

Draft Auburn Local Environmental Plan 2000 (Amendment No. 22)

Council is currently finalising Draft LEP 2000 (Amendment No. 22) that introduces large scale retail premises between Silverwater Road and Hill Road, Lidcombe (**Figure 3**).

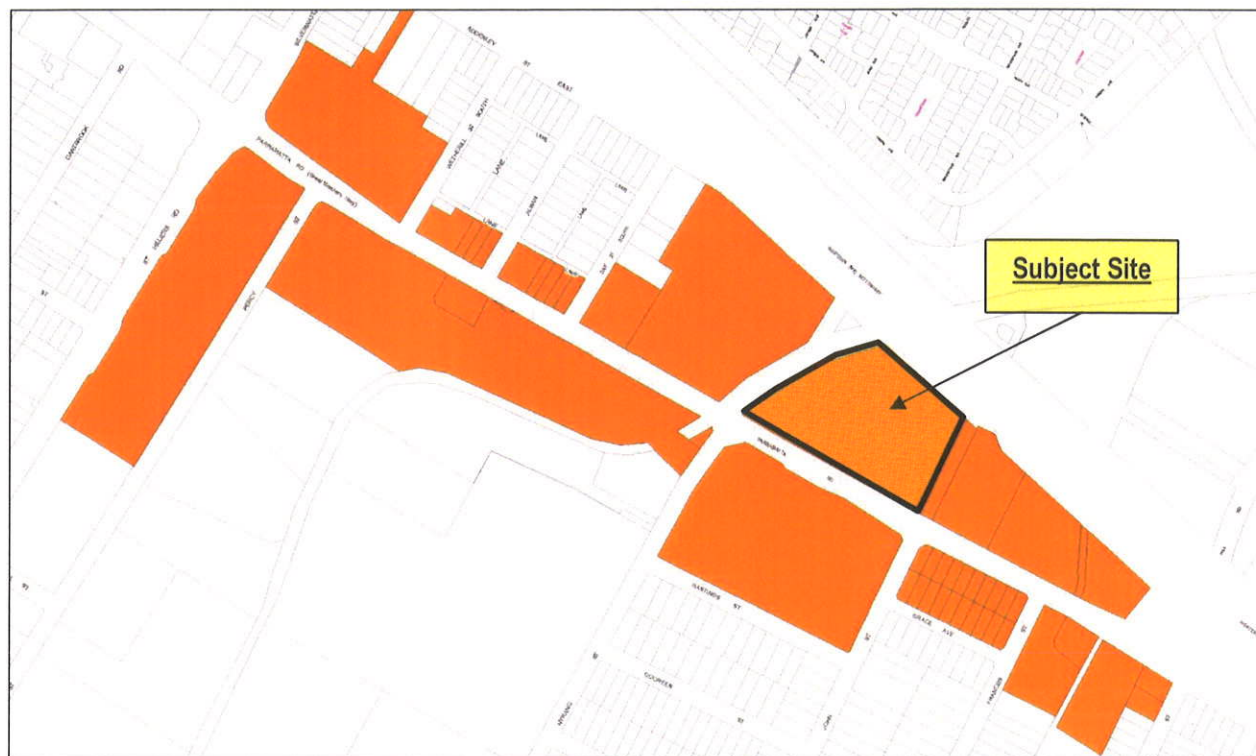


Figure 3: Land to which Draft Auburn LEP 2000 (Amendment No. 22) applies

The purpose of Draft LEP 2000 (Amendment No. 22) is to create a new (emerging) centre in an accessible location that caters for large scale retail premises with a regional customer base. In preparing the Draft LEP 2000 (Amendment No. 22), it was considered that this location would consolidate a distinct part of Parramatta Road that could be developed as a centre.

The objectives of the precinct are to:

- encourage large scale retail premises on a section of Parramatta Road, and
- revitalise a defined area of Parramatta Road by the introduction of new economic and employment opportunities; and
- create an attractive precinct containing a range of uses and well designed buildings.

Draft LEP 2000 (Amendment No. 22) seeks to amend the LEP by permitting 'retail premises' and 'office premises' within the 'Parramatta Road Retail Precinct'.

The proposal includes both retail and office premises as defined by Draft LEP 2000 (Amendment No. 22) and therefore would be a permissible use within the zone, once Draft LEP 2000 (Amendment No. 22) is adopted.

Controls included within Draft LEP 2000 (Amendment No. 22) are as follows:

Draft LEP 2000 (Amendment No. 22)	Control	Exhibited EA	PPR	Compliance
Minimum Site Area	20,000m ²	25,220m ²	25,220m ²	Yes
Minimum Gross Floor Area	10,000m ²	16,376m ²	16,447m ²	Yes

Draft LEP 2000 (Amendment No. 22)	Control	Exhibited EA	PPR	Compliance
Maximum Floor Space Ratio				
- Retail	1.5:1	0.543:1 (13,686m ²)	0.544:1 (13,727m ²)	Yes
- Office	3:1	0.077:1 (1,960m ²)	0.079:1 (1,999m ²)	Yes
Maximum height of office premises	27m	Max 18m	Max 18m	Yes

Table 1: Draft Auburn LEP 2000 (Amendment No. 22) compliance table

As shown above, the proposed development satisfies the requirements of Draft LEP 2000 (Amendment No. 22).

