

03 April 2014

CONCEPT PLAN FOR STAGED MIXED USE DEVELOPMENT, WITH STAGE 1 MASTERS HOME IMPROVEMENT STORE AT 164 STATION ST, PENRITH (MP09_0192)

EXECUTIVE SUMMARY

On 29 January 2014, the Executive Director, Development Assessment Systems and Approvals of Planning and Infrastructure (P&I) referred the subject concept plan and stage 1 project application to the Planning Assessment Commission (the Commission) for determination under Ministerial delegation. The referral was triggered under the terms of the delegation as the application was submitted by a proponent other than a public authority and is the subject of an objection from the relevant local council (Penrith City Council) and a reportable political disclosure statement.

The concept plan is for a residential and mixed use development of the site, to be undertaken in six stages. Project approval is sought for stage 1 that would involve the northern most part of the site being subdivided into 3 lots and construction and operation of a Masters Home Improvement store.

The proposal is a transitional major project under Part 3A of the Act being for the purposes of a residential, commercial or retail project with a capital investment value of more than \$100 million, under the former clause 13 of Schedule 1 of SEPP (Major Development) 2005. The project has a capital investment value of approximately \$219 million including \$20 million for the stage 1 works.

The proponent for the project is Penrith Parkview Pty Ltd.

The Director General's Assessment Report recommends approval of the concept plan subject to recommended conditions of consent. In relation to the Stage 1 project application (Masters Home Improvement store) the DG's report recommends a deferred commencement approval in relation to the provision of suitable traffic management measures at the intersection of Station Street and Ransley Street, the main access to Stage 1.

The Commission members visited the site and met with the proponent and Penrith City Council.

Following consideration of the application the Commission considered that the Stage 1 project application should be refused as:

- the Masters Home improvement store is inconsistent with strategic planning for the site including future planning for the adjacent stadium precinct;
- a Masters Home Improvement store is not appropriate in the subject location and is more appropriately located on land zoned for bulky good retail development;

- the proposed traffic and parking arrangements are unacceptable and not supported by the RMS, including access into the site, heavy vehicle access arrangements being off Woodriff Street which accommodates 3 childcare centres and impact of possible roundabout on pedestrian access;
- The proposal is incompatible with surrounding uses and proposed high density residential development; and
- Negative impact on Penrith CBD and inconsistency with strategic planning for the area.

The Commission determined to support approval of the Concept Plan with the exception of the Stage 1 component.

The proponent was advised of the Commission's view and elected to amend the Concept Plan application to delete the home improvement store and associated works from the Concept Plan and to update the staging of the proposed development. The staging has been amended such that the former Stage 1 home improvement site is now Stage 6 and will comprise demolition and superlot subdivision only (see Appendix 1).

A separate project application will be required for works within each stage including Stage 6. The effect of the proposed amendments would be that following approval of the Concept Plan the future development of Stage 6 would be largely unplanned and could either be progressed through a future modification to the Concept Plan under Part 3A transitional provisions or as a separate development application under Part 4 of the EP&A Act.

Having regard to the proposed amendments to the Concept Plan to delete the Masters Home Improvement Store, and having regard to all other relevant matters, the Commission has concluded that the proposed Concept Plan as amended is appropriate and should be approved subject to recommended conditions of consent. Project approval is also granted for demolition and superlot subdivision within the amended Stage 6 (formerly Stage 1 area).

1. INTRODUCTION

The proponent as set out in the preferred project report seeks approval of a concept plan for a mixed use retail and residential development of the site in 6 stages including approximately 570 residential apartments (60,000m²), a Masters Home Improvement store (13,641m²) and ancillary retail floor space (995m²) and a tavern (1,900m²) with an overall floor space ratio of approximately 0.98:1.

