

12 November 2009

Mr Chris Ritchie
Department of Planning
GPO Box 39
SYDNEY NSW 2000

Dear Chris,

**Preliminary Environmental Assessment for Alterations/Additions, Fit-Out and Use of an Industrial Building as a Printing Facility
149 McCredie Road, Smithfield**

This correspondence has been prepared on behalf of PBL Media Holdings Pty Ltd (PBL) and in association with a Preliminary Environmental Assessment for a Project Application.

The proposed development comprises minor alterations and additions to an existing industrial building and the fit-out, occupation and use of that building and its associated loading facilities and car park as a printing facility. The proposed printing facility is to operate on a 24 hour per day, 7 days per week basis. The project has a capital investment value of approximately \$150 million, the majority of which is associated with the printing press lines and associated equipment. Only minor external alterations are proposed to the existing building. The printing facility will employ approximately 200 people on a full-time basis.

This correspondence seeks the Director General's Environmental Assessment Requirements for the preparation of the Concept Plan and Project Application.

1 Background to Project

PBL Media is seeking to establish a printing and distribution facility for its ACP Magazines (ACP) business. ACP has approximately 51% of the magazine market in Australia, with iconic household brands such as The Australian Women's Weekly, Woman's Day, Cosmopolitan, Cleo, TV Week and Australian House and Garden.

The proposed print facility will enable the current printing and distribution operations being undertaken in Victoria, Queensland and NSW to be consolidated into a single facility. The proposal offers significant operational and economic efficiencies in the printing process to enable urgent production deadlines to be met, as well as environmental benefits derived from the consolidation of all printing activities at a single site.

To meet the operational needs of the facility, a building of approximately 54,000m² is proposed to accommodate the following operations:

- Paper storage
- Seven printing presses
- Bindery equipment
- Collation and distributions

The printing facility is required to operate 24 hours per day, seven days per week. Approximately 20 daily truck movements are required, of which six movements are anticipated to involve B-double vehicles. Approximately 200 car parking spaces will be required.

The potential benefits of the project are summarised as follows:

- Employment
 - The equivalent of 100 full-time construction jobs is anticipated to be created over an 18 month period.
 - 200 full time operational staff will be employed on the site on a permanent basis, of which, 90% would be a net gain to NSW.
 - It is anticipated that a number of indirect employment opportunities will also be created as a result of the proposed activities.
- Investment
 - The project involves the adaptive re-use of a disused brownfield distribution facility into a state of the art operations facility.
 - The proposed building alterations and additions have an estimated cost of approximately \$15 million.
 - The plant and equipment investment is estimated to be between \$135 million and \$200 million, depending on the final selection of equipment.
- Environmental
 - The new facility enables current printing production to be converted to state of the art energy efficient press lines.
 - The highly automated process requires less materials handling/forklift movements.
 - There will be a significant reduction in freight movements through the consolidation of all operations in a single facility, reducing heavy vehicular traffic and associated emissions and forklift movements.

PBL is currently negotiating with the owners of two industrial properties that may be suitable to accommodate the proposed facility.

