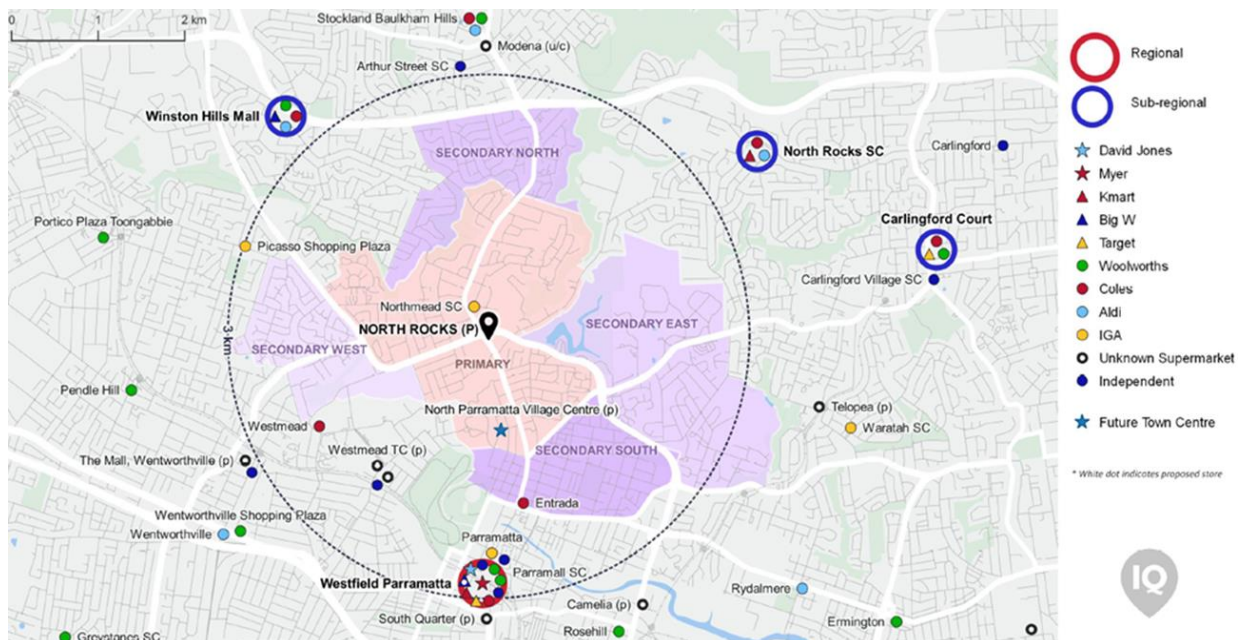
nor will it cause unacceptable displacement of overland flow floodwaters onto other properties or lands.

## LOCAL PLANNING PANEL ADVICE

8. The Local Planning Panel considered this matter at its meeting of 16 June 2020 and recommended the following:

*That the planning proposal not proceed for the reason that retail premises such as a Woolworths supermarket and liquor store should not be permitted at an isolated site but should be located in or attached to existing town or village centres, in line with sound strategic land use planning.*

9. In response to this recommendation, the proponent has prepared further analysis to “demonstrate that the development of a supermarket on the site is entirely appropriate and consistent with the strategic planning framework.” A copy of this additional information provided by the proponent is included at **Attachment 3**.
10. The additional information provides a detailed analysis of existing centres and land zoned to permit a supermarket development within the proposed trade area. The analysis identifies that there is an undersupply of supermarket floorspace in the trading area of the proposed store of over 7,000m<sup>2</sup> and concludes that there are no other sites within or adjoining an existing centre or on appropriately zoned land within the trade area that can reasonably accommodate a supermarket of the nature being proposed.
11. A map detailing the main trade area of the proposed supermarket and nearby competition is shown in **Figure 3** below.



**Figure 3:** Main Trade Area and Competition (extracted from Economic Impact Assessment)

12. Given that the trade area is within an established urban area, a site of sufficient size to accommodate a supermarket of the nature being proposed is not available within the parameters recommended by the Local Planning Panel. The economic impact assessment provided by the proponent establishes that

there is an existing undersupply of supermarket floorspace in the trade area of approximately 7,114m<sup>2</sup>, and that any impacts on nearby centres such as Northmead will not affect their economic viability. In addition, any such impacts will be offset over time due to underlying population growth in the region.