As detailed in the DG's report the application seeks consent for proposed development as set out below:

Stage 1 (Project Approval)	
Demolition	<ul style="list-style-type: none"> Demolition of the existing buildings on the northern portion of the site
Subdivision of the site to create 3 separate lots	<ul style="list-style-type: none"> Proposed lot 11 (4.058ha) for stages 2-6 of the concept plan Proposed lot 13 (0.46ha) for the proposed new road through the centre of the site; and Proposed lot 12 (3.325ha) for the stage 1 Masters Home Improvement store
Construction and operation of a Masters Home Improvement store (13,641m ²)	<ul style="list-style-type: none"> General sales area for hardware and building supplies of 7,616m² Garden and plant sales area of 2,18m² Trade sales area (with drive-unloading system) of 2,305m² Back of house deliveries and loading area of 840m² Office amenities 502m² Café 160m² (fit-out of the café is to be subject to a future development application; Car parking for 375 cars, including 8 accessible spaces (as well as 30 bicycle racks); and Signage comprising; one main entry sign and two trade and garden identification signs located on the western elevation; and a 12m high pylon sign adjacent to the car park entry off Station Street.
Proposed hours of operation for the Stage 1 Masters Home Improvement store	<ul style="list-style-type: none"> Monday to Friday 6am to 10pm Saturdays / Sundays 6am to 8pm All loading and servicing will be carried out within these retail hours
Traffic and access arrangements for Stage 1 and the Masters Home Improvement store, including separate customer and general servicing entries into the stage 1 Masters Home Improvement store	<ul style="list-style-type: none"> Construction of internal road link between Station Street and Woodriff Street Main customer access and access to car park, from Station Street Two way secondary customer access on to the new proposed road through the centre of the site (over proposed Lot 12); and Service entry / access off Woodriff Street
Stormwater infrastructure works	
Stage 2 to 6 (Concept Plan)	
Stage 2 Approximately 15,950m ² of residential development (152 apartments)	<ul style="list-style-type: none"> A four storey building containing 32 apartments A five to ten storey building containing 120 apartments Communal open space for residents of the buildings 163 parking spaces (152 resident spaces, eight visitor spaces and three car wash bays); and Internal road network, civil and stormwater infrastructure works relevant to stage 2

Stage 3 Approximately 8,550m ² of residential and retail / commercial development (90 apartments)	<ul style="list-style-type: none"> ▪ A fix to six storey building containing 90 apartments, and ground floor retail floor space ▪ Communal open space for residents of the building ▪ Neighbourhood shops / cafes of approximately 995m² ▪ A tavern of approximately 1,800m² ▪ Public open space with a plaza of approximately 2,300m² ▪ 166 parking spaces (90 resident spaces, five visitor spaces, ten retail (staff) spaces, 73 tavern spaces, two car wash bays) ▪ Internal road network, civil and stormwater infrastructure works relevant to stage 3
Stage 4 Approximately 17,450m ² of residential development (166 apartments)	<ul style="list-style-type: none"> ▪ A four storey building containing 48 apartments ▪ A seven storey building containing 118 apartments ▪ Communal open space for residents of the buildings ▪ 178 parking spaces (166 resident spaces, nine visitor spaces, three car wash bays) ▪ Internal road network, civil and stormwater infrastructure works relevant to stage 4
Stage 5 Approximately 12,600m ² of residential development (110 apartments)	<ul style="list-style-type: none"> ▪ A six storey building containing 60 apartments ▪ A five storey building containing 50 apartments ▪ Communal open space for residents of the building ▪ 118 parking spaces (110 resident spaces, six visitor spaces, two car wash bays) ▪ Internal road network, civil and stormwater infrastructure works relevant to stage 5.
Stage 6 Approximately 5,450m of residential development (52 apartments)	<ul style="list-style-type: none"> ▪ Two x four storey buildings, one with 24 apartments and one with 28 apartments ▪ Communal open space for residents of the buildings ▪ 56 parking spaces (52 resident spaces, three visitor spaces and a car wash bay) ▪ Internal road network, civil and stormwater infrastructure works relevant to stage 6.

The subject application is a transitional Part 3A matter within the meaning of the *Environmental Planning and Assessment Act 1979*. Clause 3 of Schedule 6A Part 3A and the associated regulations continue to apply to transitional Part 3A projects and accordingly the Minister (or his delegate) may approve modifications under Section 75W of the EP&A Act.