Notwithstanding this compliance with Draft LEP 2000 (Amendment No. 22), the proposal is seeking Concept Plan and Project Application approval. A Concept Plan approval under Part 3A of the Act is able to overcome the prohibition, which exists under the current industrial zoning for the site.

Draft Auburn Local Environmental Plan 2009

Auburn Council is also preparing a new comprehensive LEP for the LGA. At the time of writing this report, Draft LEP 2009 had been exhibited and submissions that were received are being reviewed by Council. Council's methodology, to incorporate relevant development controls into Draft LEP 2009, is to substantially 'roll over' the content of Auburn LEP 2000. Similarly, Council advise the intention of Draft LEP 2000 (Amendment No. 22) and clauses proposed to apply to the Parramatta Road Retail Precinct will be incorporated into the Draft LEP 2009.

Draft Centres Policy – Planning for Retail and Commercial Development

The Department of Planning's Draft Centres Policy aims to create a network of vital and vibrant centres that cater for the needs of business and are places where individuals and families want to live, work and shop. The proposal is located outside of a recognised centre, however Draft LEP 2000 (Amendment No. 22), proposes to 'create' the 'Parramatta Road Retail Precinct' as a new centre that will permit large scale retail and office premises within a specified locality as shown in **Figure 3**. This precinct will 'create' a centre and therefore is considered to satisfy the following key planning principles of the Draft Centres Policy:

- **Principle 2** – The planning system should be flexible enough to enable centres to grow, and new centres to form.
- **Principle 5** – the planning system should support a wide range of retail and commercial premises in all centres and should contribute to ensuring a competitive retail and commercial market.
- **Principle 6** – Retail and commercial development should be well designed to ensure it contributes to the amenity, accessibility, urban context and sustainability of centres.

It should be noted that the proposed centre is specifically for large scale retail centres with a minimum floor area of 10,000m². This differentiates the centre from established retail centres where a large percentage of smaller retail uses occur. Although it is not the role of the planning system to regulate competition, it is considered that the specialised nature of the proposal will mean it is unlikely to have an unreasonable impact on existing centres. This issue is discussed further in Section 7 of the report.

4. PROPOSED DEVELOPMENT

4.1 Environmental Assessment (as exhibited)

The proposal seeks approval for:

- Demolition of all existing buildings
- Excavation of the site for the construction of the basement car parking area
- Construction and use of a new 3 storey Costco Wholesale Retail Warehouse building comprising:
 - 13,686m² of retail area
 - 1,960m² of commercial office floorspace for the Costco Australian Regional Headquarters
- Loading docks, car parking (771 spaces) and bicycle parking for 68 bicycles
- Landscaping
- Signage to the exterior of the building
- Infrastructure works including roadworks (including provision of a new signalised intersection at the intersection of Parramatta Road and Nyrang Street), stormwater management works and utilities

The proposed building consists of:

- **Basement** - 344 car spaces, plant room, trolley storage area and lift lobby area.
- **Ground Level** - a covered car parking area for 317 spaces, an external car parking area for 84 spaces, trolley storage area, Tyre Centre with four working bays, bicycle enclosure and a Regional Office reception, lobby and mailroom.
- **Level 1** - Costco Wholesale Retail floor level and consists of the retail floor, registers, external food court, trolley storage areas and staff rooms. An external loading / unloading area is provided to the east of the building.
- **Mezzanine** - Costco Australian Regional Office premise and an external terrace.

Use of premise and hours of operation

Costco operates on a membership basis, entitling the member to shop at any Costco store worldwide. Membership is open to businesses and individuals.

Hours of operation for the proposed Costco premises include:

- Monday to Friday – 10.00am to 8.30pm
- Saturday – 9.30am to 6.00pm
- Sunday – 10.00am to 5.00pm

Deliveries and restocking of the building are proposed to occur on a 24 hour basis.

Colours and Materials

The building will be constructed of materials similar to those utilised in other Costco premises, which comprises of various forms of metal cladding and block wall masonry. The proposed building finishes are indicated on the photomontages at **Figure 4** and **5**.