13. Furthermore, the economic impact analysis notes that the proposed supermarket, coupled with the warehouse and distribution and ancillary office use will provide both direct and indirect employment generation in the region of 1,196 jobs. Also, the warehouse and distribution component of the proposed development is intended to provide for improved online supermarket delivery services for the local community. Given the potential benefits a development of this nature could potentially provide and a lack of a viable alternative site, it is therefore considered reasonable to permit a supermarket of 3,800m<sup>2</sup> on the subject site in this instance despite the advice of the Local Planning Panel.

### **SITE SPECIFIC DEVELOPMENT CONTROL PLAN**

14. It is noted that the Planning Proposal is only seeking to include a supermarket and associated liquor store as an additional permitted use within Schedule 1 of the Parramatta (former The Hills) Local Environmental Plan 2012, and that the use is proposed to be incorporated within an existing building on site. It is therefore not considered necessary to include a site-specific DCP to support the proposal in this instance. The existing provisions within The Hills Shire DCP 2012 are considered sufficient to manage the assessment of any development application on the site should the proposal proceed.

### **PLANNING AGREEMENT**

15. Under the City of Parramatta Planning Agreements Policy (adopted 26 November 2018) "*Council will consider, as a matter of public interest, whether satisfactory arrangements have been or will be made for the provision of community infrastructure, given the likely increase in demand for services and infrastructure*" (clause 2.5.2). The Policy also seeks to ascribe a value to any planning agreement related to the land value uplift as a result of the planning proposal.
16. The submitted Planning Proposal is not accompanied by a Letter of Offer seeking to enter into a Planning Agreement with Council as it is only proposing to include retail premises as an additional permitted use on the site and is not seeking any density uplift. However, given the issues identified within the Traffic and Transport section above, a Planning Agreement may provide an appropriate mechanism to ensure that issues associated with the increase in demand for infrastructure as a result of the Planning Proposal are satisfactorily addressed.
17. It is therefore recommended that Council authorise the Chief Executive Officer (CEO) to negotiate a Planning Agreement on behalf of Council. Should the Planning Agreement proceed, the outcome of the negotiations would be reported back to Council prior to its concurrent public exhibition with the Planning Proposal. The key elements of the Planning Agreement would address the following:
  - delivery of a roundabout on North Rocks Road, and



- augmentation of the existing bridge over Darling Mills Creek to facilitate increased capacity for pedestrian and cyclists.
18. In addition, as noted in the Traffic and Transport section above, a mechanism to deliver a third lane on the James Ruse Drive off ramp should be agreed to by the State Government and the proponent prior to any public exhibition of the Planning Proposal. This will likely require some land take on the northern boundary of the site but will not impact the existing structures on site. Should a Planning Agreement be required to deliver the additional lane, it would be undertaken at State level as James Ruse Drive is not a Council owned and managed road.

### **PLAN-MAKING DELEGATIONS**

19. Revised delegations were announced by the then Minister for Planning and Infrastructure in October 2012, allowing councils to make LEPs of local significance. On 26 November 2012, Council resolved to accept the delegation for plan-making functions. Council has resolved that these functions be delegated to the CEO.
20. Should Council resolve to endorse the Planning Proposal to proceed, it is recommended that Council request that it exercise its plan-making delegations. This means that once the Planning Proposal has been to Gateway, undergone public exhibition and been adopted by Council, Council officers will deal directly with the Parliamentary Counsel Office on the legal drafting and mapping of the amendment. The LEP amendment is then signed by the CEO before being notified on the NSW Legislation website.

### **CONSULTATION & TIMING**

21. Should Council resolve to proceed with the Planning Proposal for the site, it will be forwarded to the Department of Planning, Industry & Environment requesting a Gateway Determination.
22. Should a Gateway Determination be issued, the Planning Proposal will be placed on public exhibition and the outcomes will be reported to the Local Planning Panel if any objections are received. If no objections are received, the matter will be reported directly to Council post-exhibition.

### **FINANCIAL IMPLICATION FOR COUNCIL**

23. Should Council resolve to proceed with the Planning Proposal, the costs incurred in conducting the community consultation are covered by the fees associated with the submission of the Planning Proposal request. Should a Planning Agreement be required to support the Planning Proposal to address traffic and transport issues arising from the impacts of the Planning Proposal as referred to in this report, a separate report will be provided to Council outlining all financial implications associated with such an agreement.

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**Land Use Planning Manager**

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**Acting Chief Financial Officer**

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**Chief Executive Officer**

**ATTACHMENTS:**

1	Planning Proposal	37 Pages
2	Local Planning Panel Minute and Report (including supporting studies as attachments)	150 Pages
3	Supplementary document provided by the Applicant (with a further Economic Analysis attached)	16 Pages

**REFERENCE MATERIAL**