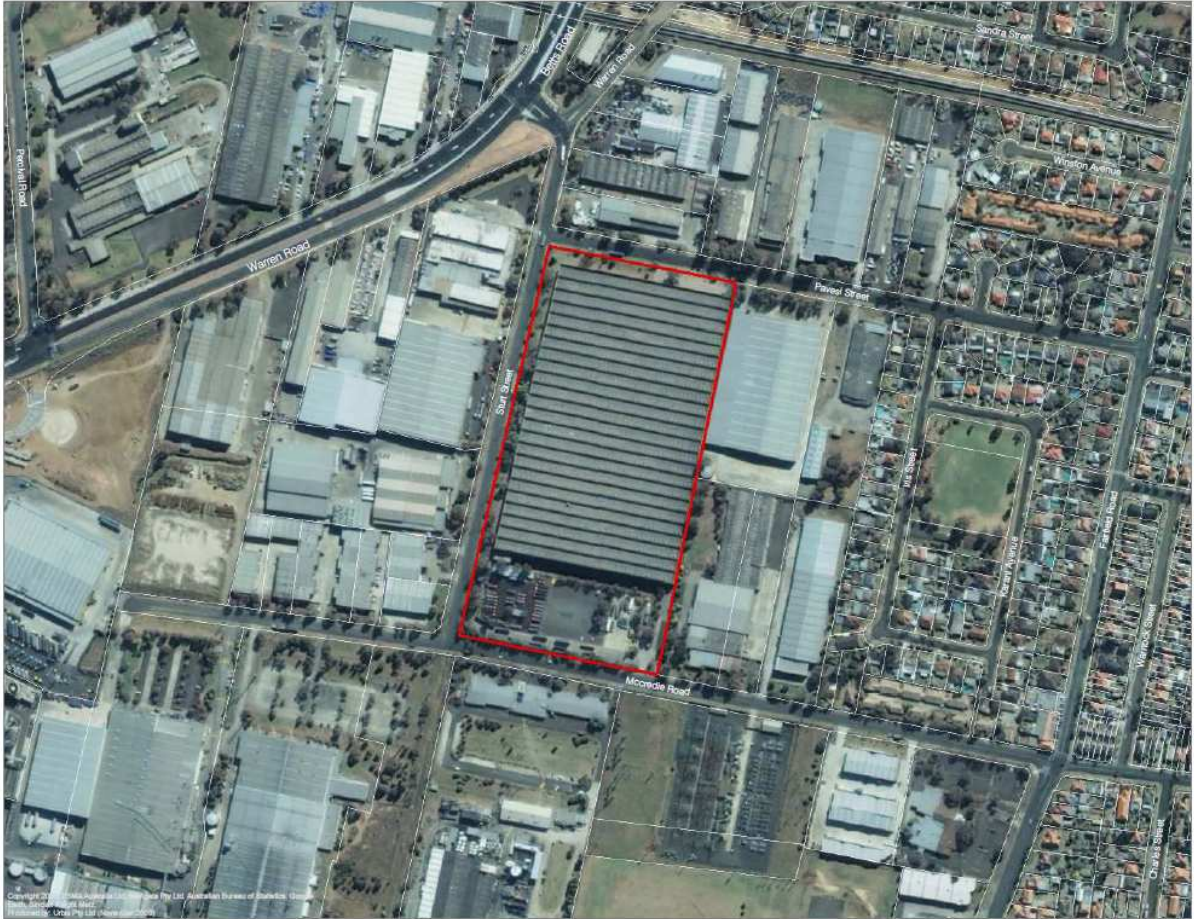
This Preliminary Environmental Assessment has been prepared on the basis of one of these shortlisted sites, which is described in detail in **Section 2** of this correspondence. A comprehensive description of the proposed development required to accommodate the print facility on this particular site is provided in **Section 3**.

2 Site and Surrounds

2.1 Site Description

The street address of the property is 149 McCredie Road, Smithfield. The legal description of the property is Lot 1 in Deposited Plan 730434. The property is described as follows:

- Total site area of approximately 7.85 hectares.
- The site is generally rectangular in shape, with an overall length of approximately 400 metres and width of approximately 200 metres.
- The site enjoys frontage to three roads – McCredie Road, Sturt Street and Pavesi Street. Sturt Street provides a direct link to the Cumberland Highway, which connects to the M4 and M5 Motorways.
- The site has been developed for industrial purposes and comprises a large factory/warehouse building of brick construction. It is understood that the site was most recently used by Coca Cola as a warehouse and distribution centre.
- A large car park is located on the southern most part of the site adjoining McCredie Road. Vehicle access to the car park is provided via separate entry/exit driveways on Sturt Street and McCredie Road.