Figure 4: *Perspective view looking east along Parramatta Road towards entrance as contained in EA*



Figure 5: *Perspective view looking west along Parramatta Road at delivery vehicle exit point as contained in EA*

4.2 Preferred Project Report (PPR)

Key revisions to the Project as described in the PPR include:

- Removal of car parking within the Haslams Creek riparian zone results in an increase to the soft landscape area provided on the site from 2,869m² to 3,349m². The overall car parking provided on site reduces from 771 parking spaces to 745 parking spaces
- Amended vehicular access arrangements illustrating the new intersection, slip lane and entry point off Parramatta Road
- Increased GFA by 71m² comprising of:
 - an increase of 41m² to the retail GFA
 - an increase of 39m² to the commercial GFA
 - a reallocation of uses adjacent to the Tyre Sales area that results in a decrease of 9.45m².
- Increased building setbacks to provide a street verge along the Parramatta Road frontage.
- Raising of the basement car parking level by 1 metre to be higher than the measured groundwater level
- Reduced maximum building height by 1 metre
- Provision of two dedicated Tyre Centre parking areas (provides 15 dedicated parking spaces)
- Amended floor plan layout over all levels

The PPR forms the basis of the assessment of this report.

5. STATUTORY CONTEXT

5.1 Major Project Declaration

On 1 June 2009, the Minister for Planning, formed an opinion pursuant to Clause 6 of State Environmental Planning Policy (Major Projects) 2005 (as in force at the time) that the project is development of a kind described in Schedule 1 to that Policy (namely Group 5, Clause 13 – Residential, commercial or retail projects).

The Minister formed the opinion on the basis that the proposal had a Capital Investment Value greater than \$50 million and the proposal is important in achieving State or regional planning objectives, such as;

- The proposal will support key objectives of the Metropolitan strategy including:
 - B5 Protect and strengthen the primary role of the economic corridor;
 - B6 Focus Development in Renewal Corridors to maximise infrastructure use where demand and opportunities exist; and
 - B7 Recognise the role of enterprise corridors as locations for local employment. This will help contribute to the target of 50,000 new jobs in the Parramatta to City Corridor by 2031.
- The proposal is also consistent with the NSW State Plan Priorities including Increased business investment and providing jobs closer to home.

The proposal was thus declared a project to which Part 3A of the Act applies. At the same time, the Minister authorised the submission of a Concept Plan for the proposal.

5.2 Permissibility

Auburn Local Environment Plan 2000 (LEP 2000)

The site is currently zoned 4(c) Industrial Enterprise under the LEP 2000. Permissible uses within the zone include bulky goods retailing, depots, freight transport terminals and warehouses or distribution centres. The current zoning of the site **prohibits** the proposed development due to part of the development being defined as a 'shop' and 'commercial premises', which is not currently permissible within the zone.

The Proponent has submitted a Concept Plan application as part of the proposal. The submission of a Concept Plan allows the Minister to give project approval for prohibited land uses where the land is not in a sensitive coastal location or is an environmentally sensitive area of State significance) and no further action is required for the project to proceed.

Draft LEP 2000 (Amendment No. 22) is currently being finalised by Council to create the 'Parramatta Road Retail Precinct', which has frontage to Parramatta Road between Silverwater Road and Hill Road, Lidcombe (the subject site is included within this precinct). Draft LEP 2000 (Amendment No. 22) seeks to amend the LEP by permitting 'retail premises' and 'office premises' within the 'Parramatta Road Retail Precinct'. The submission of a Concept Plan allows the application to be determined in-line with the Council's Draft LEP 2000 (Amendment No.22).

5.3 Director-General's Environmental Assessment Requirements (DGRs)

The DGRs were issued on 21 June 2009 (as amended on 13 July 2009) and are attached within **Appendix B** of this report. The Department is satisfied that the DGRs have been adequately addressed by the Proponent's EA.

5.4 Exhibition

Under Section 75H(3) of the Act, the Director-General is required to make the EA of a project publicly available for at least 30 days. The EA was exhibited between **21 October 2009** and **20 November 2009** in accordance with the statutory requirements of the Act.

5.5 Other Statutory Considerations

Appendix A contains further consideration of the following Statutory Context:

- Objects of the Act and EPI's
- Statement of Compliance
- Ecologically Sustainable Development
- Compliance with other controls

6. CONSULTATION AND ISSUES RAISED

6.1 Public Exhibition Details

Under Section 75J of the Act, the Director-General is required to make the EA of a project publicly available for at least 30 days.

After accepting the EA, the Department undertook the following actions:

- Made the EA publicly available from **21 October 2009** to **20 November 2009** (30 days):
 - on the Department of Planning's website
 - at the Department of Planning's Information Centre
 - at the Auburn City Council Offices
- Local landowners and residents were notified about the proposal and the exhibition period
- Notified relevant State government authorities and Auburn City Council
- Advertised the exhibition in the Sydney Morning Herald, The Daily Telegraph, Auburn Review Pictorial and the Parramatta Advertiser newspapers

The Department received a total of **13 submissions** during the exhibition period, comprising **9 public** submissions and **4 government agencies** submissions (Auburn City Council, Roads and Traffic Authority, NSW Office of Water and Sydney Water).

Of the public submissions, 6 submissions supported the proposal.

