



NSW PLANNING ASSESSMENT COMMISSION

27 April 2009

630-726 Princes Highway, Tempe (The Ikea Project)

The proposal is a concept plan application to construct a bulky goods retailing showroom and warehouse for IKEA with associated parking and office facilities. It is located within the Minister's electorate district. Although the general terms of delegation issued by the Minister on 18 November 2008 to the Planning Assessment Commission (PAC) to approve project applications within the Minister's electorate district, it excludes concept plan applications.

On 15 April 2009, the Minister for Planning delegated her powers and functions as an approval authority for the concept plan application for the Ikea project (Application No. MP07_0149) to the Planning Assessment Commission for determination.

The Commission consisted of Ms Gabrielle Kibble (Chairman of the PAC), Mr Lindsay Kelly and Mr Garry Payne (both Members of the PAC).

On 21 April 2009, Commission members met with staff from the Department of Planning for a briefing of the proposal. The model of the proposal was also presented to the Commission to assist its consideration. Following the briefing meeting, Commission members considered the application and associated documents including the Director General's (DG's) Report, the recommended conditions of approval, the Environmental Assessment (EA) Report, the proponent's response to submissions to the EA and statement of commitment. These documents were circulated to Commission members prior to their meeting.

The DG's report canvassed the following key issues:

- land use;
- traffic, parking and access;
- contamination and remediation;
- public domain and landscaping;
- safety & security;
- heritage;
- economic impact;
- access to the Salvation Army site;
- ESD measures; and
- developer contributions.

Commission's Comments

The Commission has considered these issues and agrees that the proposal will have positive local and regional economic and employment benefits as well as assisting in rejuvenating the area. The Commission's consideration focused on potential traffic impact on the amenity of neighbouring residential areas, the use of the s94 contribution, and site contamination.

Potential traffic impact and s94 Contribution

The Commission notes the issue of potential traffic impact on the local residential streets between the Highway and Unwins Bridge Road was raised as a main concern in the assessment of the proposal. However, the proposed amelioration works to reduce traffic impact on residential area are limited to improvements along the Highway including limiting or removing right-hand turns into Union and Lymerton Streets. The Commission also notes the proponent's commitment to provide funding to Council to investigate both "before" and "after" development traffic generation in the local streets in a Local Area Traffic Management (LATM) study. The Commission is concerned that if there is no dedicated funding, the LATM identified mitigation works may not be implemented immediately to alleviate the impacts on residents. The Commission is of the view that the proponent's s94 Contribution for traffic management should be reserved to implement recommendations in the LATM study and other nominated works within sub-area 7 of the Marrickville Council's Section 94 Contributions Plan 2004 (as amended).

Given the above concern, recommended Condition B10 has been amended to reflect the Commission's view.

Contamination and remediation

The Commission discussed the contamination and remediation issue in terms of liability for future claims if contamination becomes an issue of claims.

The Commission notes the site has been appropriately remediated by Marrickville Council (the former owner) and a site contamination audit was undertaken in May 2006. The proponent's expert report concluded that the site can be made suitable for the proposed development and meets the requirements of SEPP 55. The Commission also notes that the Department of Environment and Climate Change raised no objection to the proposed development subject to the inclusion of conditions in relation to appropriate remediation and ongoing management in accordance with relevant legislative requirements. The Commission is satisfied that the issue has been adequately addressed.

Determination

Consent is granted subject to conditions as detailed in Schedules 2 and 3 of the Major Project Approval No 07_0149 except for Condition B10, which should be amended to read as follows:

B10 Section 94 Contributions

A total contribution of \$3,569,941.93 has been assessed as the contribution for the development under Section 94 of the *Environmental Planning and Assessment Act 1979* and shall be paid prior to the issue of a Construction Certificate or as agreed by the Department. The contributions are:

- (a) \$2,031,294.00 for upgrade to Bellevue Street (works-in-kind);
- (b) \$1,454,948.13 for Traffic Management Contribution (monetary) to fund the Tempe LATM study, implement recommendations contained in the LATM study and other nominated works within sub-area 7 of the Marrickville Council's Section 94 Contributions Plan 2004 (as amended); and
- (c) \$83,669.80 Section 94 Plan Administration Fee (monetary).

Contributions will be adjusted at the time of payment in line with any change in the Consumer Price Index: All Groups Index Number for Sydney provided by the Australian Bureau of Statistics. The adjusted contribution payable will be the rate in Marrickville Council's adopted Fees and Charges Schedule for the financial year in which the contribution is paid.

Indexing: The above Contributions apply to the end of the 2007/2008 Financial Year after which the Contributions will be indexed.



Gabrielle Kibble
Chairman



Lindsay Kelly
Member



Garry Payne
Member