- A breezeway on the eastern part of the building, adjacent to the boundary with the Tyco facility at 147 McCredie Road, accommodates the main loading/unloading areas. Access is currently via McCredie Road, with egress to Pavesi Street. Each end of the breezeway is secured by a roller door.
- A large predominantly uncovered area with side loading docks is located to the southern side of the building adjacent to the car park. This loading/unloading area is accessed via separate entry and exit driveways to Sturt Street.
- Each of the setbacks is landscaped with turf, low shrubs and tree plantings, as shown in the photographs on the following page.

The site is currently owned by the Goodman Group on behalf of a fund that it manages. PBL is currently in negotiations to lease the site and owners consent will be obtained prior to the determination of the application.



Picture 1 – Entry to ancillary office space on Sturt Street



Picture 2 – Exit driveway from rear loading area to Sturt St



Picture 3 – Exit driveway from breezeway to Pavesi Street



Picture 4 – Entry to car park and loading area in Sturt St



Picture 5 – Main entry to southern car park from Sturt St



Picture 6 – Intersection of Sturt and Pavesi Streets

2.2 Surrounding Development

The site is located within the eastern precinct of the Smithfield industrial area, which benefits from excellent access to the Cumberland Highway (Warren Road). The Cumberland Highway runs north-south providing access to both the M4 Motorway (to the north) and the M5 Motorway (to the south).

The immediately adjoining and surrounding development is industrial, comprising a mixture of warehouse/distribution and manufacturing uses. An electrical substation is located to the south on McCredie Road.

The nearest residential development is located approximately 250 metres to the east. The predominant form of residential development is single storey detached dwellings, with some two storey dwellings. Heavy vehicles are physically prevented from travelling along Pavesi Street by the traffic management works shown below. A small neighbourhood retail strip is located on the corner of McCredie Road and Fairfield Road.



Picture 7 – Electricity substation in McCredie Road



Picture 8 – Traffic management works to prevent heavy vehicle movements to east along Pavesi Street

3 Development Description

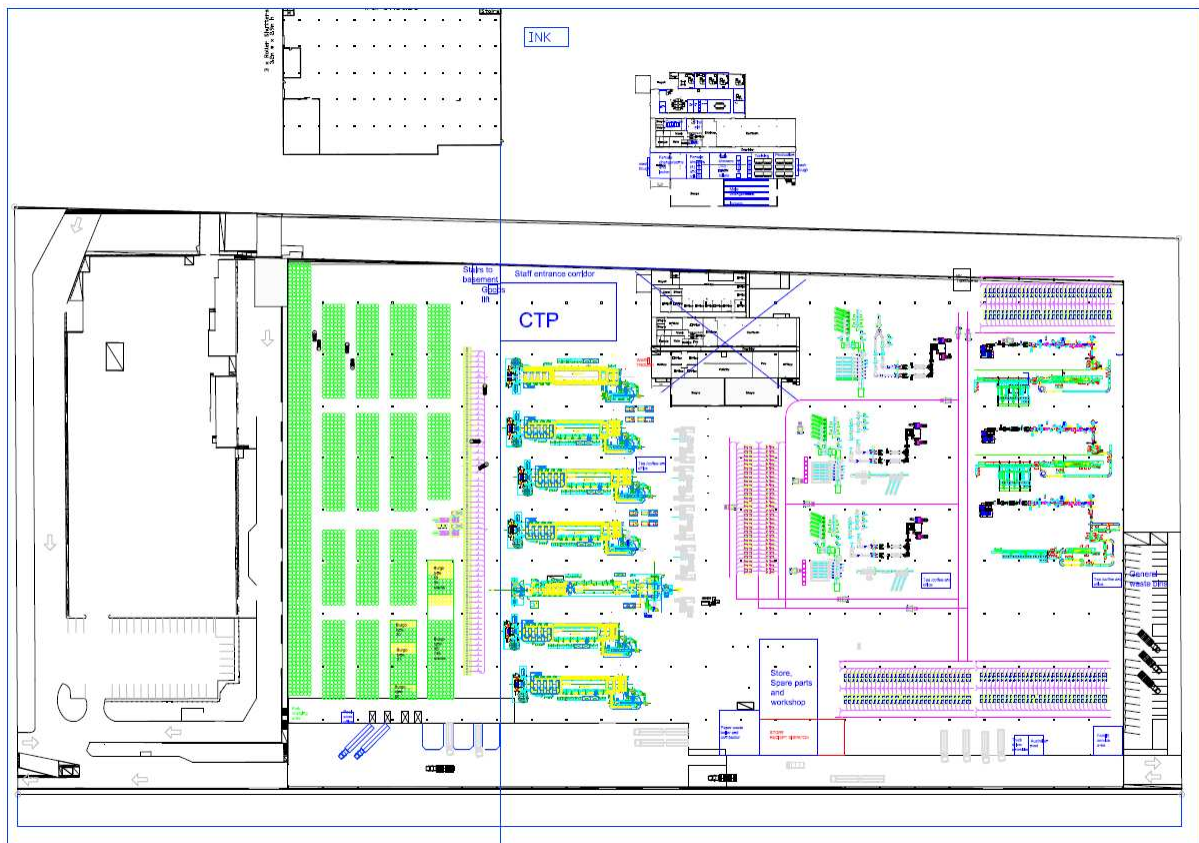
Consent is to be sought for minor alterations and additions to an existing industrial building and the occupation and use of the modified building, associated loading facilities, 200 on-site car parking spaces and ancillary offices as a printing facility.