On 11 February 2010, the Proponent submitted a PPR that incorporates the Proponent's response to all of the submissions that were received during the exhibition period and also the issues raised by the Department. The PPR was placed on the Department's website.

6.2 Submissions from Public Agencies

Auburn City Council

Auburn City Council supports the proposal, however raised the following:

- The Phase 1 and Preliminary Phase 2 Environmental Assessment should be reviewed with the provision of additional testing and a Remedial Action Plan that concludes the site is suitable for the intended use;
- The parking spaces located within the 10m setback to Haslams Creek are not supported. Should these spaces be retained, additional planting should be provided at a rate of 1 shade tree with a garden bed per 10 parking spaces;
- Plans demonstrating the verge to Parramatta Road being a width of 3.6 metres; and
- Proposed new intersection encroaches onto private property and the verge to be 3.6 metres wide appears to be obstructed by the existing building.

The Proponent provided comments in relation to the above within the PPR as follows:

- The concentration of chemicals found on the site is below adopted investigation levels and therefore no additional plans were prepared. The Proponent has advised that an asbestos management plan will be prepared prior to site works and a DECCW NSW Accredited Auditor is to be appointed to review the environmental site investigations. A Remedial Action Plan or a Contamination Management Plan will be prepared following the review by the Auditor and discussion on the course of remediation required.
- Parking previously provided within the 10m setback to Haslams Creek has been deleted.
- Plans demonstrating compliance with the provision of a 3.6 metres verge have been provided with the PPR.
- The proposed intersection has been amended and does not encroach onto private property.

The Department has considered the response provided by the Proponent and it is considered that the PPR adequately addresses the issues raised by Council.

Roads and Traffic Authority / Sydney Regional Development Advisory Committee

The Roads and Traffic Authority (RTA) generally supports the proposal, however raised the following issues:

- The uncontrolled secondary egress (in the middle of the site) that allows customers to directly exit the car park onto Parramatta Road is not supported;
- The length of the queuing traffic entering the site from both directions is yet to be resolved;
- Timing of the signalised intersection to allow pedestrians to cross Parramatta Road is still a concern that requires further consideration;
- A three month trial on the right turn bay from Parramatta Road into the site is to undertaken to review the impacts upon Parramatta Road for through traffic;
- An 'Opening Period' Traffic and Parking Management Plan is to be prepared; and
- Proponent is to investigate a pedestrian bridge over Parramatta Road due to the generation of additional pedestrian movements in the area.

The Proponent addressed the above issues within the PPR as follows:

- The secondary egress in the middle of the site has been deleted. All customer vehicles are to exit the site through the proposed new signalised intersection.
- The Proponent does not raise concern with the RTA's requirement of reviewing the impacts of the development on Parramatta Road.
- The Proponent advises that a Traffic and Parking Management Plan as requested by the RTA will be prepared for approval prior to the issue of a Construction Certificate.

The RTA reviewed the PPR and provided further comments on the proposal. The RTA generally supports the proposal and has recommended conditions of Approval, including a condition requiring the proposed intersection on Parramatta Road be constructed by 31 December 2010 and that construction access will be permitted on a temporary basis upon the execution of a Major Works Authorisation Deed.

The Department has reviewed the response provided by the Proponent to the issues raised and the comments received from the RTA. It is considered that the PPR response and RTA's recommended conditions adequately address the issues raised. The Department has included the recommended RTA conditions within the recommended conditions of Approval.

NSW Office of Water

The NSW Office of Water (NOW) raised no objection to the proposal, however noted the following:

- The plans indicate that the proposed basement level will generally be below the groundwater level. A Licence under Part 5 of the Water Act 1912 is required if the proposal is likely to intercept or use groundwater;
- NOW will not permit any proposal that requires permanent or semi-permanent pumping / extraction of the groundwater to protect the buildings; and
- NOW supports the establishment of the riparian vegetation on the Sydney Water land adjacent to the site, however the car parking spaces are to be located outside of the 10 metre riparian setback (measured from the top of bank).

The Proponent addressed the above issues within the PPR as follows:

- As a result of raising the car park floor levels, groundwater will no longer be intercepted as a result of this development. However, some dewatering will be required during construction. Accordingly, no licence is required and no permanent or semi-permanent pumping is required.
- The car parking that was proposed within the riparian zone has been removed from the PPR plans.

The Department has considered the response provided by the Proponent and it is considered that the PPR adequately addresses the issues raised by NOW. An advisory note is recommended advising the Proponent that a licence under Part 5 of the Water Act 1912 may be required if the proposal is likely to intercept or use groundwater.