2. DELEGATION TO THE COMMISSION

The modification application falls within the general terms of delegation issued to the Commission by the Minister on 14 September 2011 being applications:

- Objected to by the relevant council;
- Where a political disclosure statement has been made; or
- Where more than 25 objections were received.

The application is the subject of an objection from the relevant local council (Penrith City Council) and a reportable political disclosure statement.

The application was referred to the Commission on 29 January 2014 for determination.

The Commission for the purposes of this application consisted of Mr Garry West (Chair), Mr David Furlong and Ms Abigail Goldberg.

3. INFORMATION AVAILABLE TO THE COMMISSION

3.1 Documents

The referral to the Commission included the following documents:

- The Director General's environmental assessment report (DG's report) and appendices;
- The proponent's environmental assessment report (EA);
- Submissions received by P&I including submissions from Penrith City Council, RMS, OEH, Transport for NSW, NSW Office of Water, NSW Police, Sydney Water, EPA and 15 public submissions on the EA and a further 8 public submissions on the PPR;
- The proponent's response to submissions report (RTS) and preferred project report (PPR);
- Supplementary advice provided by the Council and the proponent; and
- Recommended conditions of approval.

3.2 Site visit

The Commission members visited the site and the surrounding area on 14 February 2014.

4. DIRECTOR- GENERAL'S ASSESSMENT REPORT

4.1 Key issues

The Director General's (DG's) report identified the key issues with the proposed modification as:

- Strategic context;
- Economic impacts;
- Alternative sites;
- Access, traffic and parking; and
- Design, bulk and scale.

4.2 Council's view

The DG's report notes that Penrith City Council strongly objected to the proposal. Key concerns raised by Council include:

- Proposal should not be considered under Part 3A;
- Inconsistency with the strategic direction for the site;
- Loss of future city centre housing supply;
- Inconsistency of Masters store with LEP maximum retail floor space;
- Incompatibility of Masters store design with southern CBD gateway;
- Lack of design excellence (Masters store);
- Availability of other sites to accommodate Masters store;
- Traffic impacts particularly in relation to Masters store traffic volumes and access arrangements; and
- Other issues including poor site design, access, traffic and transport impacts, engineering issues, stormwater quality treatment, safety security and crime prevention and environmental matters including waste management.

The Commission notes that the majority of the issues raised by Council relate to the proposed Masters Home Improvement Store or Stage 1 development rather than the broader proposed Concept Plan.

4.3 Public submissions

15 public submissions were received on the EA (12 in the form of objections and three raising concerns). A further eight public submissions were made on the PPR including submissions from the local State Member as well as submissions on behalf of Panthers, Westfield Penrith, Penrith Homemakers Centre and the adjacent Centro shopping centre. The DG's report identifies the main issues raised in the public submissions as:

- Inconsistent with Strategic context for area and fails to achieve regional housing targets;
- Prohibited use, inconsistent with planning controls and incompatible with surrounding land uses;
- Staging lacks commitment to residential development and increases potential for site to become retail precinct;
- Poor urban design outcomes;
- Should not be considered under Part 3A as does not resemble original application submitted;
- Alternative sites available for Masters Home Improvement store;
- Will result in adverse amenity impacts;
- Will Adverse traffic and parking outcomes exacerbated by events;
- Impact of proposed tavern close to other licensed venues and sporting venues. Need for social impact assessment;
- Need for stormwater impacts to be fully assessed; and
- Proposal lacks any net community benefits.

4.4 Preferred Project Report

Following exhibition of the modification application and the receipt of submissions the proponent prepared a PPR. The report essentially responds to issues raised by P&I and in submissions and included the following changes:

- Relocation of the residential, plaza and tavern development from the northern to the southern portion of the site and relocation of the proposed Masters Home Improvement store to the north;
- Orientation of the Masters Home Improvement store to the west to address Station Street with delivery / loading areas off Woodriff Street;
- Amended layout for residential buildings providing for 9 RFBs with heights of 4 to 10 storeys compared to previously proposed 10 RFBs of 4 – 8 storeys in height. Building height reallocate with greatest height at corner of Jamison Road and Station Street to create a gateway entry to City Centre; and
- Revision of internal street layout.