The proposed development is described in more detail below:

- Minor external alterations and additions to the existing industrial building. These works may include:
 - Modification to the loading docks.
 - Provision of a waste collection area within the existing hardstand to the north.
 - Installation of a fire/access stair to the southern elevation.
- Internal alterations and fit-out of the existing building, which are likely to include:
 - Demolition of parts of the internal slabs to provide access for services modifications and structural supports of the press equipment.
 - Excavation and piling for the new press slabs.
 - Installation of press slabs to support five presses, with future growth for two additional presses.
 - Installation of all required plant and equipment associated with the printing facility, including racking, machinery and the like.
 - Acoustic treatment to the press equipment, as required.
 - Construction of an internal wall to separate the existing breezeway from the printing machinery.
 - Upgrading of fire services to an ESFR sprinkler system to the paper storage area.
 - Internal alterations and additions to the offices and amenities to accommodate staff needs.

- Upgrade of the power and gas supplies to the sites to accommodate the loads required to operate the print facility.
- Redirect existing heavy vehicle movements to reverse the current traffic flows and allow heavy vehicles to enter the breezeway via Pavesi Street and exit the site to McCredie Road.
- Operation of the printing facility on a 24 hour per day, 7 days per week basis.
- The project has a capital investment value of approximately \$150 million, the majority of which is associated with the printing press lines and associated equipment.
- Approximately 200 people will be employed on-site on a full-time basis. Up to 100 staff are expected to be on the site at any one time.

A development concept plan showing the proposed layout of the print facility is provided below. An A3 sized copy of this plan is attached to this correspondence.



4 Planning Context

4.1 State Environmental Planning Policies

4.1.1 State Environmental Planning Policy (Major Development) 2005

Clause 6 of the Major Projects SEPP identifies development that, in the opinion of the Minister, is development that is described in the provisions of the SEPP and is declared to be development to which the provisions of Part 3A of the Environmental Planning and Assessment Act 1979 (EPAA) applies.

Schedule 1 of the Major Projects SEPP lists the types or classes of development that may be considered as Part 3A projects. The classes of development may be subject to thresholds, such as a minimum total capital investment value. Clause 11 in Group 4 of Schedule 1 provides a list of

manufacturing industries' that are considered to be Part 3A projects if they employ 100 or more people and/or have a capital investment value of more than \$30 million. This list specifically includes

'(c) *printing or publishing*'

The PBL printing facility will employ approximately 200 full-time staff and has a capital investment value of approximately \$150 million. The number of employees and capital investment value both significantly exceed the minimum threshold and accordingly, the Minister's opinion is sought that the proposed development is a Major Project under the provisions of the SEPP.