Sydney Water

Sydney Water raised the following:

- Further consideration of the impacts of the development will be carried out once the Proponent applies for a Section 73 Certificate. This assessment will enable Sydney Water to specify any works required as a result of the development and to assess if amplification and / or changes to the system are applicable;
- Pump out systems from covered and underground car park areas, not open to direct rainfall as well as roof water overflows and runoff from the proposed loading dock area, should preferably be directed to one of the site's bio retention facilities prior to discharge into Haslams Creek; and
- The applicant has not attempted to quantify the expected performance standard of the proposed stormwater management systems. As a minimum, the 1997 NSW Environment Protection Authority guidelines should apply and the applicant should undertake modelling to verify the performance standard of the proposed system.

The Proponent addressed the above issues within the PPR as follows:

- Stormwater from the loading dock area and the covered basement car park (pumped from the lowest level) is to be collected and directed to the north-western corner of the site through a gross pollutant trap and oil and silt arrestor before discharging into Haslams Creek.
- Modeling was undertaken by the Proponent that confirms the development meets targets set by Sydney Water.

The Department has considered the response provided by the Proponent and it is considered that the PPR adequately addresses the issues raised by Sydney Water.

6.3 Submissions from the Public

As stated above, 9 public submissions were received for the project. Of these submissions, 6 submissions supported the proposal, while 3 submissions raised objections to the proposal. The public submissions that objected to the proposal raised the following concerns:

- The proposal involves a prohibited land use in the 4(c) Industrial Enterprise zone
- The proposal is a shopping centre that will compete against traditional retail centres
- The proposal is contrary to the NSW Centres Policy and Metropolitan Strategy
- No cost benefit analysis was provided within the Environmental Assessment
- A retail use is inappropriate as the land is designated as Category 1 Industrial Land in Auburn Employment Lands Study
- The proposal will generate traffic impacts / congestion on Parramatta Road
- The site is flood affected and is inappropriate for this proposed use
- The proposal does not attract Section 94 contributions and is therefore at a competitive advantage

Submissions from Westfield and the Shopping Centre Council of Australia raised concern regarding the appropriateness of the Costco proposal in this location outside of what they consider an existing traditional retail centre. In response to these issues, the Department has considered Council's Draft LEP 2000 (Amendment No. 22) and the Proponent's additional information submitted in response to the issues raised by the public and the Department.

This issue is addressed in detail in Section 7.1 of the report. In summary, the Department considers the site is appropriate for the Costco proposal as it is located in an emerging centre, consistent with the future strategic direction sought by Council through the Draft LEP 2000 (Amendment No. 22). Furthermore, although it is not the role of the planning system to regulate competition, it is considered based on information provided by the proponent and assessed in Section 7.1, that the proposal is unlikely to have an unreasonable impact upon the viability of existing centres.

7. ASSESSMENT OF ENVIRONMENTAL IMPACTS

The key issues considered in the Department's assessment of the EA, include:

- Centres Policy
- Built Form and Landscaping
- Traffic, Access and Parking
- Environmental Impacts
- Other

7.1 Centres Policy

The Department has a long-standing policy to locate retail development within or adjacent to existing, expanding or emerging centres to ensure the most efficient use of infrastructure, transport and proximity to labour markets. The Department released a draft policy on this issue in April 2009 which is currently being finalised.

A number of public submissions (including Westfield and the Shopping Centre Council of Australia) raised concern regarding the appropriateness of the Costco proposal in this location outside of what they consider an existing traditional retail centre. These submissions raised two fundamental issues:

- Is the Costco proposal suitable for this site and does it align with the Council's future controls for this part of Parramatta Road as outlined in the Draft LEP 2000 (Amendment 22)?; and
- Will the Costco proposal result in a significant adverse impact on existing retail centres?

In response to these issues, the Department has considered Council's Draft LEP 2000 (Amendment No. 22) and the Proponent's additional information submitted in response to the issues raised by the public and the Department.

Emerging Centre Location

This part of Parramatta Road has already developed into an area that provides predominantly bulky goods retailing outlets and other large format retail activities. Some of the major premises in the locality include the Lidcombe Power Centre, Bunnings outlets, Harvey Norman, Domayne, Red Yard, Clive Peters, Godfreys, Gateway Business Park and the Auburn Home Megamall.

Auburn Council (with the support of the Department) resolved to establish a new large format retail centre within a defined area along Parramatta Road under Draft LEP 2000 (Amendment 22), as demonstrated in **Figure 3**. The Costco site is located in this emerging centre.

The purpose of the Draft LEP 2000 (Amendment No. 22) is to create an emerging centre in an accessible location that caters for large-scale retail premises with a regional customer base. Council considered this location would consolidate a distinct part of Parramatta Road that could be developed as an emerging centre, categorised by large floor plate buildings not intended to compete with other traditional retail centres. The key objectives of Draft LEP 2000 (Amendment No. 22) are:

- *encourage large scale retail premises on a section of Parramatta Road, and*
- *revitalise a defined area of Parramatta Road by the introduction of new economic and employment opportunities; and*
- *create an attractive precinct containing a range of uses and well designed buildings*

The Costco proposal meets the objectives and planning controls in the Draft LEP 2000 (Amendment No. 22) and is complementary to surrounding land uses.