4.5 Recommendations

The DG's report considers that the Concept Plan provides for an appropriate mixed use redevelopment of the site which will assist in activating the precinct by removing existing redundant industrial buildings and by opening up and integrating the site with the remainder of the Penrith CBD. The report considers that amendments made in the PPR are of design merit and that the relocation of the residential component to the southern part of the site provides for better residential amenity outcomes with apartment buildings that address key street frontages and create a gateway entry to the CBD. Approval of the Concept Plan is recommended.

The DG's report also concludes that the Masters Home Improvement store is appropriate having regard to arguments put by the proponent regarding economic viability, lack of suitable alternative sites, and the investment and employment benefits of the project to Western Sydney and Penrith.

The DG's report notes outstanding matters relating to the provision of traffic lights or suitable traffic management at the intersection of Station and Ransley Street and has therefore recommended the issue of a deferred commencement consent for the project application in this regard.

5. MEETINGS WITH STAKEHOLDERS

On 14 February 2014 the Commission met with senior officers of Penrith City Council and the proponent Parkview Penrith Pty Ltd. The Commission also met further with representatives of Parkview Penrith Pty Ltd and Planning and Infrastructure (P&I) on 28 February 2014 after detailed consideration of the application.

5.1 Meeting with Penrith City Council

Senior Council officers provided the Commission with an overview of Council's concerns in relation to the application. The main concerns identified by the Council relate to the Masters Home Improvement store aspect of the Concept Plan and the Stage 1 project application. In particular Council is concerned that the Masters store is not consistent with the strategic direction for the area nor with future plans for the adjacent stadium precinct, will result in adverse traffic and amenity impacts, will not enable dwelling targets to be met and is inconsistent with surrounding development. Issues raised are consistent with those outlined in its submission. Furthermore, Council outlined the current status of an alternate Masters proposal on a site at Mulgoa Road and advised that it considered that in its view this alternate site was preferable to the Station Street site being consistent with the relevant zoning and located in a bulky good retail precinct.

5.2 Meetings with Proponent

On 14 February 2014 the Commission met with the proponent who advised that it supported the Department's recommendation. The proponent outlined the rationale for the Concept Plan design and Masters development proposal. The proponent outlined the case for the proposed Masters store including lack of adverse economic impact, lack of suitable alternate sites, suitability of design having regard to adjacent Centro shopping centre and Council support for other out of centre retail developments (e.g. Penrith Panthers development, DFO etc.).

In relation to the Concept Plan the proponent outlined improvements to the design included in the PPR, the proposed staging of the development having regard to the existing demand for high density residential development in the locality, the proposed treatment of the interface between the residential development and the Masters store, the proposed creation of a gateway at the corner of Jamison Road and Station Street etc.

Following detailed consideration of the application, the Commission met with the proponent again on 28 February 2014. At this meeting the Commission advised the proponent that it did not support the proposed Masters Home Improvement store component of the development outlining its reasons for this decision. These reasons included:

- the Masters Home improvement store is inconsistent with strategic planning for the site including future planning for the adjacent stadium precinct;
- a Masters Home Improvement store is not appropriate in the subject location and is more appropriately located on land zoned for bulky good retail development;
- the proposed traffic and parking arrangements are unacceptable including traffic impact generally and during events at the stadium, access arrangements into the site, heavy vehicle access arrangements off Woodriff Street which accommodates 3 childcare centres and the impact of the possible roundabout on pedestrian access. The arrangements are also not supported by the RMS;
- The proposal is incompatible with surrounding uses and the proposed high density residential development; and
- Negative impact on Penrith City Centre area and inconsistency with strategic planning for the area.

The Commission did not accept the proposition that the proposed Masters store would act as a catalyst for the staged high density residential development put forward in the Concept Plan.

The proponent was invited to consider its options in relation to the application i.e. withdrawal, amendment etc. and to advise the Commission further.