4.1.2 State Environmental Planning Policy (Infrastructure) 2007

The Infrastructure SEPP lists the type of projects that need to be considered by the NSW Roads and Traffic Authority based on the traffic generating potential of the development.

The proposal seeks to use an existing industrial facility and it is anticipated that the number of heavy vehicles generated by this proposal will be less than the number of heavy vehicles generated by the previous occupant. Further, there is no provision in the Infrastructure SEPP for the referral of a change of use and fit-out of existing industrial premises.

The Infrastructure SEPP also lists the type of projects that need to be referred to the electricity supply authority, taking into their potential impacts on existing or proposed infrastructure.

The proposed development is located within close proximity of an electricity substation, however, the two sites are separated by McCredie Road. As such, the project is not '*immediately adjacent to an electricity substation*' and consultation may not be considered strictly necessary under the provisions of the SEPP. Regardless, it is intended to consult with relevant service providers during the preparation of the Environmental Assessment to confirm the adequacy of existing services to meet the demands of the proposed activities.

4.1.3 State Environmental Planning Policy No 33 – Hazardous and Offensive Developments

AECOM was engaged to undertake an assessment of the proposed development in accordance with the provisions of SEPP 33. A copy of the AECOM advice is attached to this correspondence.

Overall, it is concluded that the provisions of SEPP 33 do not apply to the proposal as the project is not considered to be 'potentially hazardous' or 'potentially offensive' taking into account the nature of the activities and project requirements. As such, a Preliminary Hazard Analysis will not be required to accompany the Environmental Assessment.

4.2 Regional Planning Policies

4.2.1 Sydney Metropolitan Strategy

The Sydney Metropolitan Strategy aims to guide growth and change in the Sydney Metropolitan Region over the next 30 years. The Strategy has been prepared with five aims, three of which are directly relevant to the proposal as discussed further below:

- Strengthen economic competitiveness – the proposal will increase state and local employment by 200 full-time jobs and capture investment and direct and indirect spending that is currently being lost to Victoria and Queensland.
- Ensure fairness – the proposal facilitates the adaptive re-use of an existing industrial within the fast growing area of Western Sydney to provide increased local employment within close proximity to existing and future residents.
- Protect the environment – the proposed occupation of an existing building has substantial environmental benefits, taking into account the re-use of existing materials. Further, the centralisation of the printing that is currently being undertaken interstate provides for a significant reduction in transport and its associated environmental impacts.

4.2.2 Draft Subregional Strategy for West Central Subregion

The proposal is considered to be entirely consistent with the provisions of the Draft Subregional Strategy and in particular, the Key Directions and Actions for the Economy and Employment as outlined below:

- The 200 full-time jobs to be created as a result of the proposal will contribute to achieving the 1,000 jobs target for the Holroyd local government area.
- The proposed development is consistent and compatible with the existing mix of transport and logistics, light manufacturing uses and the occasional heavy manufacturing industry as identified in the Draft Strategy.
- The proposed development takes advantage of its strategic location, taking into account the key factors identified in the Draft Strategy. The physical size of the property and its direct access to the Cumberland Highway is clearly beneficial and suited to the proposed use.
- The proposed development seeks to continue the industrial use of the property, which is listed within Category 1 – Land to be Retained for Industrial Purposes.
- PBL is engaging with both the Department of State and Regional Development and the Department of Planning to achieve the policy goals set by the Draft Strategy, including the revitalisation of an older industrial site.

4.3 Local Planning Controls

4.3.1 Holroyd Local Environmental Plan 1991

The primary local environmental planning instrument that currently applies to the site is Holroyd Local Environmental Plan 1991. The principal objective of the Holroyd LEP is to promote and give effect to the objects of the Environmental Planning and Assessment Act 1979 within the City of Holroyd. The proposed development is consistent with this objective as:

- There will be a number of positive social and economic impacts taking into account the 200 full-time jobs created and increased direct and indirect spending within NSW and the Holroyd local government area.
- The proposal promotes the orderly and economic use of an existing industrial facility.
- There will be a number of significant positive environmental impacts arising from the centralisation of printing activities that are currently being undertaken interstate.