The introduction of a large format retail proposal on this site provides a more effective use of industrial zoned land in this locality. Council's Employment Lands Strategy found that there is

currently sufficient productive industrial land within the broader Auburn LGA. In addition, the analysis indicated that based on current trends there will be a 20% reduction in the demand for industrial land over the next 20 years within Auburn. This strategic work undertaken by Council demonstrates that the site and surrounding precinct of Parramatta Road as identified in Draft LEP 2000 (Amendment No. 22) is no longer primarily recognised or required as an industrial area.

The site is also considered appropriately located in terms of access to transport corridors given the close proximity to a number of alternative traffic routes that join onto Parramatta Road, including Silverwater Road, Olympic Drive, M4 Motorway, Centenary Drive and Homebush Bay Drive. This access to existing transport corridors enables customers to travel to the site from distances greater than would be expected for traditional local shopping centre purposes. The site is also located in proximity to public transport.

Overall, it is considered the proposal will contribute to the future revitalisation of the proposed Parramatta Road large format retail precinct as envisaged by the Draft LEP 2000 (Amendment No. 22). The Costco proposal is considered appropriate for this site as:

- it is located in an emerging centre consistent with the future strategic direction sought by Council through the Draft LEP 2000 (Amendment No. 22);
- it complements other existing large format retail developments in this locality; and
- it can be accommodated, due to specific site characteristics such as land size, access and proximity to transport corridors to sustain this type of large format retail proposal.

Impact on Existing Centres

Whilst it has been demonstrated that the Costco proposal is located within an emerging centre, the impact of the proposal on existing centres has also been considered.

Costco is a membership-based business that caters for customers travelling to the premises from a wide range of areas. The Department accepts that customers are likely to visit other retail stores within existing centres for items that Costco does not stock. The Proponent argues that Costco has a relatively limited stock range of approximately 4,000 items, compared to a supermarket that carries approximately 20,000 items or a department store that provides approximately 40-50,000 items. The proposal is unlikely to overtake the role of the traditional shopping centre within established centres, particularly noting the membership structure and relatively limited stock range offered by Costco stores.

Notwithstanding these arguments, the Proponent advises that within the mean trading area (identified as an area within 25-30 minutes travel from the Costco proposal), exists a population of 1.31 million people with an estimated total retail expenditure of approximately \$15.2 billion in 2009. The Proponent forecasts that for the first year of operation (in 2011) total turnover of \$98 million is expected (based on 2008/9 figures and on typical turnover in other Costco stores). The Proponent estimates that 70% of the sales would be for households with the remainder being for business members. This equates to only 0.4% of the available household spending within the mean trading area and approximately 1.5% of total sales of the competing centres within the Auburn LGA.

Furthermore, the additional information presented in the PPR reveals that retail expenditure in the trade area will generate a need for additional new retail developments of approximately 770,000m² by 2021, with the Costco development representing only 1.8% of this total identifiable demand over the period from 2009 to 2021.

Although it is not the role of the planning system to regulate competition, it is considered that the proponent has demonstrated that the proposal is unlikely to have an unreasonable impact upon the viability or hierarchy of existing centres.

Net Community Benefit Test (NCBT)

As part of the PPR response, the Proponent submitted a NCBT consistent with the requirements of the Department of Planning's Draft Centres Policy to analyse the benefits and costs of the

proposal. The NCBT involved a sequential assessment, a benefit and costs analysis and an overall summary of the net community benefits.

The sequential assessment investigates the suitability of other sites within identified centres for the proposal. This assessment reviewed existing in-centre locations including Parramatta CBD, Auburn Shopping Centre, Lidcombe Shopping Centre, Rhodes and Sydney Olympic Park and out-of-centre locations including Category 2 and 3 employment lands and other alternative sites in the surrounding region.

In terms of the Costco proposal, the sequential site assessment found that:

- There are no suitable sites in or on the edge of existing centres to accommodate a proposal of the type and scale proposed by Costco. Auburn, Lidcombe and Parramatta town centres were also investigated; however, no alternative sites were identified - typically due to insufficient size, poor access and sites not being currently available. Furthermore, the proposal was inconsistent with the master plans for Rhodes and Sydney Olympic Park.
- Other alternative out of centre sites did not enable ease of access to regional traffic networks, were located near residential areas that would be negatively impacted or required consolidation of a number of allotments.

The sequential assessment demonstrates a lack of existing in-centre and edge-of-centre locations available or suitable for this proposal. The Auburn site is considered appropriate given the requirement for a 2.5ha site and that it is subject to proposed planning controls that support a proposal of this type and size.

On balance, the Department accepts the Proponent's arguments that the development of the site for a Costco store has greater net community benefits than other alternative development options tested in the NCBT. The quantifiable benefits exceed travel and vehicle emission costs within the study reference year 2021 and the development will provide greater employment, construction investment, property values and benefits from increased visitation.

