

ASSESSMENT REPORT

Marrickville Metro Shopping Centre Redevelopment MP 09_0191 MOD 5

1. INTRODUCTION

This report is an assessment of a request to modify the Project Approval (MP 09_0191) for the expansion of the Marrickville Metro Shopping Centre redevelopment at 34 Victoria Road and 13-55 Edinburgh Road in the Marrickville local government area.

The request has been lodged by Urbis Pty Ltd on behalf of AMP Capital Ltd (the Proponent) pursuant to section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act). It seeks approval to amend the timing for the execution of a Voluntary Planning Agreement (VPA) with Inner West Council (Council).

2. SUBJECT SITE

The Marrickville Metro Shopping Centre site is located approximately 8 kilometres (km) south west of the Sydney CBD and approximately 2.5 km from Marrickville Railway Station. The site comprises two parcels of land at 34 Victoria Road and 13-55 Edinburgh Road (see **Figure 1**).



Figure 1: Site Location (base image source: Nearmap)

3. APPROVAL HISTORY

On 19 March 2012, the Planning Assessment Commission (the Commission) approved a Concept Plan (MP 09_0191) for the expansion of the Marrickville Metro Shopping Centre. The Commission approved the development at project detail, subject to conditions without the need for any further environmental assessment.

As part of the approval, two specific conditions were imposed by the Commission requiring a VPA to be entered into with Council for monetary contributions towards community facilities and the upgrading of local shopping strips.

The proposal has been modified on three occasions:

- On 16 April 2013, MOD 1 was approved under delegation for internal and external amendments to the Stage 1 site at 13-55 Edinburgh Road that also included a reduction in car parking numbers;
- On 23 April 2015, MOD 2 was approved under delegation to split Stage 1 into two stages (Stage 1A and Stage 1B). Stage 1A comprises works to the main entry of the Shopping Centre at Victoria Road, traffic management works and geotechnical works on the Edinburgh Road site. Stage 1B comprises the new Shopping Centre building on the Edinburgh Road site; and
- On 11 February 2016, MOD 3 was approved under delegation to amend Conditions B17 and E22.A relating to traffic requirements and Condition D28 relating to tree management.

4. PROPOSED MODIFICATION

The proposal seeks approval to amend Condition B4.A of the approval, which requires the Proponent to enter into a VPA with Council for a total monetary contribution of \$600,000 towards the upgrading of local shopping strips.

The monetary contribution is currently required to be paid in instalments at various stages of the construction with the first payment of \$30,000 required prior to the issue of a Construction Certificate (CC) for Stage 1A.

The proposal seeks to defer the timing of the first payment, and to make a larger combined payment of \$300,000 (incorporating all of the currently required instalments for Stage 1A and 1B) to be paid prior to Stage 1B. Therefore, while the change would defer timing of the first payment, it would also bring forward the timing of other payments, as multiple instalments were due during construction of Stage 1B, and these are now all to be paid prior to the commencement of the Stage 1B.

The proposal also seeks to defer the required date for the execution of the VPA from prior to Stage 1A to prior to Stage 1B.

All other provisions associated with the VPA conditions, including the monetary contributions for community facilities remain unchanged.

The proposed change is sought as the Proponent is ready to commence works in Stage 1A, and although the Proponent and Council are currently working to establish a VPA, it will be sometime before the VPA is finalised, exhibited and executed, resulting in a significant likely delay to construction.

5. STATUTORY CONSIDERATION

5.1 Section 75W

The project was originally approved under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). Although Part 3A was repealed on 1 October 2011, the project remains a 'transitional Part 3A project' under Schedule 6A of the EP&A Act, and hence any modification to this approval must be made under the former section 75W of the Act.

The Department is satisfied that the proposed changes are within the scope of section 75W of the EP&A Act, and do not constitute a new application.

5.2 Approval Authority

The Minister for Planning is the approval authority for the application. However, the Acting Director, Modification Assessments may determine the application under delegation as:

- the relevant local Council has not made an objection; and
- a political disclosure statement has not been made; and
- there are no public submissions in the nature of objections.

6. CONSULTATION

The Department made the modification application publicly available on its website, and consulted with Council about the proposed modification.

Council advised it has no objection to the proposed modification.

There were no **public** submissions received on the proposal.

7. ASSESSMENT

As discussed above, the Proponent is currently working with Council to establish a VPA for monetary contributions to be paid for the upgrade of the local shopping strips and community facilities in accordance with the Project Approval. However the Proponent wishes to commence construction on Stage 1A prior to the execution of the VPA.

Council does not object to the deferral of the execution of the VPA and deferral of the first payment to Stage 1B of the project.

The requirement to enter into a VPA was a condition imposed by the Commission to assist in offsetting the economic impact of the Marrickville Metro expansion on other local centres.

Stage 1A comprises works to the main entry of the Shopping Centre at Victoria Road, traffic management works and geotechnical works on the Edinburgh Road site. In the context of the remainder of Stage 1 (Stage 1B), which comprises the new Shopping Centre expansion on the Edinburgh Road site, the works in Stage 1A are relatively minor or preliminary.

The Department considers it reasonable that the execution and first payment are deferred to Stage 1B, as it is the first major stage of works that would result in a substantive increase in floorspace for the project and therefore more directly relates to the need to offset impacts to other shopping strips.

The Department also notes that although the proposal seeks to defer the first monetary contribution of \$30,000, this would be offset by bringing forward other, more substantive payments. Instead of making the contributions for Stage 1B in three equal instalments of \$90,000 each over three years as is currently required, it is now proposed to make the first monetary contribution in one instalment of \$300,000 at the start of Stage 1B (including the

deferred payment of \$30,000 from Stage 1A). Overall the modification would therefore enable more substantive offset works to be funded earlier.

The Department is therefore satisfied the intent of the condition to provide a monetary contribution to enable the upgrade of the local shopping strips would still be achieved.

8. CONCLUSION

The Department has assessed the modification application and supporting information in accordance with the relevant requirements of the EP&A Act. The Department's assessment concludes that the proposed modification is appropriate on the basis that:

- it would enable construction to commence on site while the VPA is being finalised; and
- there would be no material change to the achievement of the intent of the VPA condition to fund improvements to local shopping strips.

Consequently, it is recommended that the modification be approved subject to the recommended conditions.

9. RECOMMENDATION

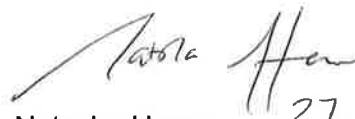
It is RECOMMENDED that the Acting Director, Modification Assessments as delegate of the Minister for Planning:

- **considers** the findings and recommendations of this report;
- **approves** the application under section 75W, subject to conditions; and
- **signs** the notice of modification (**Appendix A**).

Prepared by:
Thomas Mithen
Consultant Planner



Fiona Gibson
Acting Team Leader
Modification Assessments



Natasha Harras
Acting Director
Modification Assessments

27.07.16

APPENDIX A: NOTICE OF MODIFICATION

The Notice of Modification can be found on the Department's website at the following address:

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7727

APPENDIX B: SUPPORTING INFORMATION

The following supporting documents and supporting information to this assessment report can be found on the Department of Planning and Environment's website as follows:

1. Modification request

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7727

2. Submissions

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7727