The land affected by the Project Application is located within Zone No 4(b)(Industrial Light Zone). The objectives for the 4(b) zone are listed below:

- (a) *to encourage the development and expansion of a wide range of light industrial activities which will contribute to the economic growth of, and create employment opportunities within, the City of Holroyd;*
- (b) *to ensure that industrial development creates areas which are pleasant to work in, and safe and efficient in terms of transportation, land utilisation and services distribution; and*
- (c) *to allow commercial or retail uses only where they are associated with, ancillary to or supportive of, industrial development.*

Consent must not be granted to the carrying out of development unless the development is consistent with the objectives of the zone. The proposed facility is consistent with the above zone objectives as:

- The project will employ approximately 200 people on a full-time basis and create direct and indirect spending within the local area.
- The proposed development seeks to utilise the use of an existing building within an established industrial area that is well serviced by existing transport links and services.

- The proposed office space is ancillary to and associated with the primary printing use. No retail development is proposed.

Development that is permitted with consent includes any development that is not listed as prohibited. The list of prohibited uses includes '*industries referred to in Schedule 2*'. Schedule 2 lists the following:

- | | | |
|--|---------------------------------|--|
| ▪ Abattoirs | ▪ Fibrous plaster manufacture | ▪ Motor vehicle manufacture and assembly |
| ▪ Asbestos cement products manufacture | ▪ Glass products manufacture | ▪ Plastics manufacture |
| ▪ Bag and sack (textile) manufacture | ▪ Grain milling | ▪ Ready mixed concrete manufacture |
| ▪ Boiler manufacture | ▪ Hardboard manufacture | ▪ Sawmilling |
| ▪ Brick, tile and pipe manufacture | ▪ Heavy engineering | ▪ Steel products manufacture (heavy) |
| ▪ Cement manufacture | ▪ Hot mix (bitumen) manufacture | ▪ Stone cutting and crushing |
| ▪ Cement products manufacture | ▪ Machinery manufacture (heavy) | ▪ Wire manufacture |
| ▪ Electrical machinery manufacture | ▪ Match manufacture | ▪ Wool scouring |
| | ▪ Metal founding | |
| | ▪ Motor body building | |

The proposal is not listed within the above uses. The proposed printing facility is considered to be a light industry that complies with the 4(b) zone objectives and is appropriate for the site. Accordingly, the proposed development is considered to be permitted with consent.

4.3.2 Holroyd Development Control Plan 2007

Holroyd Development Control Plan 2007 provides the detailed development standards, policies and guidelines. The relevant Parts include:

- Part A - Introduction and General Guidelines: relevant sections include car parking, landscaping, tree protection, biodiversity, cut and fill, erosion and sediment control, waste management, services, water management and contributions.
- Part D - Industrial Development: relevant sections include design guidelines, landscaping, construction and building details and pollution control.

Each of the above matters has been reviewed and can be addressed in detail in the preparation of the Environmental Assessment.

5 Key Environmental Issues and Management Measures

5.1 Traffic and Transport

It is anticipated that the proposed development will generate less heavy vehicle movements than those generated by the most recent occupant of the building, providing a reduced impact on the local road network and the amenity of the area.

It is proposed to reverse the previous heavy vehicle route to and from the site, where vehicles would enter the breezeway from McCredie Road and exit the site via Pavesi Street. The current proposal is for heavy vehicles to enter the breezeway via the Pavesi Street opening, enabling a left-turn in for vehicles travelling via the Cumberland Highway. This would mean that vehicles would exit the breezeway to the south on McCredie Street, allowing a clear right-turn movement and avoiding any potential conflicts with traffic queuing from the Cumberland Highway and Sturt Street signalised intersection.