On 17 March 2014 the proponent's consultants wrote to the Commission advising that its preferred course of action, in light of the Commission's advice, was for the Commission to continue with its determination of the application deleting the proposed home improvement store from the Concept Plan. They provided amended plans which modified the Concept Plan to delete the home improvement store and associated works from the Concept Plan and updating the staging of the proposed development (see Appendix 1) as follows:

PPR	As amended	Change to scope
Stage 1	Stage 6	Consent sought for demolition and subdivision only
Stage 2	Stage 1	No change to scope
Stage 3	Stage 2	No change to scope
Stage 4	Stage 3	No change to scope
Stage 5	Stage 4	No change to scope
Stage 6	Stage 5	No change to scope

The amendment provides that Stage 1 would become Stage 6 (the last stage in the development). Stage 6 would comprise demolition (as currently proposed under the Concept Plan) and superlot subdivision only. This approach would mean that future detailed planning of the northern portion of the site (Stage 6) would be undertaken via a future development application to the relevant planning authority. Project approval would be granted for Stage 6 demolition and superlot subdivision only as part of the current determination process.

6. CONSIDERATION

As noted above, following detailed consideration of all information before it, the Commission formed the view that it did not support the proposed Masters Home Improvement Store component of the development. Its reasons for this decision include:

- the Masters Home improvement store is inconsistent with strategic planning for the site including future planning for the adjacent stadium precinct;
- a Masters Home Improvement store is not appropriate in the subject location and is more appropriately located on land zoned for bulky good retail development;
- the proposed traffic and parking arrangements are unacceptable including traffic impact generally and during events at the stadium, access arrangements into the site, heavy vehicle access arrangements off Woodriff Street which accommodates 3 childcare centres and the impact of the possible roundabout on pedestrian access;
- The proposal is incompatible with surrounding uses and the proposed high density residential development; and
- Negative impact on Penrith City Centre area and inconsistency with strategic planning for the area.

The Commission considers that it is appropriate to approve the demolition and super lot subdivision component of the Project Application, however all other components of the application are to be refused. The future planning and design for Stage 6 would be undertaken in a future planning application to the relevant planning authority.

In relation to the amended Concept Plan, the Commission considers that the concept design is appropriate and will provide for redevelopment of the site consistent with strategic planning for the area. The proposed high density residential development will significantly contribute to residential housing targets within the region and to the housing mix within the area. The scale of the proposed buildings is generally considered suitable for the locality subject to detailed design, including the gateway element at the corner of Jamison Road and

Station Street. The proposed amended staging is also considered appropriate with development to start in the south adjacent to Station Street and to move north and then to the east to the Woodriff Street frontage. The proposed street network is supported as it will provide permeability to the new neighbourhood. Further the location of the proposed plaza and tavern in the centre of the site adjacent to the Station Street frontage is considered appropriate.

Accordingly it is considered that the Concept Plan as amended should be approved subject to conditions of consent as recommended by P&I.

7. PAC DETERMINATION

The Commission has considered all relevant information in relation to the proposed Concept Plan and Project Application for Stage 6 (formerly proposed as Stage 1) and has concluded that the Concept Plan should be approved as amended. In relation to the Project Application for Stage 6 only the proposed demolition and superlot subdivision is considered acceptable. The application for a proposed Masters Home Improvement store is refused.

The Concept Plan is therefore approved as modified. Approval is also granted to the Project Application for Stage 6 (formerly Stage 1) but only in so far as it applies to demolition and superlot subdivision.