Conclusion

The Department has considered the proposal's consistency with centres policy, the impact on existing centres and the net community benefit test and concludes that:

- The proposal is located in an emerging centre and is consistent with Council's Draft LEP 2000 (Amendment No. 22) which seeks to establish a new large format retail centre within a defined area along Parramatta Road.
- This proposed large format centre is not intended to compete with traditional smaller scale retail centres and is unlikely to have unreasonable impacts on these centres.
- The NCBT analysis demonstrated that the proposal is appropriately located in terms of accessibility and size and that the overall cost of the development is outweighed by the proposed benefits.

7.2 Built Form and Landscaping

Built form

The Department has considered built form having regard to the existing development on the site, surrounding development and Council's existing and proposed planning controls.

The proposal will have a similar height, bulk and scale to that of the existing development, as illustrated in **Figure 6** and **Figure 7**. The height of the proposal is 3 storeys, with a maximum building height of RL 21.84m (approximately 17 metres above natural ground level) when measured along the north-western corner. The height of the Costco development is approximately 6.5 metres higher than the existing building at its highest point.



Figure 6: View of existing building looking east along Parramatta Road



Figure 7: View of proposed building looking east along Parramatta Road

The proposed building is also in keeping with the surrounding built form, which includes the Lidcombe Power Centre located on the opposite side of Parramatta Road to the site (approximately 5 to 6 storeys), the Red Yard (approximately 2 to 3 storeys) and the Gateway Business Park (approximately 6 storeys).

The proposal is consistent with the built form controls in Draft LEP 2000 (Amendment No. 22) with regards to height and floor area. The proposal has a GFA of 16,447m² over 3 storeys, which is consistent with the proposed controls and in keeping with the objectives of the Draft LEP 2000 (Amendment No. 22) to create large scale retail precinct.

Overall, the Department considers that the built form of the proposal is acceptable as the height, bulk and scale of the building is not dissimilar to the existing development on the site and is in

keeping with the surrounding built form and streetscape. The building will provide an improvement to the existing streetscape with the removal of the existing building and replacement with a contemporary building in keeping with its surroundings.

Materials / Articulation

The proposed materials and finishes are based on other Costco stores and contain metal wall cladding, block wall, galvanised perforated metal and colorbond. The Department considers that the design of the building is considered to be an improvement to the existing building, which is constructed of brick and fibrous cement roof. The proposal reinforces the main entrance location along Parramatta Road and the materials utilised are consistent with other bulky good / warehouse developments within the locality.

Landscaping

Concerns were raised that the proposal did not provide suitable landscaping areas to the site that would assist in screening / softening the built form of the development when viewed from Parramatta Road and adjoining properties. The *Auburn Industrial Areas Development Control Plan* requires developments to provide and maintained as soft landscaping a minimum of 15% of the site. The exhibited proposal provided 11.4% of the site area as landscaping, a total landscaping area of 2,869m².

The Proponent amended the provision of landscaping within the PPR by removing the car parking area previously provided adjacent to Haslams Creek and replacing this area with landscaping. A total landscaped area of 3,395m² is now provided to the site (13.5% of the site area). Landscaping is also provided along the frontage to assist in screening / softening the development and reduce any impacts from the bulk of the building.

Landscaping is now proposed in the landscaped buffer adjoining Haslams Creek (partly located on Sydney Water owned land), within the Parramatta Road street frontage, near the pedestrian entrance to the premises, and along the eastern (near the proposed electricity substation) and northern boundaries of the site. Compared to the existing landscaping on the site, the proposal provides an additional landscaped area of approximately 1,775m² to assist in screening the built form, external parking areas and the internal access roads.

The Department has reviewed the submitted response and despite a minor area of non-compliance with the DCP requirements, the proposed landscaped area is considered to be appropriate.

7.3 Traffic, Access and Parking

Access

The proposal includes the construction of a new retail premises gaining access from Parramatta Road, as shown in **Figure 8**. This proposal therefore requires detailed consideration of the impacts of the proposal upon traffic congestion within the immediate locality.

A new signalised intersection is proposed to be constructed by the Proponent at the western end of the site to assist in reducing the proposal's impact upon Parramatta Road, enabling access by customers travelling from the east or west along Parramatta Road and also from Nyrang Street. This signalised access point will be the main entry to the site for customers and for delivery vehicles.

Following a review of the PPR and discussions with the Proponent, the RTA has advised that the intersection is to be constructed by 31 December 2010. The RTA will allow construction access on a temporary basis on the execution of a Major Works Authorisation Deed for the proposed road works, including construction of the intersection.

To determine the adequacy of the proposed new signalised intersection and its impact upon Parramatta Road, particularly the right hand turn bay into the site off Parramatta Road, the RTA has recommended that the operation of the right turn bay into the site be reviewed over a period of

3 months after the Costco store has opened for business. Following this review period, a right turn restriction may be enforced. The Proponent is required to prepare an 'Opening Period' Traffic and Parking Management Plan to address any potential traffic issues that may arise when the Costco store opens for trade to the public.