Further, it is proposed to utilise the existing on-site car parking to the south of the building to meet the needs of employees and visitors to the site.

An appropriately qualified traffic consultant will be engaged to prepare a Traffic Management Plan that assesses the likely benefits and impacts of the proposal with regard to traffic generation, as outlined below:

- The traffic analysis will quantify the proposed heavy vehicle movements and any potential benefits arising from the change of use from a warehouse and distribution centre to a printing facility.
- The traffic consultant will examine the potential impact of those movements on the local and regional road network, including the operation of the signalised intersection of Cumberland Highway and Sturt Street and the proposed reversal of the existing heavy vehicle movements to and from the site.
- The adequacy of the existing car park to meet the needs of the projected employees will need to be assessed.

Any significant detrimental impacts arising from the proposal will need to be appropriately mitigated, with the recommendations for any necessary works to form part of the draft Statement of Commitments that accompanies the Environmental Assessment.

5.2 Acoustic Impacts

The potential noise and vibration impacts of the proposed development will need to be assessed, taking into account the significant plant and equipment that is proposed to be installed to facilitate the printing operations. The heavy vehicle routes identified above will also need to be assessed with regard to the potential acoustic impacts, particularly during the night-time operations when the background noise levels are likely to be less.

It is proposed to engage an appropriately qualified acoustic consultant to undertake a comprehensive acoustic impact assessment. It is anticipated that this will include:

- Measurement of existing background noise, including any operational noise arising from the adjoining and surrounding industrial activities and potentially, any road traffic noise associated with the Cumberland Highway and the industrial road network.
- Assessment of the potential acoustic impacts arising from the proposed on-site operations, taking into account the plant and equipment likely to be installed and the installation of the internal wall.
- Assessment of the potential off-site noise impacts associated with traffic generation, particularly during the evening and night-time periods.
- Assessment of the potential vibration impacts associated with the proposed plant and equipment.

Similar to the above, recommendations will be sought should it be required to mitigate any potential negative impacts to avoid any unacceptable impacts on the existing amenity, particularly for residents to the east of the site.

5.3 Environmental Impacts

The proposed development is anticipated to result in a number of positive environmental impacts, taking into account the installation of modern, energy efficient print lines and the consolidation of the existing printing activities in a single location, as outlined on page 2 of this correspondence.

A preliminary assessment of the proposed print facility with regard to State Environmental Planning Policy No 33 (SEPP 33) Hazardous and Offensive Development was undertaken by AECOM as outlined in **Section 4.1.3** of this correspondence. This assessment concluded that SEPP33 does not apply and a Preliminary Hazard Analysis will not be required to accompany the Environmental Assessment.

5.4 Infrastructure and Services

It is proposed that PBL will consult with the relevant service authorities to ensure that the existing services available to the site will meet the needs/demands of the proposed activities and if required, identify any necessary upgrades to existing infrastructure.

Further, it is proposed to prepare a Waste Management Plan in accordance with the requirements of Council.

6 Consultation

PBL will consult with relevant stakeholders over the life span of the project, during the mobilisation, development and operational phases, to identify and manage any potential impacts of the proposal. Consultation will be undertaken with the following:

- NSW Department of Planning.
- Holroyd City Council.
- Sydney Water.
- Integral Energy.
- Telstra Corporation.
- AGL.

7 Summary

This Preliminary Environmental Assessment has been prepared on behalf of PBL and is submitted to the Minister for Planning pursuant to Part 3A of the Environmental Planning and Assessment Act 1979 and State Environmental Planning Policy (Major Development) 2005.

The report provides a comprehensive overview of the proposal and PBL formally requests that the Director-General of the Department of Planning issue Director-General's requirements for a Project Application in accordance with Section 75F of the Environmental Planning and Assessment Act 1979.

Please do not hesitate to contact me on (02) 8233 9931 if you have any questions or if you wish to discuss this matter further.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Jennifer Cooper', is positioned above the printed name.

Jennifer Cooper
Associate Director