Mr Garry West
Commission Chair

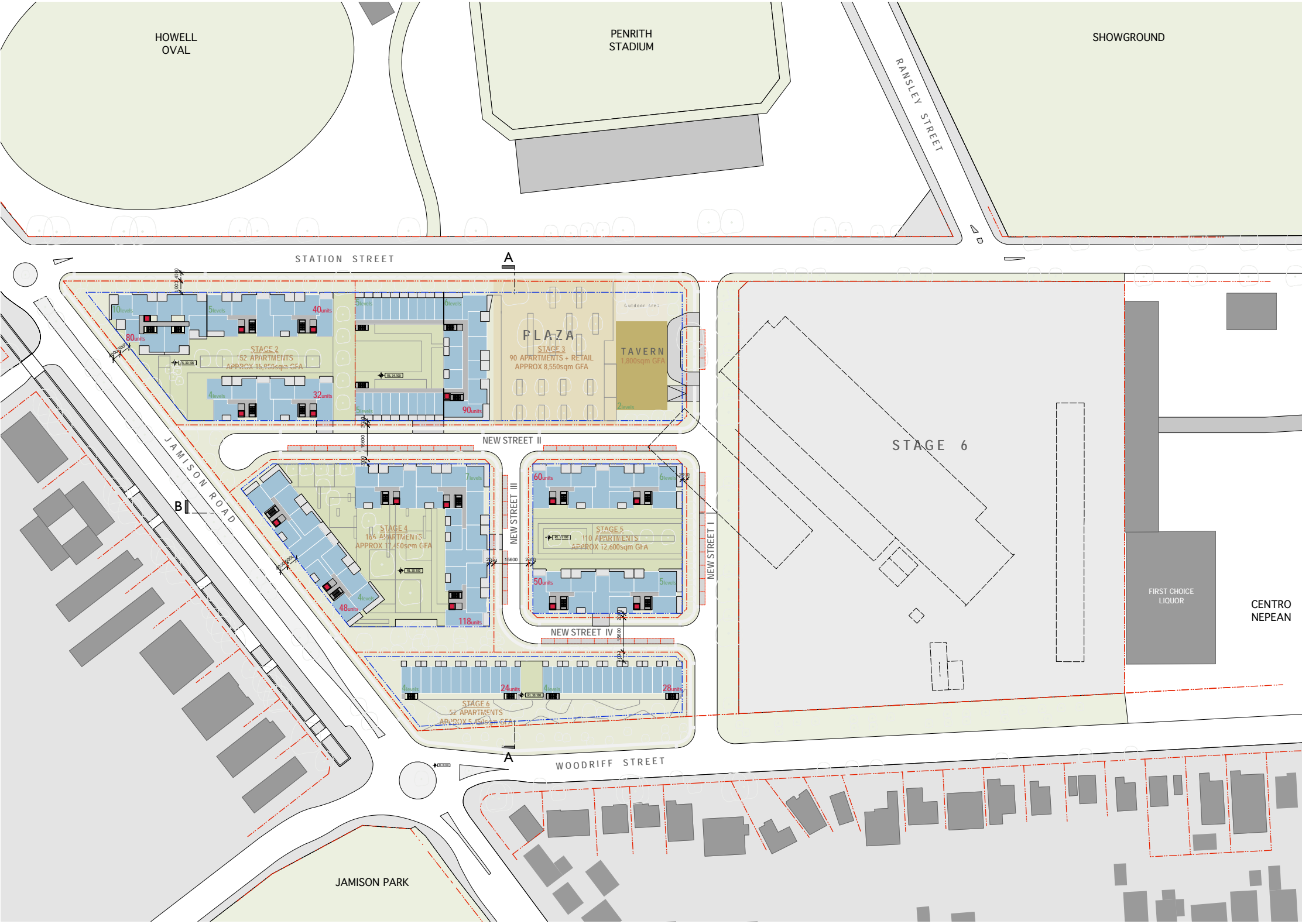


Mr David Furlong
Commission Member



Ms Abigail Goldberg
Commission Member

APPENDIX 1
Plan Nos DA033 and DA014



NOTES

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CONSTRUCTIONS • DEVELOPMENTS • PROJECTS • INTERIORS

PROJECT TITLE
**NEPEAN GREEN
164 STATION STREET
PENRITH NSW 2750**

DRAWING TITLE
Illustrative Typical Level Plan

Rev.	Date	Approved by	Revision Notes
K	17-03-14	kjd	Northern site updated
J	03-06-13	kjd	Issued for information
H	25-05-13	kjd	Plans amended
G	21-05-13	kjd	Stage 2 & 4 changes
F	16-05-13	kjd	Update to new location

SCALE	1000	@A1, 50% @A3	DATE	12014	STATUS	FOR INFORMATION	DWG No.	DA033	REV	K	NORTH	
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TURNER + ASSOCIATES

L3 410 Crown Street Surry Hills NSW 2010 Australia
t +61 2 8668 0000 f +61 2 8668 0088