An additional access point is provided for vehicles travelling east along Parramatta Road. In the middle of the site, a slip lane is provided that gains access directly into the ground level car parking area. Once customers have visited the premises for the first time, the Proponent states that this access point will be utilised by customers coming back to the site in the future, which will assist in reducing the traffic impact of vehicles waiting to turn into the site from the intersection.

Egress from the site was original proposed adjacent to this slip lane entrance, however, following concerns from the RTA, this egress point was removed from the proposal in the PPR. All egress from the site for customers will now be from the signalised intersection.

The Department is satisfied that the proposed access and egress arrangements are sufficient. The Department supports the RTA's request to review the effectiveness of the proposed new signalised intersection and conditions are included within the recommended conditions of Approval.

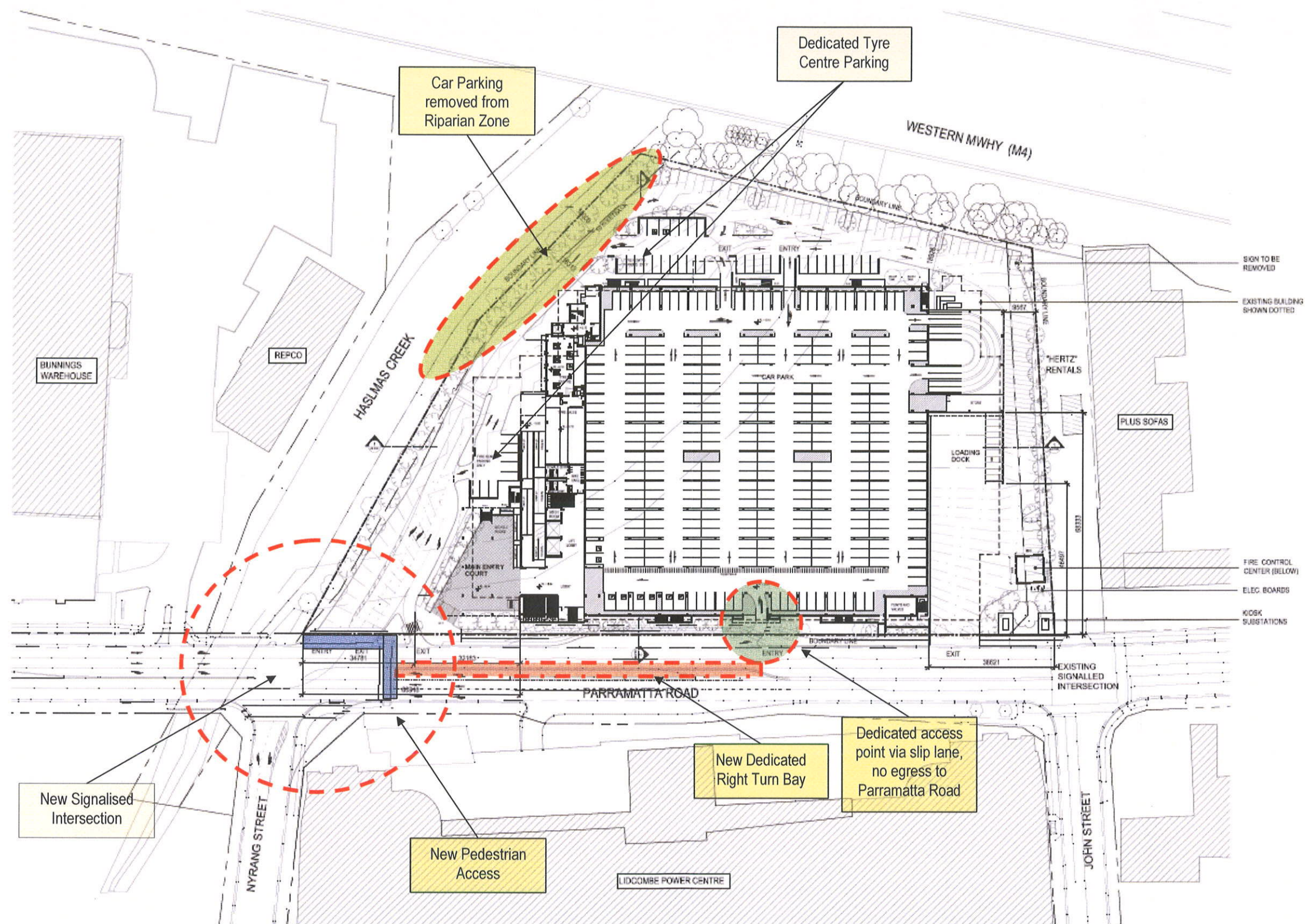


Figure 8: View of proposed works as contained within PPR